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Department for
Transport

From the Parliamentary
Under Secretary of State

Great Minster House
76 Marsham Street
London SW1P 4DR

Rt Hon Tessa Jowell MP
House of Commons
LONDON
SW1A 0AA

Tel: 020 7944 3011
Fax: 020 7944 4399
E-Mail: chris.mole@dft.gsi.gov.uk

Web site: www.dft.gov.uk
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14 AUG 2009

Dear Tessa

Thank you for your letter of 4 August to Andrew Adonis.

I note your constituent's concerns about impacts on the population around Heathrow, including the loss of housing, congestion, pollution, noise and water. These were taken into account in the decisions announced in January, and in many cases their impacts are addressed in the Impact Assessment published simultaneously with the Heathrow decisions. On noise and pollution, as you know, we have been committed throughout to the conditions set down at the time of the Air Transport White Paper in 2003 – in effect, no worsening of the noise climate, as measured by the size of the 57 decibel noise contour, and compliance with our EU obligations on local air quality. There is statutory compensation for those whose homes may be required and BAA offer additional protection aimed at guaranteeing property values in the intervening period.

Issues around congestion, water resources and planning are primarily matters for the planning process. If BAA proceed with a planning application, as we expect, there will need to be further public consultation and engagement on the basis of their final, worked up proposals.

I will now address, in turn, the wider issues concerning the expansion of Heathrow Airport.

Necessity

Heathrow is already operating at over 99% capacity, so small events can have a disproportionate impact on delays to passengers - either weather-related (fog, strong winds) or technical/operational incidents. Schiphol and other European airports with more runways operate at around 75% capacity and are more resilient against disruption. To stay competitive we need additional runway capacity at Heathrow.

We cannot escape the fact there continues to be strong demand for air travel in the UK. Our long term forecasts support this and demand for travel from the South East is especially strong. If we don't get more airport capacity, many world-wide destinations won't be available from UK airports, and the UK economy will suffer.

In 2005, there were 228m passengers and 465m passengers are expected by 2030. There has been no new full-length runway built in the South East since the extension at Gatwick in the 1950s. In contrast, other European airports have expanded. Schiphol and Paris CDG now operate five and four runways respectively, and a fourth runway is planned at Frankfurt.

Economic Benefits

In view of the significant economic benefits, the Government considers that there is a strong case for introducing further capacity at Heathrow Airport.

The *2003 Future of Air Transport White Paper* set out the economic benefits of a third runway. This was then shown in more detail in the *Adding Capacity at Heathrow Airport Impact Assessment*. A fully utilised third runway at Heathrow Airport could provide transport user benefits through increased capacity worth over £19 billion. Taking all costs into account, including noise and greenhouse gas emissions, a fully utilised third runway with associated passenger terminals has estimated net benefits of around £5.5 billion, with benefits of £3.3 billion if aggregate capacity remains at 605,000 flights a year.

Environmental Measures

In order to reinforce our commitments on noise and air quality, additional flights above the current 480,000 a year limit will only be allowed once the independent Civil Aviation Authority is satisfied that noise and air quality conditions are already being met. The air quality limit is already statutory,

and the noise limit will now also have legal force. The detailed mechanism for achieving this is being developed with the relevant parties and will be consulted on in due course.

The support for expansion at Heathrow is subject to a limit on the increase in the number of flights. The Adding Capacity at Heathrow Airport consultation considered an increase in capacity to 702,000 flights a year. However the Secretary of State for Transport announced support for an increase to 605,000 flights a year, around half the increase initially proposed. Any increases in capacity above the 605,000 limit will be subject to a review in 2020, which will take into account the current three tests on air quality, noise and surface access, as well as the UK's progress against its emissions reduction targets. It would also require an additional planning application from the airport operator.

Any additional capacity created by the expansion of Heathrow will, after consultation, be subject to a new 'green slot' principle, which will help to incentivise the use at Heathrow of the most modern aircraft and bring further benefits in terms of noise and air quality.

The Secretary of State for Transport also announced the establishment of a new target to ensure that aviation emissions in 2050 are below 2005 levels. The Committee on Climate Change has been asked to provide advice on the best basis for this development.

Having taken the lead in successfully promoting the inclusion of aviation in the EU Emissions Trading Scheme, the Government will be pressing hard for international aviation to be part of the global deal on climate change at Copenhagen later this year, to further ensure that the costs of aviation are taken account of and addressed.

Taken together this gives us the toughest climate change regime for aviation of any country in the world, and gives Ministers the confidence that we will achieve our 80% emissions reduction target. In addition it will be one of our highest priorities to secure international agreement on measures to reduce aviation emissions.

Effect on the Local Community

The Government recognises that the loss of housing around Heathrow will have a big impact on the local community. Those affected would have a statutory entitlement to compensation at the relevant stage of the planning process. The airport operator BAA also has voluntary schemes in place that aim to protect the value of properties that might be acquired in due course for runway development; and to help home-owners with moving expenses if

they choose to relocate once a decision is made to apply for planning permission.

Air Quality

The critical local pollutant at Heathrow is nitrogen dioxide (NO₂), and the most significant contributors to this pollutant in the Heathrow area are road vehicles and aircraft. Air quality has been progressively improving, due mainly to emission controls on road vehicles and industrial sources. The White Paper concluded that there was a better prospect of meeting air quality limits in the 2015-2020 period allowing time to reap the benefits of cleaner road vehicles and other technology improvements. Our modelling has confirmed this, due to substantial reductions in road vehicle emissions over the next decade, as a result of tighter European standards, and the improved environmental performance of aircraft, as today's fleet is either replaced or re-equipped with cleaner engines.

Noise

The impacts of increased capacity on the noise contour limit have been considered and the results are given in the '*Adding Capacity at Heathrow Airport*' consultation document, which is available online, alongside the 2003 'Future of Air Transport' White Paper, at www.dft.gov.uk.

Our modelling suggests the size of the 57dba noise contour with a fully utilised third runway in 2030 would be no larger than in 2002, though clearly the shape of the contour will change. Even with a third runway and around 605,000 movements a year by 2020, there would be fewer people within the 57dBA noise contour than in 2002.

Surface Access

We have modelled likely changes in traffic levels around Heathrow, and carried out a preliminary assessment of future public transport demand and supply. Since support for expansion was confirmed by the Government, it is now for the airport operator BAA to carry out further detailed studies as part of preparing a wider surface access strategy to underpin a planning application.

Some public transport improvements are already in prospect. We expect that there will be enhanced service levels on the Piccadilly line by around 2014, and new Crossrail services into and across the City by 2017. In addition, the Airtrack scheme linking Terminal 5 to the rail network in the south and west will likely be in place in time for a third runway. Other possible improvements could include new bus and coach services.

However, a detailed surface access strategy will need to be drawn up to look at all the provisions and their impact/effect. Forecast changes in road traffic speeds are illustrated in the supporting report on surface access.

High Speed Rail Network

Looking to the future, the Department will work with the airport operator and Network Rail to consider schemes that provide better connections to the Great Western main line whilst maximising the effectiveness of scarce railway paths. The Department has also set up a new company, *High Speed Two (HS2) Ltd*, to advise Ministers on the feasibility and credibility of plans for a new line with specific route options and financing proposals. This work will include consideration of options for a new Heathrow International interchange station on the Great Western line, providing a direct 4-way interchange between the airport, the new north-south line, existing Great Western rail services and Crossrail into central London.

On the issue of high speed rail, the Government does not believe that it is an either/or choice between rail and aviation. Significant investment has already taken place on our railways, and has for instance helped increase the proportion of journeys between Manchester to London taken by rail from one third to two thirds. At the same time however, rail and high speed rail can only replace a certain percentage of flights, as rail does not compete well on journeys longer than 2-3 hours. For longer journeys, many people will continue to choose to travel by air.

Final Decision

Last year the Department for Transport completed a major consultation on Adding Capacity at Heathrow Airport which received almost 70,000 responses. The consultation sought views on proposals for delivering new capacity at the airport, as well as on a number of current operational procedures on the existing runways. After careful and thorough consideration of the consultation responses and all other relevant evidence the Secretary of State for Transport announced to Parliament on 15 January 2009 his decisions on these important issues.

In summary, the decisions on Heathrow are to:

- confirm support for a third runway at Heathrow with a slightly longer runway (2,200m operational length) and additional passenger terminal facilities, subject to an aggregate limit of 605,000 annual movements which would be subject to review in 2020;
- reject the introduction of mixed mode (taking off and landing on both

runways) on the existing runways as an interim measure before a third runway, which will maintain the benefits for residents of the present alternation, which gives them a respite from aircraft noise for at least 8 hours per day;

- end the 'Cranford agreement' (which currently limits easterly departures off the northern runway), so redistributing noise more fairly around the airport;
- retain 'westerly preference' operations (the preferred direction of operation of the runways except in strong contrary winds);
- confirm that the benefits of night-time rotation (the practice of alternating the use of the existing runways at night between westerly and easterly preference, subject to weather conditions) will continue; and,
- confirm that the benefits of 'early morning alternation' (the practice of alternating arriving aircraft between the two runways in the 0600 to 0700 period, subject to operational requirements) will also continue.

The airport operator at Heathrow has been invited to consider the decisions carefully. If it decides to pursue a new runway then it will need to prepare relevant plans and obtain planning permissions and other necessary consents. This will involve further consultation in due course.

I hope that you find this information useful.

Best wish

A handwritten signature in black ink, consisting of a large, stylized 'C' followed by a horizontal line extending to the right.

CHRIS MOLE