

## Campaign Update – April 2014

### **Support grows for SSE on noise watchdog ...**

Stop Stansted Expansion's campaign for an independent watchdog to be given oversight of aviation noise has received support from leading industry, political and local government figures. At the Aircraft Noise Summit conference in London they signed a joint declaration calling on the Government and politicians of all colours to work with stakeholders for the early establishment of an independent aircraft noise ombudsman to further enhance and protect the welfare of people living near airports.

This was also one of the key recommendations in the Interim Report published last December by the Airports Commission. SSE has since 2006 repeatedly pressed the Department for Transport, the CAA and MPs to introduce independent oversight of aircraft noise and the other environmental impacts of airports on local communities. At present airport operators are responsible for monitoring and reporting on the environmental impacts of their own operations, resulting in mistrust about the fairness of the current system. SSE's noise adviser Martin Peachey, says an independent watchdog must not be simply advisory but have the power to set and enforce higher standards.

### **... and "official" backing on noise measurement**

SSE's argument that the method used to measure aircraft noise is no longer fit for purpose has been bolstered by a new report. SSE has consistently challenged the Government's reliance on average noise measurements (the so-called 57 LAeq metric) to mark the onset of significant community annoyance, devised more than 30 years ago when flight numbers were much less. In 2005, the Government commissioned a study into Attitudes to Noise from Aviation Sources in England (ANASE) but then did not take forward the recommendations to replace its outdated assessment system. Now an ANASE Update Study has been carried out into understanding UK community annoyance with aircraft noise. The author, Dr Ian Flindell, says the policy-makers have got it wrong. He says he is surprised that policy-makers continue to presume that 'the onset of significant annoyance' is 57 LAeq and that communities below this noise exposure threshold are relatively unaffected by aircraft noise – despite the fact that so many such residents say that they are. "This is a further vindication of what we have been saying for a long time," says SSE's Martin Peachey. "Slowly and surely the argument is beginning to move in our direction." The ANASE Update Study report can be read here:

[http://www.hacan.org.uk/resources/reports/Understanding\\_UKCommunity\\_Annoyance\\_for\\_2M\\_Group\\_final\\_03092013.pdf](http://www.hacan.org.uk/resources/reports/Understanding_UKCommunity_Annoyance_for_2M_Group_final_03092013.pdf)

### **Ryanair claims are enough to make you LOL**

SSE has challenged wildly exaggerated claims by Ryanair boss Michael O'Leary over the airline's recent announcements about expansion at Stansted Airport. On 19<sup>th</sup> March Ryanair announced that it would launch eight new routes, creating 2,000 new jobs at Stansted. By comparison, on 4<sup>th</sup> April Flybe announced that it would launch six new routes at Southend and that this would create 60 new local jobs.

In a light-hearted but factual statement to the media, SSE pointed out that in the first instance the eight 'new' Ryanair routes weren't new at all. All were already being flown by Ryanair from Stansted, and in some cases it was the third time that Ryanair had issued a press release claiming the same new route. Challenging Mr O'Leary's claims that his expansion at Stansted would generate an extra 2 million passengers and create an extra 2,000 jobs, SSE pointed out that Ryanair's ratio of staff to passengers suggested that – even if an extra 2 million passengers were handled – the number of new jobs created would be nearer 200 than 2,000.

Referring to Ryanair's growing dominance at Stansted since it now accounts for three out of every four Stansted passengers, Brian Ross, SSE's economics adviser, quipped that Ryanair might as well buy the airport and rename it London O'Leary Airport (LOL). "Michael O'Leary may have a habit of disappointing his customers but he rarely disappoints when it comes to media hype," he added.

### **Fuller aircraft reduces need for more runways**

Latest information from the Civil Aviation Authority on flights and passenger numbers supports the argument that more runways are not required, says SSE. While the number of passengers handled by UK airports has increased by 15% over the past ten years (2013 vs 2003), the number of flights has actually reduced over the same period. This is because the average size of aircraft increases each

year and so does the percentage of seats filled. "We can therefore conclude that if the average number of passengers per aircraft continues to increase by about 2% a year, this level of growth can be accommodated with barely any increase in the number of flights, says SSE. And since runway capacity is defined in terms of the number of flights that can be handled – rather than the number of passengers – why should there be such a panic about building new runways?"

### **Growth despite "runway shortage", admits CAA**

SSE's conclusions are underlined by Iain Osborne, CAA director of regulatory policy, who says: "Solid growth in UK GDP may mean that passenger numbers continue to grow healthily. This is happening despite a shortage of runway capacity in the South East, as for the time being airlines operating bigger and fuller aircraft is allowing passenger growth to outstrip growth in numbers of flights. He added: "The prospect of growth underlines how important it is for aviation to tackle its environmental impacts - notably, reducing aircraft noise and carbon emissions. Addressing these issues is vital if aviation is to grow."

### **Stansted also gains from fuller planes**

The trend towards higher payloads is reflected in passenger and flight figures from Stansted. In 2013 the airport handled 17.9 million passengers, up 2.2% on the previous year whereas the number of flights increased by just 0.5% to 131,900. Stansted has planning permission to handle 35 million passengers per annum and 264,000 flights and so it is currently operating at approximately half its permitted level of throughput.

Stansted's passenger and flight numbers are still well below their 2007 peak when the airport reached an annual throughput of 24 million passengers and 193,700 flights. Growth has picked up in recent months with the airport now growing its passenger numbers at an annual rate of about 7% and the number of flights increasing at an annual rate of around 2%.

### **Osborne scraps higher APD bands ...**

The Government will introduce a single tax band for all long-haul flights, reducing the cost of flying to many destinations including Asia and the Caribbean. Announcing changes to Air Passenger Duty in his Budget statement, Chancellor George Osborne said that from April 1 next year all long-haul flights will be taxed at the same rate as flights to the United States, which are in the B tax band. The higher C and D bands will be scrapped. The travel industry had been lobbying for reform of the multi-band system but was caught off guard by the announcement, reports Travelmole. The chancellor acknowledged that it was "crazy" that passengers were taxed more for flying to India or China than those flying to Hawaii and he admitted the tax was hitting exports. Dale Keller, chief executive of the Board of Airline Representatives said: "The Government has finally acknowledged what the industry and business knew all along - that the highest rates of aviation tax in the world were a brake on driving the UK's economic growth with emerging markets.

[http://www.travelmole.com/news\\_feature.php?news\\_id=2010718&c=setreg&region=2](http://www.travelmole.com/news_feature.php?news_id=2010718&c=setreg&region=2)

### **... and encourages more regional routes**

Airports in the North East have welcomed George Osborne's Budget announcement of a £20 million 'Regional Air Connectivity Fund' to encourage airlines to start up new routes from regional airports such as Newcastle and Durham Tees Valley. Mr Osborne said: "We want all parts of our country to see better links with the markets of the future, so we're going to provide start-up support for new routes from regional airports, like Liverpool, Leeds or indeed Inverness. Chris Sanders, aviation development director at Newcastle International Airport, said: "We hope that this measure will boost passenger traffic at Newcastle International, by increasing the number of people using hub airports for both business and leisure as well as using our direct long haul services. He also welcomed the announcement that the Government will abolish the two highest bands of Air Passenger Duty.

<https://bdaily.co.uk/industrials/19-03-2014/budgets-key-aviation-concessions-applauded-by-north-east-airports/>

### **Manston Airport threatened by Ryanair pull-out**

A decision by Ryanair to pull out of a deal to operate several routes from Manston Airport in Kent, along with a failed freight deal with British Airways, could deal the airport a fatal blow. That's according to local MP Sir Roger Gale whose view confirms existing speculation as to why new owner Ann Gloag appears to have 'hoisted the surrender flag' just six months after taking over, according to the Kent News. Sir Roger points out that Manston has the fourth longest runway in the UK and takes

flights diverted from Gatwick and Heathrow in bad weather. At a time when there is a shortage of runway capacity, he said, Manston should have a role to play while long-term decisions are taken. [http://www.kentnews.co.uk/news/manston\\_airport\\_ryanair\\_and\\_ba\\_freight\\_blows\\_behind\\_closure\\_1\\_3457492](http://www.kentnews.co.uk/news/manston_airport_ryanair_and_ba_freight_blows_behind_closure_1_3457492)

### **Decision on EU airspace emissions still up in the air**

A controversial plan to give non-EU airlines exemption from obligations under the EU's emissions trading scheme (ETS) has been rejected by the EU's environmental committee. Now it is up to a plenary session of the European Parliament to decide if foreign airlines should be made to pay for CO2 emissions in EU airspace. Earlier, EU member states agreed a deal that scaled back the European Commission's proposals to regulate all emissions in EU airspace so it would cover only flights between EU airports until 2006. MEPs were under pressure to back the deal from member states – led by France, Germany and the UK – that fear a potential trade war. Final rejection of the deal in plenary would mean an immediate crisis as a temporary exemption expires in April.

<http://www.europeanvoice.com/article/2014/march/meps-reject-aviation-emissions-scheme/80160.aspx>

### **Stansted Airport to show more social responsibility**

Stansted Airport has set up what it claims to be a new social responsibility initiative to create stronger links with businesses and the community. The Stansted Airport Community Network will provide advice to firms about how they can "participate in a range of education, employment and volunteering projects to help make the local community a more vibrant place to live and work". The airport is offering mentoring and business advice to schools and colleges.

<http://www.hertsandessexobserver.co.uk/News/Uttlesford/Stansted-Airport-pledges-to-forge-new-links-with-businesses-and-the-community-20140315062934.htm>

Stansted managing director, Andrew Harrison, has listed the airport's achievements since it was acquired by Manchester Airports Group one year ago, including a £260 million investment programme; securing CAA agreement to free Stansted from economic regulation; and returning the airport to growth for first time since 2007;

[http://www.dunmowbroadcast.co.uk/news/m\\_a\\_g\\_celebrates\\_one\\_year\\_anniversary\\_of\\_stansted\\_airport\\_acquisition\\_1\\_3370885](http://www.dunmowbroadcast.co.uk/news/m_a_g_celebrates_one_year_anniversary_of_stansted_airport_acquisition_1_3370885)

### **Ryanair courts business through travel agents**

Ryanair has signed an agreement under which its fares will now be available to travel agents. The airline has previously refused to advertise its flight through travel agents. Ryanair says it expects to see growth in business travel through the new arrangement.

<http://www.traveldailymedia.com/204885/ryanair-returns-to-gds/>

### **A Heathrow four-runway hub would reduce airport capacity**

In what has been described as a "game-changer" by airport expansion opponents, an analysis by air traffic control service NATS, calculates that a four-runway hub airport at Heathrow would actually reduce the number of flights in the South East. In what The Times calls a private submission to the Airports Commission, NATS concludes that if Heathrow gained a fourth runway, it could reduce capacity relative to a three-runway airport by 18 per cent because it would disrupt flight paths to other main airports. The Commission is considering a third runway at Heathrow but has excluded a fourth runway from its shortlist. Heathrow says a third runway would meet demand to 2040.

### **Price cap on Stansted cargo flights scrapped**

The Civil Aviation Authority has removed price cap controls for air cargo services at Stansted Airport. The CAA concluded that Stansted does not have substantial market power in its cargo operations and that it should be free from regulation to compete with other airports for cargo services. The CAA removed the price cap on the airport's passenger services in January.

[http://www.dunmowbroadcast.co.uk/news/regulator\\_removes\\_stansted\\_airport\\_s\\_cargo\\_price\\_controls\\_1\\_3479910](http://www.dunmowbroadcast.co.uk/news/regulator_removes_stansted_airport_s_cargo_price_controls_1_3479910)