

General -

6b Publications and Consultations

o Purpose of Report

The purpose of this report is to inform members of a number of recent publications and consultation papers and to seek approval of draft responses as appropriate.

o Scotland's Marine Plan

The Scottish Government has released a Consultation Draft of a National Marine Plan.

The Plan sets out a framework covering both inshore waters (out to 12 nautical miles) and offshore waters (12 to 200 nautical miles), encompassing an area of over 450,000 square kilometres.

The Plan contains eleven separate sector chapters, of which those on Oil & Gas, Carbon Capture & Storage and Transport are of most relevance. The Oil & Gas sector chapter recognises the continuing importance of the recovery of oil and gas reserves at minimum environmental cost in supporting jobs and energy security. Remaining recoverable resources are estimated at between 11.9 and 25 billion barrels equivalent, which is likely to support extraction industries until at least 2040. On Carbon Capture & Storage, the Plan indicates that this technology can be a realistic low carbon deployment option and identifies potential CO₂ storage sites in Scottish waters, most of which are off the north east coastline.

Chapter 13 is on Transport and acknowledges the importance of ports and harbours for both ferries and trade. The Plan contains little detail since ferry issues are covered in more detail in the Ferries Plan.

Both Peterhead and Aberdeen are identified in the map identifying National Renewables Infrastructure Plan sites and on the map of Cruise Ports in Scotland.

A series of public meetings was conducted to provide an opportunity to learn more about the Plan, including three in the north east - in Aberdeen, Peterhead and Fraserburgh.

Responses are sought by 13 November 2013, but there are not felt to be significant issues for Nestrans which would require a formal response.

o EU Guidelines on State aid to airports and airlines

As indicated at the last meeting of the Board, the European Commission has issued a draft paper on EU Guidelines on State aid to airports and airlines, a copy of which can be found at:

http://ec.europa.eu/competition/consultations/2013_aviation_guidelines/index_en.html

Because officers were in consultation with Aberdeen International Airport, the Airport Consultative Committee and with Scottish Enterprise, it was not possible to provide a draft response for Member consideration at the last meeting. The deadline for submission was 25 September 2013, and it was therefore agreed to provide a response and circulate a copy to Members for information.

A copy of the response is attached as Appendix A to this report.

o **Revised Statutory Guidance on Local Bus Services**

The Local Transport Act 2008 requires the Senior Traffic Commissioner for the UK to provide guidance and directions as to the way in which Traffic Commissioners will approach the exercise of their statutory functions. The existing statutory guidance on local bus services has been reviewed and revised and a consultation is currently underway on a draft with a closing date for comments of 13th November 2013.

The document sets out what Traffic Commissioners should expect from bus operators who run registered bus routes and revises the standards for reliable and punctual services. The Senior Traffic Commissioner also makes clear reference to the responsibilities on local authorities, local bus partnerships and the expectations on the Vehicle and Operator Services Agency (VOSA) and proposes revisions to financial penalty levels where operators fail, without a reasonable excuse, to operate a local bus service, or do not run a registered service according to the timetable.

One of the key changes proposed in the guidance is a change to the window of tolerance within which a bus is deemed to be 'on time'. Currently a bus is regarded on time if it departs within the window of 1 minute early to 5 minutes late. The proposed change removes the 1 minute early window and changes the window of tolerance to "up to 5 minutes late".

A draft response to this consultation is provided in Appendix B and the deadline for responses is 13th November 2013.

o **Visioning Aberdeenshire 2013-2050**

Aberdeenshire Council has developed a draft vision for Aberdeenshire, the purpose of which is to provide guidance to Aberdeenshire Council as it considers its strategic long term aims. The vision is aspirational and sets out a pathway to 2050 as well as priorities to achieve the vision. The consultation closed on 30th September 2013 and a response was submitted. This response is provided in Appendix C for information.

o **Aberdeenshire Council draft Passenger Transport Strategy and Public Transport Policy Statement**

Aberdeenshire Council are currently reviewing their Public Transport Policy Statement. This strategy sets out the policy background, proposed strategy objectives and a policy framework for service delivery, in addition to a range of passenger transport policies. A draft response has been prepared for consideration (see Appendix D) which welcomes the review of this document and supports the policies identified within it.

o **Civil Aviation Authority consultation on airspace re-classification**

The Civil Aviation Authority are under an obligation from world and European air regulators to amend their airspace classifications. An initial stakeholder consultation on this highly technical issue identified an unintended and unidentified problem for Aberdeen International Airport. This problem is caused by the unique mix of aircraft that use Aberdeen International Airport.

Having identified the issue the air traffic control organisation – NATS – has identified a fix to the problem and the Civil Aviation Authority are consulting on the issue. This addendum consultation can be found at:

<http://www.caa.co.uk/default.aspx?catid=1350&pagetype=90&pageid=15248>

The consultation purpose is identified as:

“The purpose of this consultation is to seek industry comment on the CAA's proposals to establish Class E ‘fillets’ in the vicinity of the Aberdeen Control Zone/Control Area. This follows the CAA’s original consultation on proposals to replace Class F airspace in the UK Flight Information Regions held between 8 April 2013 and 26 July 2013.”

Aberdeen International Airport has however informed Nestrans that the Civil Aviation Authority are willing to accept responses from other (i.e. non-industry) bodies interested in the proposals.

The initial proposal from the Civil Aviation Authority would have had the effect, at Aberdeen International Airport, of increasing the burden on air traffic controllers thus compromising safety and of reducing the capacity of the runway from 36 movements per hour to between 27 and 29 movements per hour. Since the runway operates at capacity in the morning peak loading time, this would have had follow on impacts on the economy of the north east given reduced airport capacity.

The attached response, Appendix E, has been written as a non-technical impact assessment of the issues to provide the Civil Aviation Authority with an overview of the severe impact that limiting access to the UK’s fifth busiest runway would have, not only on our economy but also the economy of the UK as a whole. This response has been prepared in consultation with Aberdeen International Airport to determine impacts and their wider implications.

The response suggests that leaving the current airspace classifications would be the best alternative but should this not be possible due to European and World need for consistency then the “fillets” fix is essential.

o **Recommendation**

It is recommended that the Board:

- a) note the content of this report and the documents referred to above.

RGM/RD/KC October 2013

CONSULTATION ON THE 2013 DRAFT EU GUIDELINES ON STATE AID TO AIRPORTS AND AIRLINES

RESPONSE FROM NESTRANS

General

1. Nestrans is the statutory Regional Transport Partnership (RTP) for the North East of Scotland, covering the local authority areas of Aberdeen City and Aberdeenshire. The Nestrans area covers some 2,500 square miles and has a population of around 476,000. It is served by Aberdeen International Airport and has one of the highest GVAs of any area in the UK, has high propensity to fly ratios and is economically buoyant.

2. Nestrans welcomes the opportunity to respond to the draft 'Community guidelines on State aid to airports and airlines' that follow the previous consultation on the review of the 'Community guidelines on financing of airports and start-up aid to airlines departing from regional airports' in 2011. We also welcome that the regulation repeals the two previous rules (1994 and 2005) which assists simplification. We have provided comment on each section of the draft guidelines but focus on the support measures that we believe will contribute to the Scottish Government's key purpose of sustainable economic growth, especially start-up aid for new routes. We support this purpose and believe that aviation has a key role to play in achieving this end for Scotland and our area, whose economy is outward facing with a number of key industries relying heavily on overseas markets and overseas trade.

3. We are however, disappointed that the concerns raised in the previous 2011 consultation regarding the definition of regional airports based on size and the lack of substantial support for new route development have not been taken on board and in fact, the new guidelines are even more restrictive on the level and type of aid we are able to offer Scotland's regional airports.

Section 1 - Introduction

4. We understand that Scottish responses to the 2011 consultation reflected the belief of a range of stakeholders that the guidelines do not provide the most effective methodology for preventing distortion and have the undesirable side-effect of severely restricting the potential for sustainable economic growth. The EU categorisation of airports based on passenger numbers does not reflect the experience and issues faced by regional airports in Scotland. The guidelines continue to be a one-size-fits-all framework which might be appropriate for continental Europe but are competitively disadvantageous to the more peripheral regions of the EU such as Scotland. The risks inherent in establishing and maintaining a level of international connectivity in outlying regions compatible with

territorial cohesion are not fully reflected in the revised guidelines, particularly in relation to the revised guidelines on start-up aid.

5. The guidelines do not adequately explain why the definition of a regional airport has changed from 5m to 3m passengers per annum. This new categorisation of airport effectively reduces the number of Scottish regional airports eligible for support compared to the previous rules and changes the categorisation of Aberdeen International Airport which has around 3.3million passengers per year. Airports with between 3 and 5 million ppa in peripheral areas have a significantly different role, function and needs to a similar-sized airport close to the centre of Europe or to conurbations with a choice of transport options. Such a policy can only have a detrimental effect on economic growth in Scotland and it remains our view that domestic air traffic (within the UK) does not distort competition in the wider EU context and therefore believe that the definitions of regional and large airports should be calculated only on international flights, net of domestic passenger numbers.

Regional Services.

6. In the peripheral regions of the EU such as Scotland, where there are no alternative high speed surface transport options, there is a greater reliance on air travel to access existing and developing markets. Catchment area markets are smaller and the risk inherent in starting up new air services is therefore correspondingly greater. Whilst the Commission recognises this, we consider that there is little in the current guidelines that adequately addresses the problem.

7. Unlike other EU member states, the UK and Scotland have no "national carrier" with an obligation/duty to develop services from regional airports. The embedded strategies of full scheduled carriers are to develop international connections from their hub airports and not from regional airports - placing regions at an immediate disadvantage in connecting with key markets in Europe. UK domestic access to UK hub airports for international connections is reducing, and is likely to reduce further, given the constraints on capacity at the London airports. We believe that direct international services from regional airports can help mitigate the impact of such constraints on hub airports.

8. The aid intensity levels for investment aid to an airport are also arbitrary, as is the proposition that only repayable advances should be permitted for airports with passenger numbers between 3m and 5m per annum. Both require better explanations as to why these levels have been selected.

9. The draft guidelines unfortunately do not give adequate consideration to promoting cohesion and economic development, particularly in those parts of the EU that do not have major hub airports or high-speed rail connectivity.

Section 4 – Definition of Service of General Economic Interest (SGEI)

10. It would be useful if the guidelines made clear the airport activities that would be eligible under an SGEI as there is no reference to these within the SGEI guidelines or Regulation 1008/2008. The 2005 guidelines at Section 4. 53 (iv) made clear the differing eligible activities and the SGEI staff working document makes direct reference to that section when discussing compatible costs.

Section 5 Compatibility of aid under Article 107(3) TFEU

11. Paragraph 72 refers to seven conditions that are required to be met for aid to be compatible but only lists 6.

Start-up aid

12. We believe that the provision for start-up aid for airlines remains of limited value as it continues to fail to recognise the commercial realities and true level of risk inherent in new route development in peripheral regions.

Eligible costs:

13. Aid should be related to supporting airlines where there are demonstrable projected operating losses during an initial start-up period, rather than to the very limited, permitted support categories of marketing and advertising costs and installation costs for the airline at the regional airport involved. Retaining the very restrictive view on what constitutes eligible costs for Start-up Aid by excluding standard operating costs, airport charges, etc. limits the potential for new routes/frequencies to be assisted under the Guidelines, and as stated above does not take account of the commercial realities of developing new air routes to smaller airports. It could perhaps be argued that such an approach is fair when assisting route developments at larger airports (over 5m ppa) where the commercial risks will be much lower. However, with Start-up Aid only permitted at airports up to 3m ppa, the restriction on eligible costs provides very limited scope for meaningful levels of support to be offered in relation to the larger commercial risks of starting new routes/frequencies at these smaller airports.

Reduction in duration of support:

14. There appears to be no reasoning to why all Start-up Aid should now be limited to a maximum of two years' duration, nor why the dispensation for "disadvantaged regions" (including sparsely populated regions) for duration up to 5 years with higher levels of aid intensity has been removed. Limiting Aid to maximum 2 years restricts the potential for development of commercial air routes to remote/sparsely populated regions which will take 3-5 years to mature and/or present a more significant commercial risk to an airline.

15. There are also no special (higher) aid intensities or longer support periods for disadvantaged regions or sparsely-populated regions such as the north of Scotland. This change is not explained and is particularly disadvantageous to such areas where it always takes longer to establish new routes.

16. Taken together, the limits on airport size, aid duration and eligible costs for Start-up Aid provide little scope for a compliant scheme to be of much value either to airlines, or in terms of promoting accessibility and economic development of remote or sparsely populated regions.

Aid for routes outwith the EEA.

17. We also note that the draft guidelines are silent still on connectivity outwith the European Economic Area (EEA). Such links are increasingly important for the maintenance and development of connections with existing and emerging markets and the direct economic benefits these can deliver. It is the Scottish Government's view that the competition for new routes is not confined to Europe, but is global. If peripheral regions are to remain/be economically competitive then support for improved connectivity is needed to share the inherent risk in the start-up of new routes.

18. However, we are content that the current guidelines appear to have lifted the restriction on support to EU carriers only. With no national carrier, we welcome the relaxation of this condition which will assist regional growth. We seek clarity however, with regard to support out-with the EEA.

19. Paragraph 113 – we would welcome a full explanation of the expressions 'duly substantiated exceptional cases' and 'under the same conditions'.

Notification requirements.

20. It would be useful if notification requirements were made clear in the text at 5.2 to be consistent with sections 5.1 and 5.1.2 and confirm at Annex III the position with regard to individual notification.

21. Alternatively, regard should be paid to investment and operating aid. It would fit with the simplification agenda if aid for airports with fewer than 3m passengers p.a. could be notified under the General Block Exemption Regulation (GBER). Presumably support will be compliant if it adheres to the aid intensities, methodologies and complies with the 7 compatibility criteria at section 5.

22. Paragraph 112 – it is not clear what conditions in what paragraphs are being referred to here.

Section 6. Aid of a Social Character.

23. We suggest that there is cross-referral between the different EU regulations as the text makes no reference to the fact that this provision is now exempted under the revised General Block Exemption Regulation (GBER) and notification should be made via that regulation.

24. In summary, Nestrans supports the view being expressed by other Scottish stakeholders including the Scottish Government that in a scenario where there is no displacement of services or distortion of competition, strong sustainable economic growth and increased connectivity across Europe and beyond, **the annual volume of an airport's passengers should be immaterial to the consideration of public support.** By imposing this arbitrary categorisation, the maximisation of route development potential is inhibited. Together with the limits on aid duration and eligible costs for Start-up Aid, the guidelines provide little scope for a compliant scheme to be of much value to airlines or to the promotion or success of Scotland's air connectivity.



CONSULTATION RESPONSE FORM

Appendix B

Name	Kirsty Chalmers
Address	27-29 King Street, Aberdeen
Postcode	AB24 5AA
Email address	kirchalmers@nestrans.org.uk
Company name or organisation (if applicable)	Nestrans
If you would like your response or personal details to be treated confidentially please explain why:	

Question 1: for example - Do the guidance and directions provide sufficient clear details to inform industry and other stakeholders? If not, what changes would you make and why?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Answer 1: From a Regional Transport Partnership perspective, the guidance and directions appear to give sufficient details to inform us as a key stakeholder and public sector member of the quality partnership and BPIP agreements in the north east of Scotland. What is less clear is how this guidance relates to Scotland in particular. Reference is made in parts of the guidance to the Registration of Local Services (Scotland) Regulations 2001 but it is not clear how the legislation applies to the different parts of the UK and how this guidance may then be interpreted in different areas.		

Question 2: for example - Do any parts of the guidance and/or directions require clarification? If so, please refer to the paragraph number and explain why.	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Answer 2: Paragraph 38 refers to the previous Traffic Commissioner punctuality target of 95% and states that it might be appropriate, in some instances, to agree a lower target initially with a comprehensive review at 6 and 12 months. It then goes on to state that where the 95% target is being achieved, a higher level of punctuality may be a desired goal and that partners are encouraged to meet more stretching targets if possible. These statements appear at odds with the standards set out later in the document under paragraphs 112-117 which state punctuality targets to be 100%. Further clarity is required on what the actual target is. In our view 100%, whilst desirable, would seem unachievable.		

Question 3: for example - Are there any aspects of guidance and directions which, as drafted, should not be included? If so, please explain why.	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Answer 3:		

N/A

Question 4: for example - *Are there other provisions not included in these guidance and directions that should be? If so, please explain what they are.*

Yes

No

Answer 4:

While we support the change to the window of tolerance to remove the 1 minute early window, as we believe this better reflects passenger expectations, the guidance currently does not make any reference to how this will affect current punctuality figures and targets that have been set based on the window of 1 minute early to 5 minutes late.

The current BPIP agreement in the north east of Scotland uses baseline data collected based on the '1 minute early to 5 minutes late' window of tolerance. A change to this window will clearly have an impact on this baseline and any targets set and some guidance on how this change should be reflected in existing agreements / partnerships would be beneficial.

It is also our experience in the north east of Scotland that, in order to meet punctuality targets, journey times have simply been lengthened. This has done nothing to increase bus patronage and results in frustration for passengers already using the bus. The balance between punctuality and journey times is something we have raised with the Traffic Commissioner in the past and is something that we believe requires further consideration.

Question 5: for example - *Are there aspects of these Guidance and Directions which seem likely to increase your financial or administrative burdens? If so please explain what they are and, if relevant, what changes would reduce the increase.*

Yes

No

Answer 5:

N/A

Please send your completed form to: sstcconsultations@otc.gsi.gov.uk or by post to:

Office of the Senior Traffic Commissioner
Suite 6
Stone Cross Place
Stone Cross Lane North
Golborne
Warrington
WA3 2SH

Please ensure that if you submit your response by post it is clearly marked for the attention of Corrina Bielby.

The deadline for responses is: 13th November 2013

26th September 2013

Our Ref: Appendix C

Aberdeenshire 2050
Aberdeenshire Council
Woodhill House
Westburn Road
Aberdeen
AB16 5GB

Dear Sir / Madam

Aberdeenshire 2050: Visioning Aberdeenshire 2013-2050

I am writing in response to the consultation on the Aberdeenshire Vision to 2050. Nestrans fully supports the development of such a vision and welcomes the opportunity to input into this process.

Nestrans supports the vision that is set out in the consultation document and the priorities that have been identified to achieve it. The key issues and challenges are, on the whole, all referenced.

We do feel however that the vision should recognise the role that Aberdeenshire plays as part of the wider north east and the inter-dependence that exists between Aberdeen City and Aberdeenshire, particularly in relation to the energy economy but also in terms of shared infrastructure and facilities. This important relationship should be referenced within the vision which, although we appreciate is a vision for Aberdeenshire, cannot be achieved without recognition of the role of Aberdeenshire within the wider north east and the role that the City needs to play in achieving this vision.

Thank you again for the opportunity to comment.

Yours faithfully

Kirsty Chalmers
Transport Executive (Strategy & Delivery)

18th October 2013

Our Ref: KC/N1/2

Richard McKenzie
Public Transport Manager
Infrastructure Services
Transportation
Aberdeenshire Council
Woodhill House
Westburn Road
Aberdeen
AB16 5GB

Dear Richard

Draft Passenger Transport Strategy Consultation

Thank you for the opportunity to comment on the draft Passenger Transport Strategy, incorporating the Public Transport Policy Statement. Nestrans welcomes the review of this document and supports the policies identified within it.

We welcome the recognition of and commitment to on-going partnership working through the Quality Partnership and in the delivery of the objectives of the Nestrans Bus Action Plan and in particular are pleased to see references to the development of multi-operator ticketing and a network of mini-hubs.

In relation to specific parts of the document, we would make the following comments:

- Para 4.8.6 – Aberdeenshire Council may want to consider making reference to the Getabout partnership, of which Aberdeenshire Council is a partner, and which has been used to carry out significant public transport promotion in recent years, particularly in relation to the pre-Christmas period.
- Para 4.10.7 – are there opportunities to consider links to other organisations e.g. the health service, when considering vehicle availability, utilisation and efficiency?
- Para 5.1.7 – it may be worth referencing here that transport has been identified as one of five priorities for Aberdeenshire’s Community Planning Partnership and that the delivery of policies in this strategy directly links to outcomes identified in the Single Outcome Agreement.

- Para 6.2.1 – We welcome the commitment set out to continue to conduct an annual satisfaction survey of Aberdeenshire bus users to ascertain their perceptions of various aspects of bus service delivery. It would however be worth noting that in recent years this survey has been conducted in partnership with Aberdeen City and funded by Nestrans.

I hope that these comments are helpful to you in finalising the strategy. If you would like to discuss any of these comments in further detail, please do not hesitate to contact me.

Yours sincerely

Kirsty Chalmers
Transport Executive (Strategy & Delivery)

Civil Aviation Authority

Safety and Airspace Regulation Group

Replacement of Class F Airspace in UK Flight Information Regions – Addendum Consultation

Response by : Nestrans

Introduction

Nestrans (North east of Scotland Transport) is the statutory Regional Transport Partnership for the north east of Scotland covering the land areas of Aberdeen City and Aberdeenshire Councils. This covers just under 10% of both Scotland's land mass and population. Our primary function is to produce and implement a Regional Transport Strategy for our region.

Within this consultation our concern is twofold:

1. To retain safety in operations at Aberdeen International Airport; and
2. To maintain and enhance the economic activity and jobs not only in our area but also the contribution this area makes to the UK economy and the follow-on jobs created in other parts of the UK due to activity in our region.

Nestrans is not competent to discuss the technical details of the consultation proposals and we will therefore limit our comments to implications of the proposals as we understand them from discussion with experts at Aberdeen International Airport.

General Comments

Nestrans understands that the CAA consultation is open to stakeholders and that the consultation is on the technical aspects of a change in operating rules. Aberdeen International Airport have however informed us that the CAA is open to receive consultation responses highlighting the impact that proposals could have on the wider economy of our region. We are therefore pleased to be able to pass on these comments to hopefully increase greater understanding of these wider implications. Our response therefore doesn't sit neatly with the form that you have issued. We hope that this format will suffice.

Nestrans understands the CAA's desire to comply with the ICAO regulations and the European Law of Standardised European Rules of the Air. We are not sure about the flexibility there may be in the implementation of these rules and whether the CAA have had any discussions with these bodies on the extent that such flexibility may be available.

Subsequent sections of this response, on the impact that the original proposals could have on the operation of Aberdeen International Airport and therefore on the economy of the north

east of Scotland, would suggest that continuing current operational rules would have advantages for our airport and region. We believe that the option of flexibility being granted to keep the current rules of operation should be explored and understood.

Safety

Nestrans would share a CAA view that all operations should be operated in a safe manner. It is our understanding that the original proposals would place additional burdens on air traffic controllers controlling the airspace around Aberdeen International Airport.

With the runway at Aberdeen International Airport being the 5th busiest runway in the UK during weekdays, due to the unique combined operation of fixed wing and helicopters, and the runway operating at capacity for several periods during the day, it is our understanding that this additional burden would introduce concerns regarding additional risk, particularly at a time when the current climate in Aberdeen is sensitive to recent Health and Safety issues. This situation would not be acceptable with the likelihood of reduced numbers of operations to reduce traffic movements to acceptable levels.

Therefore if the current rules of operation cannot be maintained, Nestrans would support the additional fillets proposed in the addendum consultation.

The north east of Scotland economy

The north east of Scotland has for over 40 years been in the fortunate position of supporting the development of the North Sea Oil industry. This has had enormous significance for the UK economy as well as boosting directly the economy of our region. The development of oil and gas fields along with the movement towards renewable energy has created many opportunities for companies across the north east of Scotland. Our region has been very creative in accepting the challenges of the North Sea and we have become the world experts in both sub-sea engineering and supply chain logistics.

This worldwide reputation has meant that the expertise developed in the north east of Scotland has spread across the UK and worldwide. In the north east of Scotland there are some 40,000 oil and gas related jobs of a total of some 440,000 oil and gas jobs across the UK. A number of these jobs across the UK are dependent upon operations in the north east of Scotland where management control of operations leads to knock-on contracts across the wider UK.

Significantly too, the reach of the industry in the north east of Scotland has extended far beyond the North Sea region to all parts of the globe. The supply chain and logistics industry has a £16 Billion turnover of which just under a half is foreign contracts bringing both export income and jobs to the UK. The UK and Scottish Governments have both set ambitious targets for doubling this trade over the next few years.

This trade with worldwide destinations has had an impact on Aberdeen International Airport.

- The runway is the 5th busiest in the UK, an astonishing figure for a catchment population of around half a million;
- The runway operates at capacity for several periods during the day;

- 65% of travellers at Aberdeen International Airport are business travellers;
- Just under 25% of all Scotland to Heathrow traffic is via Aberdeen International Airport (for just under 10% of the population);
- The airport has good connections to other European hub airports;
- Aberdeen International Airport is the best connected UK to UK airport;
- Over 40% of traffic to Heathrow is interlining to world destinations;
- The low cost carrier traffic at Aberdeen International Airport is very low;
- Despite some loss of helicopter traffic during the current difficulties for that industry, the Airport overall has seen very strong growth in passenger numbers with figures now exceeding pre-recession peaks;
- The mix of aircraft types at Aberdeen International Airport is unique.

These statistics endorse the fact that Aberdeen International Airport is a very busy regional airport within a region with a very high propensity to fly. This is partly explained by the business traffic with its worldwide connections but also due to the geography of the UK with the distance between Aberdeen and London being significant enough to make air travel the only viable option particularly for business traffic.

Even if High Speed Rail were to extend to Aberdeen, which will not happen due to distance and lesser passenger numbers, the journey times would still favour air travel as the most expedient method.

The current levels of traffic are also predicted to significantly increase over the coming years with the Governments' own Oil and Gas Strategies pointing towards this increase. Indeed the region is currently experiencing a significant post-recession construction boom with a high number of commercial developments under construction with an anticipated large number of new jobs being created. These developments are generally creating new office complexes for energy companies along with associated hotel etc. developments, not least of which is the three sizable developments currently under construction in the vicinity of the airport itself. Current planning applications and signed planning agreements also indicate a huge boost in housebuilding is about to commence.

All this leads to the view that any change in operations at the airport which could limit the capacity of the airport could have very significant consequences not only for the north east of Scotland but also for jobs across the UK. Our discussions with Aberdeen International Airport have highlighted that the original proposals could have reduced the maximum air traffic movements at the airport from around 36 movements per hour to between 27 and 29 movements per hour.

This could have a very significant impact on businesses in the north east of Scotland. Many of the businesses here could relocate quite easily to other parts of the world. With this there could be a significant job loss across the UK as contracts are lost to foreign companies. This comes about because many of the companies in our region are foreign owned, located here

for a number of reasons and a number have started as local companies which have been bought over by foreign owners to capture their extensive knowledge base.

One of the principal reasons for being located in the north east of Scotland is the relative ease of access to worldwide destinations mainly via Heathrow but also through other European hubs. The frequency of flights to Heathrow in particular is important to our business community. Should a re-designation of airspace class as originally proposed affect this frequency of flights, or number of destinations reached or the ability to serve the North Sea, then this would be unacceptable and have very significant knock-on effects not only on our economy but across the whole UK.

Therefore, from an economic point of view if the current rules of operation cannot be maintained Nestrans would support the additional fillets proposed in the addendum consultation.

Conclusion

Nestrans hopes that this provides a non-technical background to concerns about proposals to amend the airspace category around the north east of Scotland that would impact adversely on flow rates at Aberdeen International Airport. Such proposals are of course important to the Airport and the air traffic control, but this paper has tried to demonstrate that any decisions of this nature will have wider implications for our local economy and the UK economy in general. This is particularly so at an airport such as Aberdeen International Airport where the propensity to fly is high with this being a business-led propensity. Disturbing the ability to fly has the potential to have great impact well beyond the aviation industry.

Balancing the need to comply with European and World regulations with safety concerns and economic realities brings the view that if the current rules of operation cannot be maintained Nestrans would support the additional fillets proposed in the addendum consultation.