

**Information note providing detail on Phase 2 of the Airports  
Commission's work programme**

The Airports Commission is currently considering the nature, scale and timing of the steps which may be needed to maintain the UK's global hub status, and is assessing a large body of evidence on this topic in preparation for publishing its interim report at the end of this year. I am grateful to all interested parties for their thoughtful and considered engagement with the Commission and our various discussion papers in the preceding months.

As stated in the guidance document outlining our programme of work, our interim report must meet three key objectives. It should:

- examine the evidence on the nature, scale and timing of the UK's future aviation capacity and connectivity needs to maintain the UK's position as Europe's most important aviation hub;
- make recommendations for any immediate actions to improve the use of existing runway capacity in the next five years and to consider other short and medium term measures for making the best use of existing capacity that might be further developed before the Commission's final report;
- consider long-term options – including major infrastructure and any surface transport needs they may entail – and identify a list of credible options, consistent with our conclusions on the assessment of need, to be further developed before the Commission's final report.

If the Commission reaches a view in its interim report that a significant increase in aviation capacity is needed, the second phase of our work will develop the list of credible long term options into detailed schemes, and subject them to a thorough appraisal process. This is likely to include looking not only at individual proposals in isolation, but also at how they might be combined.

This information note gives further details on the processes and timings that may be established in Phase 2 of the Commission's work, should our interim report conclude that a significant increase in aviation capacity is needed. We are publishing this note in order to inform all interested parties of the likely timeframes for any work that may need to be undertaken in Phase 2. Please note that the Commission has not yet completed its assessment of the need for additional capacity, and is yet to reach any conclusions. However, in order to be in a position to complete any subsequent work within the allotted timeframe, we consider it necessary to prepare on the basis set out in this note.

## **Phase 2 development and appraisal**

If carried forward into Phase 2, we envisage that a scheme would be refined and worked-up in sufficient detail as to allow it to be thoroughly examined.

Further to this process of development, a detailed business case and sustainability assessment would be produced for each scheme examined in Phase 2. These documents would inform the Commission's recommendations in its final report and could serve as technical materials in support of any subsequent Appraisal of Sustainability or National Policy Statement which might be prepared by the Government in the light of those recommendations.

Subject to the Commission's interim recommendations, we therefore intend to publish alongside the interim report a draft Phase 2 appraisal framework, setting out the approach to be taken in compiling business cases and sustainability assessments. We would provide an opportunity for stakeholders to comment on this draft framework with a view to finalising it early in 2014.

We envisage that, where possible, the Commission would work collaboratively with scheme sponsors and other bodies in working up schemes and preparing business cases and sustainability assessments. However, I would emphasise that the final responsibility for appraisals would rest with the Commission, and that any assessments submitted to us would be subject to validation and quality assurance by the Commission.

In general, it is expected that appraisals undertaken in Phase 2 would continue to focus on the key areas of interest identified by the Commission in its Phase 1 sift criteria (Guidance Document 02). We are currently considering what type and level of analysis would be appropriate in relation to these areas of interest, both to help the Commission in reaching any future recommendations, and to provide an appropriate foundation for any National Policy Statement that a future Government may wish to promote.

To support the development of its sustainability assessments framework, the Commission has established a Sustainability Reference Group. This is an advisory group comprising experts from relevant Government Departments and statutory bodies (the Environment Agency, Natural England and English Heritage). The Commission is also seeking input from its Expert Advisory Panel where appropriate. Whilst the eventual framework would be specifically tailored to the requirements of the Commission, there is considerable prior practice available in relation to such assessments, and we envisage that any sustainability metrics we may formulate would draw upon that prior practice. Therefore scheme sponsors may find it valuable to review previous approaches to preparing sustainability assessments, including for example:

- the report 'Airport Development: Appraisal of Sustainability', which was developed by Gifford for the Department for Transport in September

2010 (<http://assets.dft.gov.uk/publications/airport-development-appraisal-of-sustainability/report.pdf>);

- the Appraisal of Sustainability associated with the Ports National Policy Statement;
- the Appraisal of Sustainability associated with the Nuclear National Policy Statement.

The Commission's business case framework is currently being considered in collaboration with experts at DfT and other Government Departments, and its Expert Panellists. Whilst the eventual framework would be specifically tailored to the requirements of the Commission, we envisage that the detailed business case assessments would draw on the best practice outlined in HMT's Green Book for Strategic Outline Business Cases and the DfT's WebTAG approach.

### **Consultation**

After detailed business cases and sustainability assessments had been constructed for each scheme, the Commission would then run a national consultation on these documents. This consultation would provide an opportunity for public scrutiny of the compiled assessments, and for interested parties to provide any additional evidence that they may wish the Commission to consider.

The purpose of the consultation would be to test the evidence base prepared by the Commission: to identify any concerns stakeholders may have as to the accuracy, relevance or breadth of the assessments we had undertaken, and to seek views on the potential conclusions that might be drawn from them. We envisage that the consultation would take place in the autumn of 2014.

Scheme sponsors may wish to consider the case for wider public engagement on their proposals independent of that outlined above, in particular to promote an open dialogue with local and industry stakeholders on any potential plans.

### **Post consultation**

Following completion of the consultation on the business cases and sustainability assessments drawn up for each scheme, the Commission would review its evidence base in the light of responses, and carry out any additional analysis that it considered desirable, prior to reaching any recommendations in its final report, due in 2015. We would reserve the right to contact any scheme sponsor or other stakeholder for additional information in this period, should we consider this to be necessary.

### **Phase 2 Timeline**

An indicative timeline, based on the assumption that the Commission concludes that further long-term capacity is required, is provided as an annex to this information note. Please note that this may be subject to change.

Please be aware that the content of this note and its annexes in no way pre-judges the findings of our interim report. For example, should our report conclude that in the long term no significant increase in aviation capacity is needed, then the content of any second stage of the Commission's work programme would be very substantially different, and the high-level overview of Phase 2 here outlined would require significant alteration.

Furthermore, even if the Commission does conclude that new capacity is required, this Phase 2 overview, while it accurately represents the Commission's current thinking, should be considered as provisional and potentially subject to change as the Commission considers its interim recommendations in more detail.

**Annex A** – Indicative Phase 2 timeline (subject to the conclusions of the Interim Report)

Date		Commission Milestone or Activity	Consultation	Potential Sponsor Activities	
2013	Dec	Phase 2 appraisal framework published alongside interim report.	Commission invites comments on the Phase 2 appraisal framework.	Comment on Phase 2 appraisal framework.	
2014	Jan	Work collaboratively with sponsors in enhancing and refining details of schemes.			Enhance and refine details of schemes.
	Feb				
	Mar		Appraisal framework finalised.		
	Apr	Conduct Phase 2 assessments, compile assessment results and construct detailed business case and sustainability assessment for each option		Work collaboratively with the Commission in compiling assessments.	
	May				
	Jun				
	Jul				
	Aug				
	Sep		Public consultation on the compiled assessments.		Engage with the Commission's public consultation.
	Oct				
Nov					
Dec					
2015		Formulate recommendation and undertake any further assessments to support the Government in accelerating any future planning applications.			