



Sir Howard Davies
Chairman
Airports Commission
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22 July 2014

Dear Sir Howard,

Response to the consultation on "Utilisation of the UK's Existing Airport Capacity discussion paper"

I refer to the invitation for interested bodies to submit views on the above mentioned discussion paper issued by the Commission. I am pleased to respond to a number of the questions asked in the Guidance document on behalf of the Committee and membership of the Friends of Liverpool Airport (FoLA).

The Friends of Liverpool Airport (FoLA) is an independent non-political voluntary organisation with around 350 members throughout the United Kingdom. Its objectives are: to promote the use of and need for Liverpool John Lennon Airport, to encourage the preservation, development and improvement of Liverpool John Lennon Airport and its facilities, to educate public opinion and give advice and information about and to promote pride in Liverpool John Lennon Airport.

Question 7.3

We believe that the Commission is correct to identify a reduction in air connectivity between the UK regions and the London airport network and that this has been a consequence of the high cost of operating aircraft into the London airports caused by the runway capacity restrictions on and the costs of obtaining slots.

The disincentive effect that APD has had on the competitiveness of air travel in comparison to other modes of transport has also been a major factor. Huge areas of the UK (including the Liverpool City region with 1.5 million people served by Liverpool John Lennon Airport) have lost routes to the London area as a result and local businesses have been put at an economic disadvantage in terms of global connectivity, compared to the few geographical areas that do still have direct air links to London and to Heathrow in particular.

We think that these trends will continue unless the Government takes action to provide additional affordable slot capacity to enable the regions to regain access to London hub Airports and reduces the negative impact that APD has on the viability of all domestic air services in the UK.

If London is to ever regain its former pre-eminent position as the national hub airport for UK citizens the inhabitants of the regions need to have access to the future UK national hub airport, or else they will continue in increasing numbers to fly to European and other hub airports instead.

The decline in the provision of domestic connectivity in respect of non London routes will also continue until the Government addresses the negative impact which APD is having on the viability of such routes. The Government should provide financial incentives through the Regional Air Connectivity Fund or other mechanisms to enable regional airports to reintroduce services to aid business competitiveness for the economic benefit of the regions including the Liverpool City Region.

In terms of domestic routes Liverpool John Lennon Airport has lost valuable domestic air services to Aberdeen, Bristol, Cardiff, Edinburgh, Exeter, Glasgow, Inverness, Newcastle and Southampton whilst at the same time the Liverpool City region has also lost almost all of its direct rail services to all of these destinations and this has had a negative impact on the level of economic success of the area.

Question 7.4

A number of smaller British airports including Liverpool John Lennon Airport have found it increasingly difficult to retain or attract domestic routes due to the impact of APD on the cost of fares and increased competition from the handful of very large airport operating groups (including in particular the Manchester Airport Group) who through their economies of scale have been able to offer more attractive incentives to the major airline operators having regard to circumstances including slot opportunities available at London area airports.

To encourage greater competition and wider choice for passengers the Government should consider providing financial assistance in terms of the Regional Air Connectivity Fund, reduced APD charges or grants towards infrastructure investment at the smaller regional airports where demand for air services exists to enable them to compete on a more level playing field.

We believe that if a wide range of regional airports is not maintained it will result in a poorer choice to passengers, who will be increasingly forced to travel further by surface transport to a limited number of busy overcrowded large airports to obtain the routes they require. For example in the case of Liverpool John Lennon Airport it has seen a number of its popular international scheduled routes in effect switched by the operator (Ryanair) to Manchester Airport including those to Brussels (Charleroi), Girona, Milan (Bergamo), Murcia, Riga, Rome and Venice.

Conclusions

We believe that the infrastructure investment already made in existing UK Airport capacity should be fully utilised. In the short to medium term, existing airports both in the south east and throughout the United Kingdom, including Liverpool John Lennon Airport have the capacity to handle millions more passenger journeys a year than they presently do without any new runways.

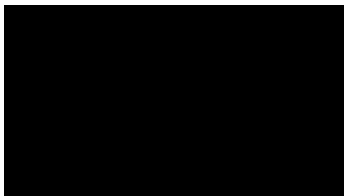
Airport capacity should be provided where there is passenger demand for it rather than forcing people to travel long distances by surface transport to a few larger airports. In terms of new Airports or runways the Government should only build the new infrastructure that provides the level of service that passengers' value and are willing to pay to use. Passengers should only pay for new infrastructure including any new national hub airport when it is needed and they are able to actually use it.

Our organisation strongly support the arguments so well and clearly made in the previous easyJet submission, in support of the need to ensure that there is not an over emphasis on the importance of hub or focal airports at the expense of point to point operations. These point to point operations provide greater choice to passengers and have environmental and economic benefits for both passengers and the country by facilitating efficient, less costly services by making use of existing airport infrastructure and eliminating unnecessary connecting air services or surface transfers to hub airports.

As we stated in our previous response on making best use of existing capacity, we recognise that London Heathrow has a role to play as a national hub serving less popular long haul routes that would not be economic for point to point operations from most airports but only as part of a wider provision of capacity and only if slots are made available to allow long term access to UK regional feeder routes including Liverpool.

If you require any further information or assistance please do not hesitate to contact me.

Yours sincerely,



Friends of Liverpool Airport (FoLA)

