

STANSTED AIRPORT CONSULTATIVE COMMITTEE

RESPONSE TO THE AIRPORTS COMMISSION PAPER ON THE UTILISATION OF THE UK'S EXISTING AIRPORTS CAPACITY (Airports Commission Discussion Paper 06)

JULY 2014

Stansted Airport Consultative Committee is grateful for the opportunity to submit views on the Commission's discussion paper on the utilisation of the UK's existing airports capacity. The Committee had welcomed the Commission's interim report - published in December 2013 - which identified two other London airports - Heathrow and Gatwick - as credible locations for runway expansion rather than Stansted. The Committee wishes to offer the following comments to assist the Commission in its deliberations about how to make best use of existing airport infrastructure before new capacity becomes available.

Introduction

It is disappointing that the discussion paper contains little about the environmental implications of any actions which might assist the better utilisation of existing capacity. The Committee would remind the Commission that it is vitally important - especially for communities living around airports - that the future development of the airport should not at the same time adversely impact upon the local community in environmental terms. The Committee therefore strongly urges the Commission to weave environmental implications throughout their consideration of capacity utilisation alternatives.

Regional connectivity

The Committee welcomes the possibilities and benefits that may arise from the development of an interlining network (domestic and international). However the Committee believes that successful implementation depends on a number of key factors. Low cost airlines operate to a different business model from that operated by scheduled airlines at Heathrow. This results in different business practices and services. How these different models can be successfully be integrated will be a challenge for the airport.

In terms of regional services, the Committee would welcome the availability of a network of regional (domestic) services from Stansted. This would provide better connectivity for the local community and the wider catchment area. It would also probably make a contribution over time to supporting the economy of the UK as a whole. However, as the paper notes, there have been a number of contributory factors have led to a general decline in regional services to the South East of England.

It is not known whether this decline is temporary. The Committee is not party to information about the commercial negotiations of Manchester Airports Group (MAG) for new routes with airlines. However it notes that MAG at Stansted airport is seeking to redefine its business model by way of introducing services to medium and long haul destinations. It is also noticeable that facilities for domestic passengers have been reduced as part of the airport terminal redevelopment project. This may reflect the airport's long term view of domestic services but which, as mentioned above, may not necessarily be in the longer term best interests of the UK's economy as a whole.

Another consideration to weigh alongside economics is whether the introduction of further regional services actually makes best use of existing capacity in environmental terms. Such services tend to operate smaller aircraft with reduced load factors whilst medium and long haul carriers operate larger aircraft. Given capacity constraints, it is arguable that existing capacity might best be utilised by operating larger aircraft because using such aircraft would have less of an adverse local environmental impact. Which option has the lesser environmental impact?

Airports in London and the South East (excluding Heathrow and Gatwick)

The Commission paper considers other airports outside Heathrow and Gatwick and their ability to help meet capacity demands in the South East pending the provision of additional capacity. The Committee considers that significant growth can be achieved at Stansted on the basis of a single runway operation. This is against the background that the airport is currently operating at half its permitted capacity at 17.85 mppa in 2013. The existing planning permissions allow passenger numbers to increase to 35 mppa. MAG has stated that with additional infrastructure, a single runway operation could handle between 40 - 45 mppa. The Commission's paper notes that Stansted will reach its existing planning permissions by 2028 (passenger numbers were 17.85 mppa in 2013) and be full in capacity terms by 2041. The present ratio of passengers is 16% business, 39% leisure and 45% VFR. The paper also notes that, due to restrictions at Heathrow and Gatwick, Stansted - together with Luton - has a general aviation role. Again, in terms of environmental impact, the Committee wishes to reiterate how important it is that the economic benefit of any proposals to develop business aviation need to be balanced against their environmental impact.

As stated above, the airport is proposing to diversify services and introduce medium and long haul destinations. It is understood that this route expansion will be contained within existing planning permissions and will not require any increase in the airport land footprint. The Committee believes that Stansted airport will continue to be low cost airline based as evidenced by the long term agreements with the two main carriers, Ryanair and EasyJet. The Committee is aware that the airport has capacity at peak times and this may be helpful in its development especially in terms of timings for developing its business travel market.

The Committee also notes that a significant increase in passenger numbers has been accommodated without a corresponding major increase in aircraft movements. The planned entry into service of new aircraft with increased passenger capacity suggests that this trend will continue. The Committee believes it is therefore very important that the issue of better utilisation of existing airport capacity is addressed as much in demand terms of aircraft movements as in passenger numbers. On the latter point, it is also worth noting that local residents living around airports are becoming increasingly concerned

about the actual number of overflying aircraft as much as the noise emitted. As a result, the Committee, in conjunction with the airport operator has initiated work to seek to identify alternative metrics.

Constraints

The Committee notes the various constraints highlighted by the Commission and has the following comments.

Surface Access

The Commission suggest that the geographical location of Stansted Airport is one constraint to growth. Stansted is over 30 miles from central London, compared to 25 miles for Gatwick and 15 for Heathrow. The relevance of these distances has obviously to be seen within the context of surface access times and also the number of people within the airport catchment areas. The Committee considers that any future development of the airport (and certainly including any greater use of its capacity) must be supported by improved surface access. This is important not only for passengers using the airport but also for the local community, especially rail commuters.

The Committee is pleased to note that the market share of public transport to travel to/from the airport has been maintained. However looking to the longer term, the growth in coach travel to/from London is likely to have an adverse impact on London's roads and cannot be sustained.

Rail

The Committee is mindful that significant investment will be required to upgrade the railway line from central London to the airport. The likelihood is that new runway capacity can be delivered sooner than any significant improvements to the West Anglia Main Line. Any improvements will depend on what can be achieved at an affordable cost and in a reasonable timescale. There are a number of significant issues - in particular, a need for additional track to help relieve pressure on pinch points together with the removal of some of the many level crossings along the route. There is also a need to consider a second rail tunnel at Stansted airport, or a widening of the existing tunnel, to provide for the arrival and departure of more trains into the railway station. All these track improvements will have long lead times and so it is vital to begin the scoping and planning stages as soon as possible. These improvements will also require the active participation and support of the DfT and Network Rail and will need coordination with proposals to hand responsibility for part of the route to the Mayor of London. It is however essential that the needs of all users of the West Anglia lines should be taken into account. As noted by the Commission there is an urgent need for the East Anglian Mainline Study to include services to Stansted. Any review of rail services might explore the reason why rail usage at Gatwick has increased whilst usage at Stansted has declined. It has also been suggested that the current pricing system is not competitive with coach services and should be investigated. The Committee wishes to work with all key stakeholders to help deliver rail improvements.

Roads

An effective local road network is also important in helping to deliver surface access improvements. In particular the adequacy of the road network serving Stansted Airport needs to be addressed, especially the M11 from J8 to J9, the A120 link from the A10 to the A12 and the airport access and egress arrangements at J8 of the M11. Again the Committee wishes to work with the DfT, Highways Agency, local councils, the airport operator and other stakeholders to help improve road access to the airport.

The Committee considers that the lack of significant road and rail improvements is likely to lead to greater car usage which will be to the detriment of the local environment, especially by increasing pollution.

Airport Contribution

In accordance with long standing Government policy, The Committee would expect the airport to contribute to the costs of road and rail improvements to the extent that these are required to cater for airport-related traffic.

Planning

The Committee would support the need for better planning arrangements, Whilst it is true that major projects designated under the Nationally Significant Infrastructure Projects (NSIPs) will benefit from a streamlined process, it is difficult to judge the effectiveness of the new process as to date, no aviation project has emerged that meets current criteria.

Airspace

The Committee agrees that airspace may be a possible constraint. However it is hoped that the current LAMP project will remove constraints within the London area although the Committee has concerns about the current consultation on the Clacton and Dover routes, in particular the adequacy of the consultation.

Taxation

The Committee notes that only Heathrow and Gatwick are currently subject to economic regulation. The CAA considers the existence of the long term agreements with Ryanair and EasyJet means that it is not necessary to have similar controls in place at Stansted. The Committee also believes that there would be value in the Commission exploring the option of using policy levers as means to help address capacity issues.

Stansted Airport Consultative Committee
25 July 2014