

Submission to the All Party Parliamentary Group for the Future of Aviation: Inquiry into the recovery of the British aviation, travel and tourism sectors and the UK economy.

Preamble

Heathrow Strategic Planning Group (HSPG) members very much welcome the interest of the APPG in this area, however we would frame the starting point rather differently in that:

- (a) Aviation, travel and tourism each need to be considered in their own terms and do not form a single identity with a single remedy;
- (b) The interests of *airport communities* have been overlooked and need to be considered separately from those of airports and aviation (and travel and tourism). The failure to understand this has contributed to the inadequate support given by the government to those neighbourhoods and towns which have an unusually high level of dependence on aviation and airports and associated employment and that have been hit by some of the highest levels of furlough and lay-off in the UK; and
- (c) A return to a pre-pandemic “ways of operating” is not necessarily desirable nor indeed possible and that the intention should be to describe a new paradigm which fully recognises the need for greater sustainability. The challenge is more one of *renewal* rather than *recovery* and should also consider other forms of transport which may provide sustainable connectivity. In short there is no ‘going back to’ 2019 ways of operating.
- (d) Furthermore, there is no guarantee that the end of the pandemic signals a return to a status quo ante. One of the subsidiary consequences of the invasion of Ukraine will be termination of some routes on international networks for the foreseeable future and the need for new flight paths for some destinations.

We would encourage some reflection of these issues in the way that evidence for the inquiry is sought and in the framing of recommendations.

Further information on the role, membership and outputs of the HSPG is available at:

<http://www.heathrowstrategicplanninggroup.com/>

Response to the inquiry questions

- 1. What steps are required to ensure the UK’s aviation, travel and tourism sectors can return to pre-pandemic ways of operating and when do you currently anticipate returning to pre pandemic levels of business?**

Getting back to 2019 levels of travel “business” is not the same as getting back to pre-pandemic “ways of operating”, indeed it is not desirable nor possible and the intention should be to describe a new paradigm, to ‘build back better’. This new paradigm will need to focus on:

- producing much lower impacts in terms of carbon and green house gases (GHG) and climate change,
- be more sustainable (in economic, social and environmental terms) in terms of impacts on the health and wellbeing of local communities, and
- more resilient to economic shocks and events around the globe.
- Further, *some* of the collaborations, innovations and changes introduced in pandemic response will result in some lasting changes and improvements in business and service.

The interests of interests of “aviation, travel and tourism” are not necessarily inextricably linked. The future for the visitor economy of say the Western side of London with its many diverse cultural and recreational assets within the subregion and in proximity to Central London, might be quite different from one based on international air travel. Indeed, in the interests of resilience, the visitor economy needs to diversify and be less dependent on any one visitor market. What is needed is a realistic, forward-looking strategies for the aviation, visitor travel and tourism travel sectors, that recognises there is no going back to 2019.

More fundamentally, the interests of airport communities need to be recognised as related but distinct from those of airports and aviation and require appropriate support which reflects their broader requirements.

During the pandemic the airport communities with a concentration of long-established traditions of employment ‘at the airport’ in aviation and related services and airport supply chain saw some of the highest levels of furlough and lay-off in the country, with widespread localised impacts. (It is regrettable that some companies failed and some employers behaved poorly during the pandemic). Labour resource has now moved-on and there are now some recruitment difficulties being experienced. Improved employment and training practices in the sectors, improved industrial relations and initiatives to improve pay – to London Living Wage for example - are to be welcomed.)

It is encouraging to see in the recent publication of Heathrow Airport’s¹ sustainability strategy and net zero carbon plan which offer a clear recognition that there can be no going back to 2019 levels of impacts and ways of doing things, and to see collaborative action across our sub-region at the forefront of the innovation needed to respond to the climate emergency agenda². The HSPG promotes sub-regional scale collaborative joint working between local authorities, the Airport and others to develop a carbon ‘Insetting’ proposition, a Local Area Energy Plan, and joint economic, transport and spatial strategies.

¹ [Heathrow 2.0 Connecting People and Planet FINAL.pdf](#)
[Heathrow Net Zero Plan FINAL.pdf](#)

² [Heathrow-Local-Recovery-Plan_final \(9\).pdf](#)

2. What steps do you think the Government should be taking to encourage consumers to return to international travel?

Travellers will return in greater numbers when their own assessment of safety and costs - both personal and societal - feels in balance. In the first instance the steps taken to respond to the pandemic are the best means of encouraging people to feel safer. The mode that people choose may well reflect some of the wider societal costs, particularly in relation to carbon. De-carbonising travel will be important for many, but the costs (including time and inconvenience) of some less carbon intensive modes are still a disincentive to their use. If there is to be financial subsidy it should be targeted appropriately.

3. If the measures you have recommended in the previous 2 questions are not taken, what do you expect the impact to be on the aviation, travel, and tourism industries both in the long and the short term?

People will not travel if they do not feel safe. So maintenance of high quality international cooperation and monitoring for new variants and continued support to vaccinate the whole world population will be vital to building consumer confidence in international travel – whether for business, ‘friends and family’ or vacations. Government and industry must have clear ‘play books’ and preparedness to rapidly and effectively reinstate appropriate covid measures at short notice.

Any financial measures applied in the short term are likely to be of only marginal impact, the real need is to get the economy right in the face of rising costs / diminishing disposable household incomes. Distinct measures for tourism and travel industries could focus on home markets and safe area markets.

Furthermore, effective measures to deliver reduction in greenhouse gas emission from flying (including surface access to airports as part of a trip) will be vital in the medium / longer long term spending / life choices and will undoubtedly be important to the long term resilience and sustainability of aviation and international travel dependant sectors.

4. What role did a) your organisation or b) aviation, travel and tourism play in supporting regional economies before the pandemic and what action would you like to see to support regional economies?

As we now know, Heathrow Airport and other designated airports are vital piece of strategic infrastructure. The airport plays a huge part in our sub-regional (as well as UK) economy which has been modelled economically a number of times to identify direct, indirect and induced and also catalytic economic effects.

The damage suffered locally as a result of the pandemic has been huge and we have had precious little help in addressing it from Government and its probably too late now to do much. Indeed,

many workers laid off have now gone elsewhere and the airport now faces recruitment challenges. Greater diversification of local economies is likely to be needed so we are less reliant on these sectors and more resilient – and help people laid off into new sectors. We could encourage the aviation sector to play a part in wider innovation eco-systems through things like the emerging West London Innovation District work. And sector involvement in employment and skills initiatives.

5. What role did a) your organisation or b) aviation, travel and tourism play in supporting Global Trade before the pandemic and what action would you like to see to support the Government’s Global Britain ambitions?

The role of Heathrow Airport and the importance of activity conducted through it to Global Trade are well evidenced and no doubt others who will present their case.

Cargo also needs to be considered specifically too. Air cargo is clearly important to the UK’s world trade and has been vitally important to the UK’s pandemic response and offered a ‘life-line’ to many airlines, but Heathrow’s air cargo appears to have declined relative to other European ‘hub’ airport networks during recent years, probably as a result of both changes in foreign trade arrangements and the pandemic.

The importance to the UK economy of the established network of the international connections around the globe through the ‘hub’ at Heathrow for business, leisure and ‘friends and family’ air passengers and distinctly, for air cargo, must not be taken for granted. Heathrow’s offer is unique in the UK with both ‘belly hold’ cargo around the airport’s network as well as a smaller number of dedicated cargo flights. Complacency from government to any erosion of the Heathrow’s network compared to European competitors, and overlooking of the importance of air cargo, is to put the UK Global Trade ambitions at risk.

HSPG’s role has been to help develop collaborative relationship between airport, local authorities and business community needs, recognising that local airport communities are an airport’s greatest asset and not a problem!

We see this local collaboration between local authorities and airport as entirely consistent with Government’s ambition to be a global leader on climate change and sustainable development, engaging airport communities in innovation and action for the sustainable and resilient future of aviation and airports.

From Government we would like to see more support for this type of discretionary activity³. HSPG has a small part-time secretariat with limited financial support from the member bodies (including a contribution from Heathrow in 2022-23). In the past funding support from Government (such as the Planning Delivery Fund grant for joint local planning activity in 2018) has been vital in helping our joint strategic work to continue in a rigorous and independent way.

³ Further details of HSPG activity at: <http://www.heathrowstrategicplanninggroup.com/>

6. What action do you think the Government should take to make the UK a world leader in sustainable aviation, tourism, and travel?

It requires a very ambitious, wholesale approach towards decarbonisation and net zero to which transport (surface as well as air) in particular needs to make a huge contribution. There is considerable innovation underway in respect of aviation - aircraft, fuels and usage. There are huge changes in the automobile and personal travel sector. There are huge changes needed in the energy generation, storage, transmission and efficiency.

Trying to carve out tourism and travel from these wider challenges is fruitless. However, there are specific approaches to tourism that can protect the places being visited and make them more resilient. In short, start with the big picture changes and then consider the specifics related to tourism and travel.

The government's drive to cut GHG emissions from aviation alone is not enough to achieve 'world leader class' in sustainable aviation. The impacts of aircraft noise (including at night) and generation at ground level of micro-particulates and other emissions on the health and wellbeing of local communities is immense, and attention must not be diverted from achieving progress in this regard. There are worrying indications in recent government consultations on changes to the Night Flight Restrictions and the 'Jet Zero Strategy' that government's attention to reducing the noise impacts of aviation is being seconded to that for carbon reduction.

Airports and their supply chains (including road based cargo / logistics) need to decarbonise too, and this will require new forms and scales of energy infrastructure (including up-scaling local electrical transmission / storage and most likely the introduction of infrastructure in readiness for new hydrogen based aviation (and heavy road vehicle?) fuels. This cannot be achieved for airports without collaborative regard for local energy network needs too, and airports have a huge potential role to play as a 'hub' in such future networks, as a major power user, producer and distribution hub. The work of the HSPG stands as an example of the type of local collaboration government should be supported around other designated airports. HSPG's LA, LEPs and local business organisations members are working with the airport to this end, including initiatives around local carbon 'Insetting' and contribution to local initiative to develop a sub-regional scale Local Area Energy Plan.

7. What measures does government need to take to support the long-term recovery of the aviation, travel and tourism industries and ensure that they are a central part of the UK's economic growth?

As addressed in the responses to question 6:

- Attention to improved connectivity between hub airports and UK regionsThe need to reduce the negative impacts of aviation (noise, health and wellbeing),
- Increased role for designated airports 'on the ground' and their recognition in policy as critical infrastructure.

- Promotion and support for local collaborations around designated airports (such as the HSPG's)

8. With reference to your previous answer, what do you believe will be the impact on a) your local economy and b) the UK economy, if these measures aren't taken?

Long term decline and hostility.

9. Do you think that the UK aviation, travel, and tourism will recover from the pandemic before or after our European neighbours and if not why?

The UK's airports, their geography, their flight networks and markets sectors served are not all the same; so they have all been impacted differently and will all recover differently. For example, the lockdown of the US and Far East networks have been slower to reopen and will be slower to recover than those to European destinations. 'Friends and family' sectors will likely recover sooner and more resiliently than leisure flying, and business flying practices may never return to previous levels as virtual meeting habits have developed. In response, the niche roles of individual airports and airline groups and the aircraft used will evolve in response.

In the short-term some UK based operations for passengers and cargo are reported to have lost ground to European based alternatives. Published sources show that Heathrow 'hub' suffered greater percentage losses of passengers than Charles De Gaulle and Schiphol in 2019-20, and that air cargo tonnage has reduced relative to Frankfurt and CDG in premier positions in Europe. The actual losses in route network will be of more importance going forward and whether these changes are permanent or not will in part be bound by wider trade policy decisions. HSPG has no evidence of its own to present on these matters.

For any queries of further information contact

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