Opinion: final stage IA Origin: domestic

RPC reference number: RPC17-4155(1)-DfT

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Clarifying altitude-based priorities during airspace changes

Department for Transport

RPC rating: fit for purpose

Description of proposal

Altitude based priorities are a set of rules, incorporated in statutory guidance and used by the CAA. They are designed to ensure that potential noise impacts are prioritised over other factors such as carbon emissions in airspace change decisions (i.e. changes to flight routes) up to 7,000 feet above sea level.

During the 2017 Airspace Policy Consultation, a number of local authorities and community noise groups expressed concern and provided evidence that the guidance had not had the intended effect and that noise was not being prioritised as was expected. Following discussions with stakeholders and the Civil Aviation Authority (CAA), the Department is proposing to make changes to the wording of the existing Air Navigation Guidance (ANG) in order to make sure that noise impacts are appropriately considered by the CAA when approving airspace change proposals submitted by airports and air navigation service providers (ANSPs).

The IA explains that the current guidance recognises that airspace changes in general involve a trade-off between noise impacts and an increase in CO2 emissions, and that the policy intention has been to prioritise noise impacts for changes to routes below 7000 feet. However, the Department believes that the current wording might be open to misinterpretation and suggest that noise impacts and CO2 emissions should be equally weighted even for low-level routes, contrary to the policy intention. The proposed new wording would strengthen the emphasis on minimising the impact of aviation noise, while allowing the CAA to manage cases where doing so would create a very disproportionate increase in CO2 emissions effectively.

Impacts of proposal

The Department recognises that, although the proposed change is seemingly only a minor clarification, in practice it could mean the CAA places more weight on the noise implications of airspace change proposals. This means that, in order to have their changes approved, the ANSPs will be required to consider, as a result of the emphasis of noise being a priority, re-plotting routes to avoid populated areas - the

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IA provides a graph to illustrate the potential calculated deviations. In doing so ANSPs might have to design flightpaths further away from populated areas and, therefore, face an increase in flight time and fuel burn. The IA therefore states that the main monetised impact of the proposal on business would be extra fuel costs for airlines, as the guidance changes are likely to result in an increase in average flight track mileage.

The IA provides an indicative estimate of this cost by multiplying the number of flights affected by an average increase in flight length and an average fuel price. Based on consultation with the three major airports and ANSPs, research from the CAA and BEIS, and its own internal data, the Department estimates that in the central scenario the proposal would affect up to 108,000 flights a year and lead to an average increase in route length of 4km. The average annual cost is estimated at £2.2 million, £4.6 million and £7.9 million in low, central and high scenarios respectively.

The Department emphasises that these are only indicative impacts, as there is considerable uncertainty around, among other factors, future airspace changes and underlying oil prices, meaning that accurate monetisation would not have been possible. For this reason, the IA provides an indicative EANDCB estimate which appears reasonable in the circumstances.

The Department explains that the guidance changes are likely to result in an increase in carbon emissions. The additional annual CO2 emissions have been estimated to be 27,000, 37,000 and 47,000 tonnes in low, central and high scenarios respectively.

The proposed guidance changes are also expected to benefit local communities as a result of lower noise pollution. In addition, the IA claims that airlines and airports might, as a result, benefit from reduced opposition to future airspace changes. The Department does not monetise these impacts.

The IA includes a small and micro business assessment, which explains that the great majority of affected airlines are large, and the impact of the measure on small businesses will accordingly be small.

Quality of submission

The Department has now provided a clear assessment of the impacts of the proposal. This follows a series of clarifications, which were included within a revised IA.

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In particular, the Department has provided:

- A more detailed discussion of the consultation evidence used to inform the proposal and a clearer statement of stakeholders' view, in particular in relation to the uncertainties involved;
- A more detailed justification of key assumptions (for example the assumed average increase in route length);
- A clear explanation as to why the Department believes that the change of wording will result in changes in the CAA's interpretation.

In discussing potential costs of the measure, the IA could have benefited from a discussion recognising other costs of re-routing such as the cost of longer journeys on crew and passengers.

However, the RPC believes the assessment makes a good use of available evidence and offers a useful discussion of wider societal impacts. Given the complexity of the subject matter, the Department's approach, using indicative estimates where it is possible to do so, appears satisfactory.

Under framework rules for the 2015-17 Parliament, the proposal would have been a qualifying regulatory provision that would be accounted for under the business impact target.

Departmental assessment

Classification	Qualifying regulatory provision (IN)
Equivalent annual net direct cost to business (EANDCB)	£3.7 million (indicative)
Business net present value	-£37.2 million (indicative)
Overall net present value	-£37.2 million (indicative)

RPC assessment

Classification	Under the framework rules for the 2015- 17 parliament: qualifying regulatory provision (IN)
Small and micro business assessment	Sufficient

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Michael Gibbons CBE, Chairman

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