 Regulatory Policy Committee	Opinion	
Impact Assessment (IA)	Night Flying Restrictions at Heathrow, Gatwick and Stanstead Airports	
Lead Department/Agency	Department for Transport	
Stage	Consultation	
IA Number	DFT00232	
Origin	Domestic	
Expected date of implementation (and SNR number)	October 2014 (SNR8)	
Date submitted to RPC	01/08/2013	
RPC Opinion date and reference	23/08/2013	RPC13-DFT-1859
Overall Assessment	AMBER	
<p>RPC comments</p> <p>The IA should explain more clearly why the existing night flight quotas in place at Gatwick and Stansted airports are set above the current projected levels of night flights in these airports and how the proposed restrictions are considered to be the most appropriate in meeting the stated policy objective.</p>		
<p>Background (extracts from IA)</p> <p>What is the problem under consideration? Why is government intervention necessary?</p> <p>Night noise from aircraft can impose significant costs on local communities, including health effects and other next day effects associated with sleep disturbance (including fatigue and sleepiness). The Government has been restricting night flights for around 50 years at Heathrow, Gatwick and Stansted, in order to limit the impact of night noise on local residents. These airports are strategically important to the UK economy and it is considered that it is appropriate for the Government to take decisions on the right balance between noise controls and economic benefits, reconciling the local and national strategic interests. The current night flying restrictions at the three airports (“the regime”) end in October 2014 and there is a legitimate expectation on the Secretary of State to put in place a new regime in accordance with a stated timetable. The last full regime ended in October 2012, which was then followed by a 2-year “roll-over”. At the time of the roll-over, the Department stated that the next regime would take account of the freeze in noise quota limits during the roll-over.</p> <p>What are the policy objectives and the intended effects?</p> <p>It is the Department’s objective to limit and, where possible, reduce the impact that night noise from aviation has on local residents. However, we also recognise the importance of aviation activity as a major contributor to the country’s economic prosperity, and, with regard to night flights, the importance to the UK economy of certain types of flights, such as express freight services, which may only be viable if they operate at night. In current circumstances, it is also the Department’s objective to put in place a short regime to allow full consideration of the independent Airport Commission’s recommendations on airport capacity for the design of the next full</p>		

regime. Therefore the Department is proposing to introduce a three-year regime with minor changes relative to the current regime, while taking into consideration the freeze of noise quota limits during the roll-over of the last regime in 2012.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

The following policy options have been considered:

- 1a) Keep the provisions of the current regime unchanged for a further three years.
- 1b) as 1a) plus extending the existing operating ban of the noisiest (QC8/16) rated aircraft to 23:00-23:30
- 2a) Keep the provisions of the current regime unchanged but lower the noise quota limit on the same trajectory as under the previous regime, also taking into account the two-year freeze
- 2 b) As 2 a) plus extending the existing operating ban of the noisiest (QC8/16) rated aircraft to 23:00-23:30
- 3 a) As option 2a) but with an additional reduction in noise quota limit at Heathrow to reflect fleet changes
- 3 b) as 3 a) plus extending the existing operating ban of the noisiest (QC8/16) rated aircraft to 23:00-23:30

Identification of costs and benefits, and the impacts on business, civil society organisations, the public sector and individuals, and reflection of these in the choice of options

Rationale for intervention. The IA explains that the existing night flight restrictions are in place at Heathrow, Gatwick and Stansted airports "to limit, and where possible, reduce the number of people in the UK significantly affected by aircraft noise" (page 7). However, it appears from the IA that the quotas currently in place at Gatwick and Stansted currently, and those set out in the proposals, are set above the current and projected levels of night flights at these airports. The IA should explain more clearly why the proposed restrictions are considered to be the most appropriate, and discuss in more detail how these restrictions will help meet the stated policy objective.

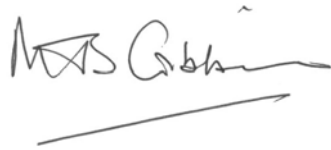
Comments on the robustness of the Small & Micro Business Assessment (SMBA)

The IA says "*none of the options will place additional quantifiable burdens on any new or existing firms as these policy options will have no quantifiable impact on competition within the aviation sector*" (Paragraph 8.1). Furthermore, the IA states that micro-businesses are not exempt, from the regime, but in practice, micro-businesses are not directly affected by the regime as the impacts are on airports and airlines which are not micro-business (paragraph 8.2). These assumptions appear to be reasonable

Comments on the robustness of the OITO assessment.

The IA states that this measure should be treated as a Zero Net Cost (ZNC), as all the proposed policy options to replace the current regime have the same costs and benefits associated with them as the current regime. In accordance with the Better Regulation Framework Manual (paragraph 1.9.24), the automatic lapsing of the current regime should be classified as an 'OUT' which would be immediately offset by an IN of the same size from the new regime. On this basis, the assessment of ZNC appears to be reasonable. However, it appears that some options presented in the IA may go beyond the restrictions of the current regime and so it is not clear that ZNC is appropriate in all cases. This assessment, along with the evidence supporting the estimated Equivalent Annual Net Cost to business will have to be strengthened so that it can be validated at final stage.

Signed

A handwritten signature in black ink, appearing to read "Michael Gibbons", with a long horizontal line extending to the right below the signature.

Michael Gibbons, Chairman