

PROPOSAL TITLE:	Options With No New Runways	Short Term	<input type="checkbox"/>
SUBMITTED BY:	Richmond Heathrow Campaign	Medium/Long Term	<input checked="" type="checkbox"/>

PROPOSAL

Range of no-build options that seek to increase passenger throughput, across all London's airports within existing aircraft movement capacities in order to make best use of existing infrastructure. Four suggestions are presented:

- **increase the rate of aviation (APD) to slow the rate of growth in passenger numbers by at least 95 million per year in the South East.**
- **that a re-balancing of demand – and presumably government policies to support this assumption – between the South East and other UK regions would distribute future demand more evenly across the country to be less concentrated in the southeast, reducing the potential demand on airport capacity in the southeast.**
- **limiting terminal expansion at Heathrow, Gatwick, Stansted, Luton and London City would increase the number of passengers per aircraft movement making better use of existing infrastructure.**
- **growth in passenger demand be met with a London Dispersed Airport Structure without a hub airport. This would involve reducing international transfers at Heathrow and thereby releasing existing airport capacity. This would include re-distribution of demand between the five main South East airports to better balance demand with existing capacity without the need for additional runways.**

INITIAL ASSESSMENT COMMENT

The submission presents arguments and mechanisms by which maximum use could be made of the currently available infrastructure, which could increase passenger throughput without significantly increasing aircraft movements.

The individual arguments have potential merit if the intention is to restrict capacity and to endeavour to make most efficient use of the available capacity in terms of passenger and aircraft movements. However, two principal consequences are likely to follow. Firstly, marginally routes sustained by hubbing passengers are likely be lost to the London system, although the slot would be expected to be replaced by another point to point direct flights. Secondly, with increasing demand and constrained supply fares are likely to increase.

The first may lead to a reduction in destinations served by the London systems requiring in or out bound passengers to other destinations to access London via a third hub airport.

The second may require regulation to retain airfares at a level that is considered socially acceptable.

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OVERVIEW

Proposal	A number of mechanisms to make maximum use of existing runway capacity without significant expansion of airport infrastructure.	
Approach	To not increase the number of runways serving the southeast and London; to encourage larger aircraft and improvements of existing terminal infrastructure. And to employ taxation as a mechanism to manage demand.	Assumed Capital Cost
Potential Benefits	<ul style="list-style-type: none">Existing airports and their airlines benefit from increasing yields as fares increase due to demand increasing load factors.Low long term costs in providing additional surface access capacity to existing airports as demand may be met by existing committed projects.Contributes to a distribution of economic and employment benefit across the London system and beyond the southeast of England.Phased ban on night flights with potential benefits to populations currently affected around Heathrow.Avoids significant new runway and surface access build limiting embodied carbon compared to expansion options.Expansions likely to be within existing airports’ environmental agreements, limiting additional land take and related impacts.Avoids social risks of airport closure with transitional effects on employment, transport and services present in other options.	Capacity (mppa) <u>20</u> Capacity (ATM) <u>0</u>
Key Issues & Risks		
Strategic Fit	<ul style="list-style-type: none">Possible it would weaken the UK’s status as an aviation hub by reducing London’s ability to compete with other European hubs and only marginally adding to airport capacity. It is not clear therefore that the proposal is aligned with the Commission’s terms of reference.	
Economy	<ul style="list-style-type: none">Potential for higher fares due to reduced competition as new market entrants unable to obtain slots within the London system.Potential for reduced range of direct routes from Heathrow and in time all London airports, reducing the attractiveness of London as a business location compared to other European cities.Potential for hub traffic to be squeezed out from Heathrow replaced by point-to-point traffic with uncertain benefit/loss to UK/London economy.Potential for reduced investment by airlines that may consider a UK hub operation in London in favour of foreign hubs.Increased share of UK air traffic, especially from the areas outside the southeast, likely to be carried to/from foreign hubs by foreign carriers.Reduced long term airport sector investment, which may not be attracted to other parts of the UK economy.	
Surface Transport	<ul style="list-style-type: none">Investment in surface transport to all airports is likely to be required in order to make maximum use of available airport capacity. No such improvements are considered.	
Environment	<ul style="list-style-type: none">Increased delays, as all airports operate close to capacity, would be expected to increase ground based and stacking carbon emissions.	
Cost	<ul style="list-style-type: none">No cost stated. Investment would be required to increase passenger terminal and surface transport capacity to match available runway capacity. Cost uncertain, but is likely to exceed £10 bn across all airports and more than £20 bn depending upon transport upgrades.	
People	<ul style="list-style-type: none">Potential for increased fares would have a disproportionate impact.	
Operations	<ul style="list-style-type: none">Operating all airports at or close to capacity would cause significant delay, with consequential reduction in service standards and increased emissions.Similarly, London system would operate with reduced resilience and would be more sensitive to operational interruptions.	
Delivery	<ul style="list-style-type: none">Requires public policy to adopt the initiatives proposed through taxation and planning regulations.Likely to require public investment in surface transport.	