

Department for **Transport**

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Dear Mr Brookes,

Thank you for your fax to the Prime Minister on 25 March enclosing a paper on UK aviation policy. I have been asked to reply as my division is responsible for UK aviation policy development.

UK Aviation Policy

Ministers are keen to start a new chapter in aviation policy – one that promotes a competitive aviation industry, supporting UK economic growth, while recognising the need for restraint due to aviation's global and local environmental impacts.

A key priority for the Department is to improve the efficiency of our airports, as key components of our national infrastructure, in a way which is consistent with our commitments on protecting the environment. We therefore announced on 15 June the establishment of a South East Airports Taskforce with key players from across the industry to explore the scope for measures to make the most of existing airport infrastructure and improve conditions for users of Heathrow, Gatwick and Stansted. Theresa Villiers, the Minister for Aviation, is chairing the Taskforce whose work programme covers a range of issues around accessing airports, queuing within the airport and operational resilience and efficiency.

The Government announced on 3 March that it will also be introducing legislation in the next Parliamentary session to reform the framework for airport economic regulation. These reforms will help improve the quality of service that passengers receive at designated airports and contribute positively to economic growth. They will also strip out unnecessary regulation and support passenger-focused investment in our existing airport infrastructure.

In addition to this work, we have started the process of developing a longer term strategy for a sustainable future for aviation. Ministers want to provide a policy framework which supports economic growth and addresses aviation's environmental impacts. On 30 March the Department issued a scoping document, setting out the questions we are seeking to answer, with a view to publishing a draft policy framework for formal consultation in March 2012. The scoping document is available at:

<http://www.dft.gov.uk/consultations/open/2011-09>

This scoping document begins a dialogue with stakeholders towards developing a long-term high level sustainable framework for UK aviation. We want all those who benefit from or are affected by aviation to contribute towards and influence the future direction of aviation policy. We recognise that opinions will be varied and sometimes difficult to reconcile. However, I would like to take this opportunity to encourage you to respond constructively with evidence to support your views. We have requested contributions by 30 September 2011.

Regional Air Services

The Government recognises the importance of air services from UK regional airports and the role they play in local economies. However, there are difficult questions here that need careful consideration since airlines face competitive pressure to use their slots for routes which are the most commercial. At Heathrow,

for example, very few slots are not being used, and therefore any proposal to reserve a set number for UK regional services would involve diverting them away from international services. Any proposals for expansion at regional airports should be judged on their individual merits, taking careful account of all relevant environmental considerations.

RAF Northolt

The possible use of RAF Northolt either to support Heathrow operations or to provide an alternative for some flights has been considered in the past. I understand, however, that Northolt is of strategic significance to the Ministry of Defence and is expected to remain one of their “core sites” for the foreseeable future, with a significant level of activity in terms of both fixed and rotary wing flying. Whilst there is some degree of commercial operation at Northolt in terms of business and private jets, its proximity to Heathrow also means that, from an airspace point of view, the scope for expanding civilian operations is limited.

Mixed Mode

The Government remains firmly committed to retaining runway alternation and will not approve the introduction of mixed mode operations at Heathrow. Ministers believe that any potential benefits mixed mode might bring to the airport are outweighed by the negative impact such operations would have on local communities

Air Passenger Duty

You will appreciate that taxation, including aviation taxation, is a matter for the Treasury. In light of the concerns raised in your paper about air passenger duty (APD), I should highlight that the Government announced on 23 March that it will not introduce a per plane duty in place of air passenger duty. The Chancellor did announce, however, that there would be a consultation on proposed changes to APD.

The Budget consultation includes proposals for simplifying APD from April 2012 on a broadly revenue-neutral basis, aimed at reducing distortions in the current system and improving the efficiency of the tax. The Government invites comments, views and evidence on a range of questions, one of which specifically covers the impact of APD on regional economies. I hope the Air League will consider responding to this consultation.

Thank you once again for taking the time to provide an update on The Air League’s principles and priorities, and we look forward to receiving your response to the scoping document.

Yours sincerely,

A handwritten signature in black ink that reads "Laura Robinson". The signature is written in a cursive style with a horizontal line underneath the name.