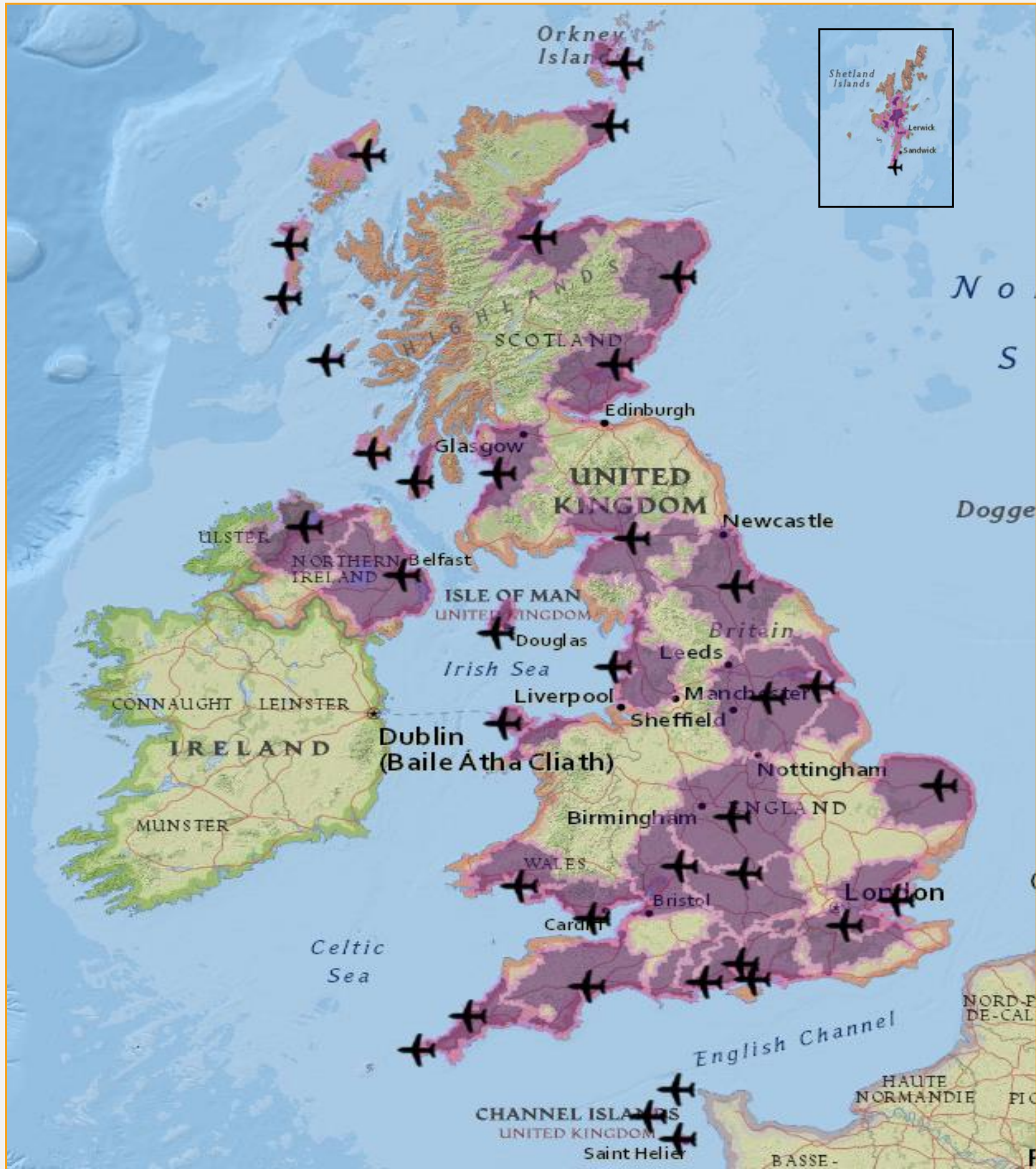
LAND USE, TERRESTRIAL ACCESS AT REGIONAL AIRPORTS

Counter the bias for only large airport projects

RABA GROUP SEEKING STRONGER POLICY RECOGNITION FOR THE UK'S REGIONAL AND BUSINESS AIRPORTS ……

Aberdeen	Coventry	Lee-on-Solent
Alderney	Dundee	London Biggin Hill
Anglesey Airport	Durham Tees Valley	London Oxford
Barra	Exeter	London Southend
Benbecula	Glasgow Prestwick	Norwich
George Best Belfast City Airport	Gloucestershire Airport Staverton	Pembrey
Blackpool	Guernsey	Doncaster Sheffield
Bournemouth	Humberside	Stornoway
Campbeltown	Inverness	Southampton
Cardiff	Islay	Sumburgh
Carlisle	Isle of Man	Tiree
City of Derry	Jersey	Wick John O'Groats
Cornwall Airport Newquay	Kirkwall	



RABA’S OVERARCHING POSITION

A more inclusive approach to aviation policy is required that respects and articulates clear roles for airports of all shapes and sizes.

Acknowledge that the traditional “one size fits all” approach to policy and regulation needs to be changed if a *level playing field* is to be created.

This will allow all airports to better contribute productively to the UK’s future aviation and economic needs.

RESPONSES TO GREEN PAPER CONSULTATION

A series of topics dealt with in Powerpoint format

Topic	Relevance
Regional Access Agenda	Including to an expanded Heathrow, proposed PSO protocols, and UK region to region connectivity all made more urgent by evolution of Flybe / flybmi's demise
Disproportionate Costs Issue	The UK airport market is not a level playing field, partly by actions of government and regulators that bears down disproportionately on the smaller/ weaker.
Contribution to Economic Development	Potential partners with government. Contribute to regional initiatives such as City Deals and regional equivalents of the Northern Powerhouse that are already underway.
Strategic Value of Regional Airports	Raise the policy recognition of regional airports actual and potential roles including business development and employment clusters to secondary and tertiary cities and remote and peripheral areas across the UK
Land Use, Terrestrial access at Regional Airports	Counter the bias for large airport projects
Aviation Training and Skills Development	Strong potential role for regional airports to play a significant role

This topic follows here

Regional & Business Airports Group

Deliver a Level Playing Field

Public financial support for Airports is strongly skewed against smaller airports in the UK

Cox and Schmuecker estimated that in 2011, 80% of major transport infrastructure spending in the national infrastructure plan was earmarked for London and the South East, compared to just 6% for the North

Public Tourism bodies have contributed to funding marketing campaigns with London airports and larger regional airports, whilst smaller ones were not able to participate

Mechanisms for rebalancing may include APD exemption as one obvious possibility, but there are a constellation of other measures that collectively may allow smaller regional airports to breathe more easily.

Post-Brexit may offer more opportunities, e.g. incentives for airport business park development

UK Special Assisted Areas (Shaded)

Regional Airports (RABA Members) and their close association with many special assisted areas offers a convenient, effective and comprehensive lever to apply across economically challenged UK areas.

SIGNIFICANT ROLES & POTENTIAL

Explicitly recognise in planning and business policy the important role the UK's small and mid-size airports (Business and General Aviation and 'Reliever' Airports) play in:

1. Facilitating non passenger-related aviation activities (e.g. emergency services, offshore energy support, military operations, aircraft servicing and testing, pilot training and prospectively space flights);
2. Hosting one of the UK's most advanced and high value industries – the aerospace and defence sector – in which we remain a globally significant player;
3. Being the focal point of wider advanced manufacturing and research, logistics and producer service, conference and tourism accommodation clusters, generating agglomeration and spin-off benefits associated with airport cities, business districts, campuses, villages and communities.

INBOUND TOURISM

Global Travel & Tourism contribution to direct GDP in 2013 is forecast to grow by 3.1% and is again forecast to outpace growth of the total global economy (2.4%) in 2013. Longer-term prospects are even more positive with annual growth forecast to be 4.4% per year over the ten years to 2022 The World Travel & Tourism Council (WTTC).

An astounding 1 in 11 of the world's total jobs are involved in travel and tourism. In Europe the direct contribution of Travel & Tourism to GDP in 2012 was USD612.9bn (2.9% of GDP The World Travel & Tourism Council (WTTC)).

INBOUND TOURISM

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14% of the Scottish workforce is engaged in tourism representing 100,000 FTE jobs and serving 50 million visitors. The industry contributes USD4800 per head of population for Scotland. 85% of visitors are from the UK and 15% are international, but the international visitors represent 35% of the revenue. VisitScotland

In the Republic of Ireland 75% of overseas tourists arrive by air and 25% by ferry, whilst 60% of overseas Northern Irish visitors come by air and the balance of 40% by ferry. Tourism Ireland

In some research for the UK Connectivity Taskforce report (Paper 7) data was assembled that demonstrated:

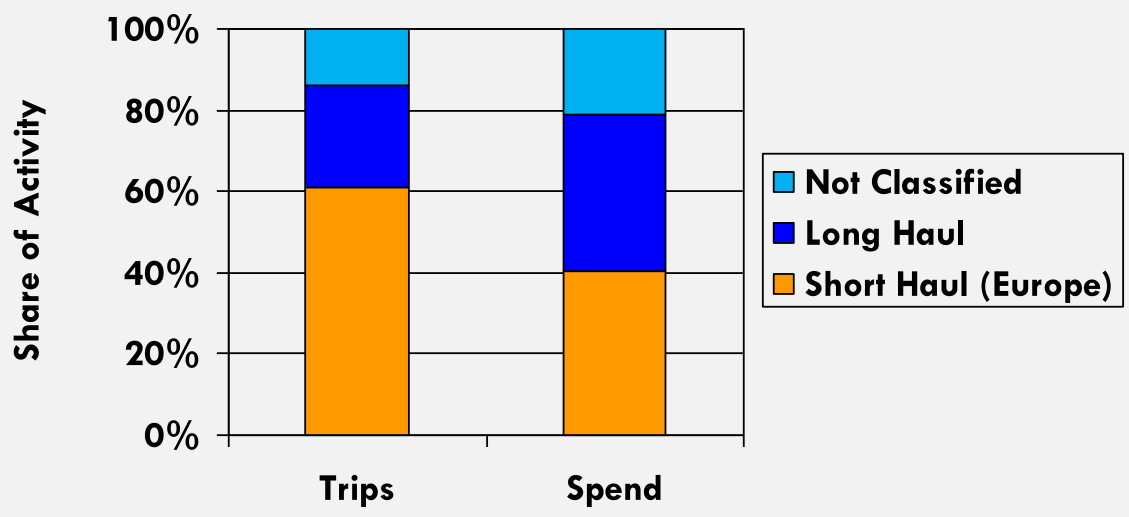
- 80% of tourists do not stray beyond two hours from their arrival airport.
- UK Regions need convenient access to an international hub so long haul tourists can access those regions.

AIR ACCOUNTS FOR OVER 70% OF ALL UK INTERNATIONAL VISITORS, AND 85% OF SPEND

International Visitors to UK 2013				
	All Visitors	**By Air**	**By Sea/Tunnel**	**Air Share**
Number of Trips (000)	32,813	23,722	9,091	72%
Spend (£million)	20,844	17,669	3,175	85%

LONG HAUL TOURISM IS SUPERIOR AND NEEDS SPREAD ACROSS UK

Shares of Short Haul and Long Haul Markets: 2013



Most are from short haul markets, but total spend is similar for short haul and long haul visitors

Average spend per trip:

- All air passengers: £745
- Long haul: £1,159
- Short haul: £492

International Passenger Survey: 2013

UK Regions destinations are keen to better benefit from higher spending visitors to UK and ease congestion on UK tourism hotspots.

POLICY

CONSTRAINTS AND MARKET FAILURES

- Number of smaller airports have closed, others are under threat – reducing geographical coverage and competition in the airport sector.
- Without a substantive property portfolio, the statutory cost burdens on small airports make them unviable without public sector support.
- Public ownership or subsidy are standard models elsewhere in world; also seeing it grow in UK – DAs, Regional Authorities, Local Authorities.
- Smaller airport operations don't generate financial resources compatible with the investment opportunities represented by their asset base.

SURFACE ACCESS

Of high priority with our members, but the Government's perceived laissez faire approach to surface access schemes is seen an impediment to long term coordinated action and constrains growth at regional airports in particular.

The 2050 document asserts that Government investment on strategic highways and rail networks would fail 'state aid' tests. This does not match experience on the continent (Governments frequently finance strategic surface access enhancements to airports), or even in the UK (e.g. FARRs road link in Doncaster, the to Edinburgh Airport tram, Manchester Ground Interchange, and the station re-development at Gatwick).

The journey-quality importance of seamless "door to door" travel implies Government must play a major role in funding the broader strategic network enhancements needed to facilitate airport growth.

For the White Paper Government should clarify:

- High priority projects it will part-fund in the medium term
- Strategically important surface access projects necessary to unlock growth at specific airports
- Lower priority projects dealt with by other funding mechanisms, but with a ring-fenced allocation for smaller 'local' projects. Big schemes should not always shoulder all else out.
- Schemes which an airport operator or local authority are expected to fund.

AIRPORTS, CITY PLANNING AND ECONOMIC REGENERATION

- Airports can have a significant influence on physical structure & land use zoning of cities.
- Airports are large facilities that attract significant surface access infrastructure and associated development beyond their boundaries (e.g. hotels, logistics, business space)
- There is also a wider indirect effect on city planning due to airport safeguarding, noise and surface access corridors.
- And there are induced effects arising from enhanced land values for industrial and business space close to airports; and pressures on housing markets and the demand for community facilities, depending on the scale of the airport's workforce.
- In under-performing regional economies these effects will usually be widely welcomed if the airport is well located relative to the main urban area; in those where there is already economic overheating they can cause diseconomies in the form of localised labour and property market pressures and road congestion.

CONSTRAINTS AND MARKET FAILURES

- Servicing land speculatively drains capital/revenue from priority operational maintenance, efficiency and growth projects.
- Don’t have expertise or risk capital to get projects to shovel-ready stage.
- Absence of mechanisms for capturing betterment value from airport growth.
- Land use planning - Greenbelt, policy favouring inner urban sites, encroachment in operational areas of housing/other incompatible uses.
- Surface access links – funding is focused on larger projects (Webtag bias).
- Skills shortages & labour market pressures.

AIRPORTS, CITY PLANNING AND ECONOMIC REGENERATION

In Ireland for instance, Airport Local Area Plans are used to translate national and regional plans to a local development plan level.

The plan for Dublin Airport, which is bigger than all but Heathrow and Gatwick in the UK, is about to publish and establish the framework for the airport's masterplan and airport-related development proposals, rather than just respond to them on an ad hoc basis as frequently happens in the UK.

We could have HS2 style Growth Partnerships anchored by LPAs and LEPs to develop local vision statements. UK Ports are used to developing public private enterprise partnerships that airports could emulate.

There is potential for an Airport Sector Deal to deliver supporting skills, technology and infrastructure requirements.

Airports should be given more priority in future growth funding, city deals and Enterprise Zone declarations

PROPOSED PLANNING REFORM FOR AIRPORTS

- Common sense reform of local planning law should be central to the aviation strategy, in order to give airports greater ability to invest and grow. The United Kingdom Major Ports Group Ltd (UKMPG) recently produced a 10 point plan for sea ports. We note its significant read across for regional airports, and have adapted their approach to our circumstance. Hence we to see:
  - Increase the scope of Permitted Development Rights or promotion of Local Development Orders within airports to cover more value adding & job creating activities.
  - Making the impact on trade and investment a material consideration in planning decisions
  - Giving Masterplans for airports same formal recognition as other local masterplans. Giving them the same weighting in local planning as residential, commercial and some industrial plans already are.
  - Develop pro-trade, pro investment 'zones' around specific airports and their hinterland areas

AN EIGHT POINT PLAN STREAMLINING LAND USE PLANNING FOR AIRPORTS

1. We should broaden the scope of Permitted Development rights and promotion of Local Development Orders for UK airports
2. We need a revised definition of 'operational land' so it better reflects modern airports business's, and covers the full area used by them
3. If a development is going to have a significant positive impact on trade and investment, this should be recognised as a material consideration in the planning process.
4. The defined stage gates feature of the planning process used for Nationally Significant Infrastructure Projects (NSIP) should be more widely applied to ensure greater certainty in the planning process.
5. The needs and opportunities for airports should be included in local strategic spatial plans, in the same way residential, commercial and industrial developments are.
6. Similarly, masterplans for airports should be given formal status in the planning process, in the same was residential masterplans are.
7. We should explore pro-trade, pro-investment 'airport zones' around specific airport areas and their hinterlands.
8. We should review environmental regulations with the aim of creating a system which is both good for trade and ensures high standards of environmental protection.