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## 6c Heathrow's third runway and High Speed Rail

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- Purpose of Report

The purpose of this report is to highlight the new UK Government's intention (as mentioned in the coalition partners manifesto's and coalition agreement) to drop proposals for a third runway at Heathrow.

This report considers policy options should this proposal be implemented.

- Background

Extracts from the Conservative and Liberal Democrat Manifesto's are attached at Appendix 1. Also attached at appendix 1 is an extract from the Conservative/ Liberal Democrat coalition agreement.

### Heathrow

It is clear from these documents that the new Government will not be pursuing a new third runway at Heathrow.

Nestrans has had a policy of supporting the third runway at Heathrow to ensure that adequate services are provided from the UK's only hub airport to Aberdeen as Heathrow has reached it's capacity. This is particularly important as the North East tries to anchor the oil and gas industry and expand into an all energy economy which will result in increased world travel from our area.

### High Speed Rail

The coalition agreement discusses proposals for a high speed rail network. The agreement however doesn't describe the extent of the network. The Conservative manifesto did though only discuss a network to Leeds and Manchester as a phase one with extension to Scotland as a phase 2.

This will be important for the North East because even if that network doesn't extend to our region it will need to extend far enough (Edinburgh & Glasgow) to ensure that air services to these areas are reduced by mode shift to the new rail service. This would have the potential to provide some relief to capacity at Heathrow although this is most likely to be taken up by airlines for long haul routes to the new expanding Asian economies.

- Proposal

If the new Government implements it's coalition agreement policy and removes support for a third runway then Nestrans will have to reconsider its position. The options would appear to be:

- Continue to campaign for a third runway to alleviate congestion

- Or: Ask the new Government to consider relaxing the current planning restrictions on runway operations.
  - This could include relaxing rules on alternation. Alternation limits use of the two existing runways to either landing or take off use at different times resulting in residents not being under a flight path at times. Relaxing this would allow both take off and landing from both runways thereby increasing capacity.
  - This could also include allowing increased night time flights thereby increasing capacity
    - Both these measures were rejected as interim measures (prior to a third runway but to provide instant additional capacity) by the previous Government.
  
- Or: Ask that the Government to implement a series of measures including:
  - Extending the HSR network to Scotland as part of phase 1 of that project
  - Include Heathrow as a part of the HSR network as discussed in the Conservative manifesto
  - Bring forward electrification of the line between the central belt and Aberdeen to be ready in time for the introduction of HSR in Scotland to enable through trains from Aberdeen to London taking advantage of the HSR route from the central belt south
  - Plus either
    - incorporate some measure of the 2<sup>nd</sup> option above
    - or investigate with the European authorities ways of ensuring appropriate access for peripheral regions to their national hub airports (currently the Department for Transport defines Public Service Orders as applying to a place i.e. London rather than a specific airport or hub airport)

- Discussion

A letter from the Nestrans Chair has been sent to the new Secretary of State for Transport highlighting the importance to the North East of Scotland's economy of access to world energy centres via the UK's only hub airport at Heathrow. A copy of this letter is attached as Appendix 2.

Following this Board meeting a further letter will be prepared based on the new policy agreed by the Board to continue to press the case for access to Heathrow and its importance to our economy.

On 24 May 2010 BAA issued a press release which contained the following:

"In response to the Government's new "Coalition Agreement", Heathrow Airport today announces that it will stop work on the planning application for a third runway..... Colin Matthews, BAA Chief Executive Officer said "We recognize the importance of Government policy in a matter as significant and controversial as runway capacity. .... Heathrow plays an important role for the UK and supports thousands of jobs. We continue to believe that new capacity would strengthen the UK's trading links with the global markets on which our economy and competitiveness depend.""

- Recommendation

It is recommended that Members consider the contents of this report and agree a policy to pursue.

RGM/20 May 2010

**Extract from the Conservative Party Manifesto**

*Improving our transport system is vital for our quality of life, our environment and our economic competitiveness.*

*We will begin work immediately on a **high speed rail line** connecting London and Heathrow with Birmingham, Manchester and Leeds, with construction beginning in 2015, as the first step towards our vision of a national network joining up cities across England, Scotland and Wales. Stage two will deliver two new lines bringing the North East, Scotland and Wales into our high speed rail network.*

*Because travel abroad is so important for our economy and for family holidays we need to improve our airports and reduce the environmental impact of flying. So we will:*

- **Stop the third runway at Heathrow;**
- Focus on **making Heathrow better not bigger**, bringing it directly into our high speed rail network;
- Work to improve the **efficiency of airport security checks;**
- **Block plans for second runways** at Stansted and Gatwick; and
- **Reform Air Passenger Duty** to encourage a switch to fuller and cleaner planes.

**Extract from the Liberal Democrat Party Manifesto**

***Restricting aviation growth***

*The emissions from rising aviation are a serious problem in the fight against climate change. But in some more remote parts of the country, flights are a vital lifeline, and aviation is important for the economy as a whole. Liberal Democrats believe that we should do all we can to ensure people use alternatives where that makes sense.*

***We will:***

- *Replace the per-passenger Air Passenger Duty with a per-plane duty (PPD), so capturing freight movements by air for the first time.*
- *Introduce an additional, higher rate of PPD on domestic flights for which alternative and less polluting travel is readily available.*
- *Cancel plans for the third runway at Heathrow and any expansion of other airports in the South East.”*

**Extract from the Conservative/ Liberal Democrat coalition agreement**

***Energy and Climate Change***

*We will cancel the third runway at Heathrow;*

*We will refuse permission for additional runways at Gatwick and Stansted;*

*We will replace Air Passenger Duty with a per-flight duty;*

## **Transport**

*We will establish a high speed rail network as part of our programme of measures to fulfil our joint ambitions for creating a low carbon economy. Our vision is of a truly national high speed rail network for the whole of Britain. Given financial constraints, we will have to achieve this in phases.*

*We support (London) Crossrail and further electrification of the rail network.*

25 May 2010

Our Ref RGM/N12/3  
Your Ref

Rt. Hon. Phillip Hammond, MP  
Secretary of State for Transport  
Great Minster House  
76 Marsham Street  
London  
SW1P 4DR

Dear Secretary of State

Nestrans is the statutory Regional Transport Partnership for the North East of Scotland covering the geographic areas of Aberdeen City and Aberdeenshire Councils. We are charged with setting a Regional Transport Strategy for our area and supporting our constituent authorities in implementing that strategy.

Firstly may I congratulate you on your cabinet appointment. I hope you enjoy your time at the Department of Transport.

The economy in our area is one of the few truly global economies in the UK. Our area has been the home to the UK's oil and gas industry for the development of North Sea reserves. As such our region has a vast wealth of knowledge and expertise in the energy sector that has developed and grown over the last 40 years or so. It has an enviable record of innovation and implementation. The successes in our area are transported throughout the world as oil and gas fields are developed else where and our region has become one of the worlds centres of excellence in this field. We have the greatest concentration of sub sea expertise in the world.

Our economy is also a major exporter in the food and drink sector with our region accounting for 1/3 of all Scotland's food and drink exports.

Our local authorities are keen to embed this success into our area and develop from an oil and gas centre of excellence into an all energy global centre of excellence as well as building on our more indigenous food and drink industry export successes.

The energy companies are also interested in maintaining and developing the expertise that exists in our area, building on the record of innovation, success and export that already exists, keeping and expanding the critical mass needed for our region to support and drive the energy industry throughout the world as North Sea developments begin to contract. In doing so we hope to continue to contribute greatly to the Scottish and UK economies and continue to bring in and grow export revenue at a time of reducing North Sea income. This can be achieved by providing the oil field management services from the UK as companies choose to base in a location and send people to work in areas of the world whilst their families stay at the base location. This is particularly so as oil fields develop in areas of the world that are not particularly family friendly.

We have the people, the knowledge, the existing business, the global outlook and the linkages with other parts of the world where energy industries exist. This base provides us with a good chance of success in developing our economy for the benefit of Scotland and the UK. We are, though, far from the centre of the UK and the main world hub for UK travellers at Heathrow Airport.

Because of the distance involved in getting to Aberdeen on arrival into the UK at Heathrow, flying is the only practical option for today's and tomorrow's business passenger. Taking the train is not a practical option at over 7 hours journey time on the train alone never mind the time taken to get from Heathrow to Kings Cross and only 3 trains per day with the last at 1600 hours.

With an existing global economy and a will and desire to increase that economy air travel from Aberdeen to various parts of the world is extremely important to us. Our Regional Transport Strategy in support of the developing Structure Plan recognises these important external links. A copy of what our Regional Transport Strategy says in respect of this is included as an appendix.

Whilst we recognise that developing direct flights from Aberdeen would be helpful, particularly for the reduction of carbon emissions, we also recognise that access to many parts of the world will only be viable from a hub airport.

It has therefore been with concern that we have watched Heathrow becoming more and more busy over the years, until recently prior to the recession, when we had been advised it had reached capacity. The Nestrans Board, recognising the strategic importance to our economy of access to Heathrow had supported the third runway at Heathrow to alleviate the capacity problem which is exacerbated by the airlines desire to fly more regularly to the emerging economies in the East.

We had also recognised the need to help ourselves and after much local debate our airport has received planning permission to extend opening hours to 24 hours and extend the length of the runway to permit both a greater range of destinations and flying to further distances with a full payload. The extended opening hours have been successfully in place for a couple of years now.

The Nestrans Board though recognises your manifesto commitment and coalition agreement commitment to halt the third runway project. Given that the absolute need for excellent world communications from Aberdeen is vital to our plans to secure a good future for the North East of Scotland, helping the Scottish and UK economies by continuing to contribute positively to these economies, that we find a way to secure the necessary landing slots to not only maintain but build on the range of destinations readily available to business already here but also the new businesses we are trying to attract.

The Nestrans Board will be considering this issue in June this year. Amongst issues that the Board will be considering to help provide the necessary access will be:

- The possibility of relaxing, to some extent, the planning restrictions on mixed use of Heathrow's runways.
- The possibility of relaxing, to some extent, the planning restrictions on night time flying.
- Extending High Speed Rail to Scotland as a phase 1 to significantly reduce the number of flights from Edinburgh, Glasgow and Manchester to Heathrow.

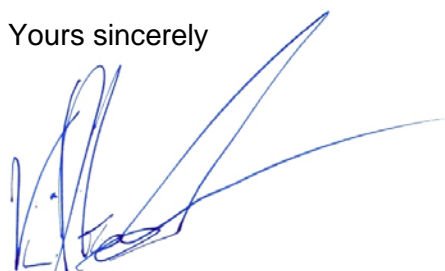
This issue of High Speed Rail is very significant in the context of no third runway. The Nestrans Board is fully agreed that rail travel to Heathrow is preferable to continued air travel but this itself causes us problems because of our peripherality. Extending HSR from the central belt of Scotland to the North East is expected to cost in the region of £10billion but such an investment is still likely to result in journey times of near 5 hours, greater than the anticipated rail cut off time of 3 hours.

If we are left in the position of no extra runway capacity at Heathrow and High Speed Rail not reducing the number of flights from Edinburgh and Glasgow to Heathrow the experience of the last fifteen years would suggest that the pressure on internal landing slots will intensify. This will have a severely negative impact on our ability to attract businesses to set up in our area to generate the critical mass of expertise to keep businesses here. These companies have, literally, the world to choose from when locating their premises and people.

Once the Nestrans Board has considered these extremely important issues I will write to you again advising of their preferred way of fitting into your new policy. If it was at all possible we would be very keen to appraise you personally of the very positive plans we have in the North East of Scotland for securing a future beyond the North Sea Oil era and the impact that transport and connections has on those plans. In the meantime I look forward to letting you know of the Nestrans Board's considerations.

Thank you for your attention.

Yours sincerely



Councillor Kevin Stewart  
Nestrans Chair

**Copies to:**

Rt. Hon Theresa Villiers MP, Minister of State for Transport  
Department for Transport  
The UK Director General for Civil Aviation  
BAA (Aberdeen)  
BAA CEO and BA Chairman  
BMI Chairman  
The Scottish Government's Cabinet Secretary for Finance and Sustainable Growth  
The Scottish Government's Minister for Transport, Infrastructure and Climate Change  
Chair of the UK Transport Select Committee  
Scottish Regional Transport Partnership Chairs  
Scottish Enterprise  
Aberdeen City and Shire Economic Forum  
Local MPs, MSPs & MEPs  
Local Councillors  
Aberdeen & Grampian Chamber of Commerce  
Aberdeen City and Shire Councils  
Dr Peter Smart, Chairman, Aberdeen Airport Consultative Committee  
Ian Armstrong + Gareth Williams, Scottish Council Development & Industry



*Extract from Nestrans' Regional Transport Strategy*

### **Connections by Air (EC5)**

Aberdeen Airport is one of the busiest regional airports in the UK and one of the fastest growing. It plays a key role in supporting the economy of Aberdeen City and Shire, both through providing connections for business and acting as a gateway for in-bound tourism. It is also the base for many lifeline services to Orkney and Shetland. The Aberdeen Airport Masterplan, published by BAA in December 2006, sets out a strategy for the airport's development to 2030. This focuses on expanding the airport infrastructure, extending the runway and increasing the number of direct flights to international destinations.

Aberdeen's geographical location makes aviation a crucial element of the transport system. Journey times by other modes are generally not competitive with air services and accessing alternative airports involves a surface journey of over two hours. Direct domestic and international services, as well as frequent links to hub airports, are therefore essential in supporting the place competitiveness of the north east. To sustain Aberdeen City and Shire's role as a centre of excellence in the energy sector, services are needed to major cities, continental hubs and other energy centres such as Houston.

Aviation is known to be a growing source of carbon emissions and it is therefore important that airlines are encouraged to adopt more modern, efficient aircraft which emit less CO<sub>2</sub> per passenger than older aircraft. Direct flights to other destinations can help to reduce the need for making multiple flights or travel to other airports, contributing towards reducing environmental impacts.

#### *Aberdeen Airport - Air Routes and Frequency of Services*

Nestrans will continue to work through the Airport Business Development Forum to support the important role that Aberdeen Airport plays in the north east. This work will focus on the following:

- establishing new direct routes to European and international business destinations;
- maintaining the frequency of services to international hubs – London Heathrow, Amsterdam Schiphol, and Paris Charles de Gaulle; and
- improving the availability of leisure travel, especially to encourage inward tourism.

#### *Aberdeen Airport - Runway Extension*

A key infrastructure improvement that is required to facilitate the development of transatlantic and other long haul routes is the extension of the existing runway at Aberdeen Airport. BAA has been granted permission by Aberdeen City Council to extend the existing runway by 300 metres, which will enable airlines to use larger, more fuel-efficient aircraft, and allow aircraft to operate non-stop direct services from Aberdeen Airport without payload restrictions or costly and inconvenient en-route stops. A further extension, currently proposed for the longer term, would bring destinations in North America and the Middle East within non-stop range of Aberdeen Airport.

#### *Aberdeen Airport – Support for Key Aviation Routes*

Nestrans will seek to ensure the continuation of services to major hubs, including Heathrow and Gatwick (London) by protecting slots and interlining opportunities. Nestrans will explore the most appropriate means for ensuring routes which are critical to the economic and social

well-being of the north east are retained - if need be through the use of Public Service Obligations.