Extracts from The Future of Air Transport

Chapter 11 - Smaller South East airports

11.93 Small airports have an important part to play in the future provision of airport capacity in the South East. Their ability to provide services to meet local demand, and thereby help relieve pressures on the main airports, will be particularly important in the period before a new runway in the South East is built.

11.94 There is support from a wide range of stakeholders that the small airports in the South East should be allowed to cater for as much demand as they can attract. And from the studies undertaken for the White Paper and the responses to the consultation, it appears that some further development could be possible at any of the smaller airports that have been assessed without insurmountable environmental constraints.

11.95 To help the small airports in the South East achieve their development aims, regional and local planning frameworks should take account of the benefits that development at the smaller airports could provide, and consider policies which facilitate the delivery of growth at these airports. The specific details of development at any airport should remain a matter of local determination through the planning system.

11.96 *London City* provides services within the UK as well as to a wide range of key European destinations such as Paris, Amsterdam and Zurich. Our forecasts show that the airport is likely to grow steadily and that this growth would not be significantly affected by the addition of runway capacity at the major London airports. It is particularly well placed to serve a niche business market. Several of the surrounding local authorities supported growth to 5mppa. The airport operator believes that with some further development a higher throughput could be achieved.

11.99 We consider that all these airports could play a valuable role in meeting local demand and could contribute to regional economic development. In principle, we would support their development, subject to relevant environmental considerations.

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11.101 The ability of business aviation to gain access to the main airports in South East will continue to be problematic as capacity constraints cause aiports to focus on more valuable commercial traffic. The Government recognises the important contribution made by small airports in the South East in providing capacity for business aviation. We support the adoption of policies which encourage the continued provision of these services.

Chapter 4 - Regional air services to London

4.44 In addition, and recognising the importance of regional services, the Government is prepared to intervene in well defined circumstances to protect slots at the London airports for such services by imposing Public Service Obligations (PSOs). The imposition of a PSO enables the slots used for that service to be 'ring-fenced', so that an airline cannot use them for a service to an alternative destination. The rules for imposing PSOs are set out in European regulations (Regulation 2408/92 and Regulation 95/93).

4.45 The Government will apply PSOs where, in accordance with the existing EU Regulation 2408/92, three criteria are met:

- the route is to a peripheral region, or to a development region, or is a 'thin' route; we will consult shortly on the details of this;
- the air service concerned is vital to economic development for the region; and

- a PSO is required to ensure an adequate level of service. We will be consulting regional stakeholders and the aviation industry shortly on an appropriate definition of 'adequate' bearing in mind the importance to travellers of services at both peak and off peak times.

4.46 The Government will work closely with the European Commission and other Member States with the aim of ensuring that any amendments to the regulations will recognise the importance of regional access to London airports. In the interim, it will be necessary to develop clear guidelines so that any applications for the imposition of PSOs on routes from regional airports into London can be processed in an objective and transparent manner. For the purposes of this policy, London airports will include Gatwick, Heathrow, London City, Luton and Stansted.