

14 – 20 January 2012 – Regional and Industry News

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## SASIG 2012 Meeting Date

The forthcoming SASIG meeting in 2012 will be on:

### Friday 24 February 2012

Meetings are held between 11am and 1pm, at Local Government House, Smith Square, SW1P 3HZ, with lunch provided afterwards; a location map is at

<http://www.lga.gov.uk/lga/core/page.do?pagelId=27909>  
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## Regional News

### **Part-privatisation may fund possible bid for Stansted or Edinburgh**

15 January 2012

Manchester Airports Group (MAG Ltd), owned by 10 local Councils, is studying plans for a part-privatisation to raise cash to bid for Stansted or Edinburgh Airport. A range of options is being considered, including issuing shares to new investors, and creating a joint venture with infrastructure or pension funds to bid for one of the BAA Ltd airports.

MAG Ltd manages four airports - Manchester, East Midlands, Humberside and Bournemouth - serving 24 million passengers a year, with Manchester accounting for almost 19 million (18 million passengers were handled at Stansted in 2011).

[http://menmedia.co.uk/manchestereveningnews/news/business/s/1470743\\_manchester-airports-group-could-float-to-fund-stansted-bid](http://menmedia.co.uk/manchestereveningnews/news/business/s/1470743_manchester-airports-group-could-float-to-fund-stansted-bid)

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### **London Luton Airport intends to boost passenger numbers**

16 January 2012

The operator of Luton Airport has announced plans to boost passenger numbers by nearly 7 million a year using the existing runway and within the existing airport boundaries.

The project - named 'futureLuToN:Optimisation' - seeks to optimise the capacity of the existing runway through consideration of improvements to aircraft taxiways, aprons, piers and parking stands, the road network, airport car parking and the passenger terminal. The improvements are expected to create 6,000 jobs.

The baseline capacity used in the consultation is 10.3 million passengers per year (mppa), as that is the maximum throughput handled by the airport to date (in 2008). The Bedfordshire airport currently has a maximum capacity of 11.5 million passengers per year.

Luton Airport, the fifth largest airport in the UK, is headquarters for no-frills giant EasyJet and is a major base for Wizz Air, Ryanair and Monarch.

London Luton Airport Limited (LLAL) owns the airport on behalf of Luton Borough Council, and will begin consultation on the expansion project on 6 February 2012, for comment by 26 Monday 2012.

LLAL consultation website: <http://www.futureluton.co.uk/>

<http://www.bbc.co.uk/news/uk-england-beds-bucks-herts-16580283>

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## **Temporary terminal for Heathrow ahead of Games**

19 January 2012

A sixth terminal is to be built at London's Heathrow Airport to cope with the influx of passengers over the Olympics. The temporary structure will be erected on an old car park site between Terminals Four and Five to help cope with a massive increase in passenger numbers.

14 August 2012, the day after the Olympic closing ceremony is likely to be the busiest 24 hours in the airport's history. Departing passenger numbers on that day are expected to be around 138,000 - 45% up on the normal level of around 95,000 - and the number of bags up 35%. The day before the Olympic opening ceremony, 26 July 2012, is also expected to be extremely busy.

<http://news.sky.com/home/uk-news/article/16152315>

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## **Industry News**

### **Civil Aviation Authority (CAA) - New 'Consumer Panel' to sharpen focus on aviation consumers**

8 January 2012

Consumers will be better represented in aviation regulation after an announcement from the UK Civil Aviation Authority (CAA) that it is setting up a Consumer Panel. The Panel represents a major step forward for the CAA in its aim to put the consumer at the heart of its work.

The Panel is being set up to give the CAA a sharper focus on how its regulatory activity affects passengers, and on how it can best support the aviation industry to deliver choice and value for current and future aviation consumers.

To be effective in its work, the Panel will act as a critical friend to the CAA, providing oversight and advice on the CAA's regulatory approach. The Panel will be structured to be sufficiently independent to hold the CAA to account whilst not incurring unnecessary administrative cost.

<http://www.caa.co.uk/application.aspx?catid=14&pagetype=65&appid=7&newstype=n&mode=detail&nid=2082>

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## **Virgin Atlantic operator calls for UK authorities to probe British Airways-Bmi deal**

16 January 2012

The operator of the Virgin Atlantic airline has called for UK competition authorities, such as the Office of Fair Trading and the Competition Commission, to look into the proposed purchase of Bmi by British Airways' (BA) parent company - International Airline Group (IAG) - on grounds that it would affect competition in the supply of domestic flights within the UK.

The takeover initially has to go to the European Commission (EC) for approval, however, UK competition authorities can request jurisdiction to examine the competition issues around the deal.

IAG, which owns BA and merger partner Iberia, announced that it had struck a £172.5 million deal to buy loss-making Bmi from current owner Lufthansa on 22 December 2011. The Bmi purchase would give IAG another 56 weekday slots at Heathrow. IAG is hoping to finalise the purchase by the end of March 2012, however, this depends on approval by the European Commission.

British Airways currently has around 44% of slots at Heathrow but if IAG completes the Bmi purchase, the company will control 53% of slots including Iberia's flights. BA wants to use the Bmi slots to add new long-haul destinations and frequencies from Heathrow.

<http://www.abtn.co.uk/news/1616813-virgin-atlantic-pleads-uk-authorities-probe-ba-bmi-deal>  
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## **BAA Ltd figures indicate that 'High Speed 2' (HS2) will lead to reduction in domestic flights**

16 January 2012

The 'High Speed 2'(HS2) rail link, which was confirmed by Transport Secretary, Justine Greening, will cut thousands of domestic flights at Heathrow according to BAA Ltd.

Initial figures from BAA Ltd show the high-speed rail line will replace 9-10,000 air trips a year. Last year, there were 45,806 domestic services to and from Heathrow, but the new rail link will result in around a 22% reduction, according to BAA Ltd.

Initial figures from the airport operator are based on the full direct link to Heathrow, including the route to Leeds and Manchester, expected to be in place by 2032. Fewer flights will be affected by phase one, which will run from London to Birmingham with an interchange at Old Oak Common, allowing for onward travel to Heathrow.

Free slots could potentially be replaced by long-haul routes, possibly to emerging economies, but this will be addressed by airline operators along with Airport Coordination Limited (ACL), which has responsibility for slot allocations at UK airports.

DfT Transport Statistics 2011: <http://assets.dft.gov.uk/statistics/releases/transport-statistics-great-britain-2011/aviation-summary.pdf>

<http://www.skyport-heathrow.co.uk/2012/01/hs2-spells-end-to-thousands-of.html>  
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## **Non-Governmental and International Organisation Press Releases**

### **World Wide Fund for Nature UK (WWF) - Opposition to Thames estuary airport**

18 January 2012

The World Wide Fund for Nature (WWF) is concerned that the coalition Government could be putting south east airport expansion back on the agenda - a move the WWF (UK) is neither necessary economically nor sustainable in climate terms.

WWF had previously raised these concerns in response to calls from the industry regulator, the Civil Aviation Authority (CAA), for south east airport expansion.

([http://www.wwf.org.uk/what\\_we\\_do/press\\_centre/?unewsid=5586](http://www.wwf.org.uk/what_we_do/press_centre/?unewsid=5586))

WWF concluded that there is already sufficient available capacity across London's six airports and seven runways to meet demand to 2050 without having to build a further airport, especially given the trend towards larger planes and higher passenger loading. In addition to this, a decline in domestic flights, growth in train travel, greater use of video-conferencing and reduced business flying mean it is impossible to justify further expansion, especially as it would be likely to destroy the UK's chance of meeting legally binding climate targets.

Press release: [http://www.wwf.org.uk/what\\_we\\_do/press\\_centre/?5603/wwf-reaction-to-media-reports-on-a-new-london-airport](http://www.wwf.org.uk/what_we_do/press_centre/?5603/wwf-reaction-to-media-reports-on-a-new-london-airport)

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### **Unite union denounces Boris Island as a "vanity project"**

18 January 2012

Unite, Britain's biggest aviation union, has denounced 'Boris Island', the term coined for a new estuary airport, as a vanity project but welcomes the Government's recognition of the importance of modernising the UK's international transport links.

Unite believes the plans for a new airport in the Thames Estuary are flawed and could seriously jeopardise the local economy around West London.

[http://www.unitetheunion.org/news\\_\\_events/latest\\_news/unite\\_denounces\\_boris\\_island\\_a.aspx](http://www.unitetheunion.org/news__events/latest_news/unite_denounces_boris_island_a.aspx)

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### **London Chamber of Commerce and Industry - Thames estuary airport consultation welcome**

18 January 2012

The London Chamber of Commerce and Industry has welcomed the Thames estuary airport consultation, as they consider this to be Government recognition that there is a desperate need for more airport capacity in the south east.

[http://www.londonchamber.co.uk/lcc\\_public/article.asp?id=0&did=47&aid=5411&st=&oid=-1](http://www.londonchamber.co.uk/lcc_public/article.asp?id=0&did=47&aid=5411&st=&oid=-1)

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**The Royal Society for the Protection of Birds (RSPB) - Thames airport plan bad for business, people and wildlife**

18 January 2012

The Royal Society for the Protection of Birds (RSPB) has warned the Government against including a Thames estuary airport in an upcoming consultation on the future of aviation.

The estuary is a haven for hundreds of thousands of wildfowl and wading birds. As well as destroying this vital habitat, experts believe an airport here would be at high risk of bird strike, with very serious flight-safety implications.

RSPB Conservation Director, Martin Harper, said: "There is no economic argument for destroying a vital habitat for thousands of wetland birds. We would be horrified if this act of environmental vandalism goes ahead simply to suit a short-termist approach to the economic mess we are in."

<http://www.rspb.org.uk/media/releases/302671-thames-airport-plan-bad-for-business-people-and-wildlife>  
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The following sources are also used in the compilation of SASIG bulletins: ABTN Air & Business Travel News, ACI Airports Council International, AERBT An Executive Review of Business Travel, Airwise.com, Anna Aero, Aviation International, BAA Ltd, ENDS Environmental Data Services, Financial Times, IATA International Air Transport Association, BBC, The Guardian, The Independent, Planning Portal, The Telegraph, Transportinfo, United Kingdom Parliament.

SASIG, PO Box 1308, Kingston upon Thames, KT1 2WF. Tel: (020) 8541 9459 Fax: (020) 8541 9447      Email: <a href="mailto:sasig@surreycc.gov.uk">sasig@surreycc.gov.uk</a> Website: <a href="http://www.sasig.org.uk">www.sasig.org.uk</a>
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