

All-Party Parliamentary Group on General Aviation: Response to Aviation 2050 – Government Green Paper.

The All-Party Parliament Group on General Aviation welcomes the Government's consultation on the Aviation 2050 Green Paper. This response will be focused specifically on the measures proposed with respect to General and Business Aviation.

The APPG welcomes Government policies and statements which recognise the significant challenges faced by the GA sector, which we believe has been undervalued by not only the Department for Transport but by Government as a whole.

The APPG's aim to educate parliamentarians and to work with government and industry to ensure that the UK is the best place in the world for General Aviation. We have written to our stakeholders and our associated partners encouraging them to respond to this Green Paper and our response should be considered alongside those laid out in Appendix 1.

The APPG believes that the entire General Aviation (business aviation included) is undergoing a major market failure; whether that be the closure of airfields, the cost of professional pilot training or the failure of the lower airspace design.

Preventing further market failure must be a priority for any White Paper or Bill that comes out of the Green Paper consultation. The APPG-GA and our partners hope that Ministers and Government make it clear to industry and the sector that they want the UK to be the best place in the world for General Aviation.

Overall, we believe that to resolve the challenges faced by GA, there needs to be a significant change in both attitude and policy to ensure that airfields, training and airspace are properly managed. The Government should take the lead to proactively manage the development of UK aviation at all levels. Further comments will be made in our response.

The APPG-GA will respond on the following themes:

1. Airfields
2. Airspace
3. Tax, Regulations and Education
4. Sky Typing
5. Drones

Section 1 - Airfields – GA Strategic Network

1.1 The APPG-GA wishes to make it clear that the situation facing General Aviation with regard to airfields is extremely precarious. In our view, nationally a market failure is occurring in the provision of airfields which represents an existential threat to continued GA operations.

1.2 By market failure, we refer to the inefficient distribution of services available to serve the aviation industry. As different regions short-sightedly allow runways to be decommissioned, a diminishing number are available to GA.

1.3 Light GA is doubly squeezed as they find more and more airports specialise in commercial jets, imposing hefty mandatory handling charges for visiting small aircraft.

1.4 The result is the more aircraft are crammed into a diminishing number of fields, creating an effect like putting too many fish into one pond. Overcrowding will lead to safety issues in the short term and a reduction in flying overall in the long term. Furthermore, diminishing numbers of airfields will remove access to aviation for many as it simply becomes impractical for pilots to drive long distances to find somewhere to take off.

1.5 It is this situation of market failure which must be reversed most urgently by Government if the General Aviation industry is to be retained in the UK. Aviation can only survive and thrive in this country if enough variety of airfields exist to cater for all types. This means that not only must existing airfields be retained but also promoted alongside a more streamlined and freer regulatory environment.

1.6 To find a full solution to this issue, the DfT must first examine the reasons why airfields close. In our experience, several factors combine to threaten airfields. First is the perception amounts some local authorities that airfield sites are a preferred location for housing development. Second that landowners are incentivised by national policy to decide to open an airfield site to housing.

1.7 It also is important to recognise that the problem with housing development is twofold. Not only does building over an airfield site represent a threat, but unsuitable housing developments near airfields also presents problems.

1.8 When new developments are built close to approach paths or circuit patterns to airfields, it is often clear from the outset that conflict will result. Therefore, it is not just the actual runway and terminal buildings that need to be considered in protection measures but also the wider area. Residential housing and aerodromes simply do not mix.

1.9 What is required to reverse the downward trend in airfield numbers is a radical strengthening of planning protection for airfields. The proposals for a Strategic Network of Airfields mooted in the GA Champion's report are welcome but the APPG thinks measures to protect airfields must go further.

1.10 We agree that there is a need to define a network and what is required. However, this cannot be done on a bare minimum basis and must recognise that GA will only thrive if it has a variety of sites to travel between.

1.11 The APPG-GA feels that if a definitive list of airfields that are covered by a strategic network is released, this will gravely threaten those that are not included. Every airfield still has a value, yet if one did not meet criteria, it may even provide an incentive for a local council or landowner to put it up for housing development.

1.12 Instead, the DfT must back the concept of a common standard for a strategic network by which threats to airfields can be measured. Under this system, for planning permission to be granted to remove an airfield facility, it must pass a strict set of criteria to be allowed. This consideration should be those proposed by the GA champion in his report.

1.13 By taking this approach, no definitive list is required, and planners will think twice about whether developing over an airfield would be worth it. It also affords a level of protection to smaller airfields which otherwise may not get any protection under a list system.

1.14 The APPG-GA is also concerned that thresholds under a list system would be set too high for many small airfields, which are the lifeblood of light aviation, to be included. Whilst it is important to recognise the competitive environment between airfields, it should also be recognised that airfields are transport hubs like any other. Whilst many communities would fight vehemently against the closure of a train station, even if it was a small countryside one, airfields which fulfil much the same role could be overlooked. We, therefore, suggest that qualitative criteria are given more weight when compared to the hard economics at sites.

1.15 Although the need for airfields should come first, it should not be assumed that the APPG-GA is completely against all development around airfields. To the contrary, sensible development can be of benefit to airfields.

1.16 The economic benefits of airfields to local areas is already important in terms of small businesses and the potential for inter-regional connectivity. Airfields are also significant community resources and their long-term economic development should be an important consideration in the strategic network.

1.17 Airfield sites can be prime locations for mixed development, including enterprise zones and centres of research. These businesses can cohabit quite happily with aviation and provide additional revenue to airport operators. Encouraging local authorities to see airfields as ideal for this type of development over housing could not only support an airfield's survival long term but could also lead to boosts to local economies through jobs and business growth. This can only be done by creating incentives in the planning process.

1.18 Furthermore, many smaller airfields would help if the limitation on permitted development rights was reduced. If a lower economic threshold were permitted, many smaller airfields would be able to develop facilities like hanger. This would not only increase their viability as businesses but would also allow airfields to grow to fill the national need for these facilities.

1.19 Only through radical measures aimed at the protection of airfields in planning law can the current decline in airfields be reversed. It is for the Government to take measures to level the playing field in this regard. However, there is an important role for local authorities in recognising the value in preserving airfields and maximising the use of sites, prioritising long term economic gain over short term housing revenue.

2. Airspace

2.1 We refer to our earlier submission regarding airspace.

2.2 The APPG-GA supports the findings and recommendations of the Lord Kirkhope Inquiry into Lower Airspace, which is being published on July 8th 2019.

3. Education, Tax and Regulations

3.1 The APPG-GA is pleased that the government's objective is to continue to reduce the regulatory burden for pilots and businesses to support high standards to safety. The APPG hopes that no matter what the outcome of Brexit negotiations is, the UK will continue to be a leading member of EASA and follow their deregulatory philosophy. Any new regulation must be assessed rigorously and must produce the smallest of impacts on the GA community.

3.2 The APPG-GA supports moves to deregulate the flight training industry. Specifically, we support moves towards the liberalisation of rules on ab initio training on Permit to Fly aircraft.

3.3 We support the concept of greater regulatory autonomy and self-certification for specialist aviation organisations, recognising the benefits this could have in streamlining red type and reducing the burden on the CAA. We applaud the GA Unit's approach to granting permission for paid flights in historic aircraft that cannot meet the safety criteria for commercial air transport operations where participants have the risks explained to them and accept them. This is a good example of a sensible regulatory approach.

3.4 The introduction of civil sanctions for breaches of the Air Navigation Order would be a welcome step and would be widely supported by the General Aviation sector. Civil Sanctions must be used to stop the sometimes-heavy-handed approach that the CAA takes to individuals and business that are in breach of the ANO.

3.5 Civil Sanctions must also be extended to those who maliciously disrupt the commercial operations at any aerodrome through obstructing runways or approaches using the surrounding land. The ANO must also be amended to ensure that it lowers the bar around the burden of proof for those threatening the airfield or its associated airspace. This should be extended to make sure that any individual or business that is deliberately endangering the normal operation of an airfield and its associated airspace can either be prosecuted or given civil sanctions.

3.6 Professional flight training is the only form of training that has VAT applied to it. A combination of a major worldwide pilot shortage and a fall in the numbers of pilots trained in the UK shows that Britain is missing out a potentially lucrative market opportunity. This supply-side failure must be resolved by direct government action. The Green Paper lays out the possibility of zero-rating VAT and that this could only occur as part of a sector-wide response. Whilst this ambition is right, the Government must take action and lead the way in solving this market failure. The VAT on flight training can be as much as twenty thousand pounds, pushing students away from the UK and to countries who do not have 20% VAT on flight training. The Government should go further however and provide 'pilot loans system' like the student loan system currently used in the UK for Higher Education funding. A combination of these two changes will break down the systematic bias that faces people from disadvantaged backgrounds. By solving this market failure the Government will help make

the UK one of the world leaders in professional flight training and provide highly skilled and highly paid jobs to tens of thousands of people from all backgrounds.

3.7 It is worrying to hear the Government believes that another way to make aviation training more affordable is through simulators and virtual reality. Not only would this mean that pilots don't have the same number of flying hours as trained pilots do now, but it would not resolve the market failure. A single basic simulator which is up to training standards costs more than £13 million, making it impossible for a training facility to be able to afford to install one of these, and the only way for them to make any sort of return is for them to charge significant fees. Government must act to address the high cost of the basic flight training, which takes place on light aircraft for the majority of each course. Simulators cannot replicate this experience and only become effective once students achieve a high level of training. Thus, increased reliance on simulators would not be enough to correct the market failure that is happening and may in fact only do more damage.

3.8 Currently AvGas has VAT and fuel duty applied to it, making it far more expensive than all other fuels in use in the UK. The application of VAT on AvGas adds further burden for professional pilot students, as training firms are required to pass on the cost to students. This is unlike all other aviation fuels which only have fuel duty applied, not VAT. The removal of VAT on AvGas would go a long way to reducing the cost of training that is currently strangling the professional pilot training sector.

3.9 Air displays are important for inspiration and an activity where members of the public can engage with aviation. The restrictive measures introduced after the Shoreham air disaster has made it much more difficult to hold an air display in the UK. Restrictive measures have reduced the variety of performances, especially preventing high energy aerobatic jets from appearing. This lack of exciting performances will only lead to falling attendance numbers. A proportionate approach to the risk around air shows should be adopted by the regulator and the Government to ensure that air shows can continue to inspire the next generation into aviation careers. The regulator should follow the approach taken by the FAA following the Reno Air Race accident on September 16th 2011. The FAA didn't take a knee-jerk reaction but dealt with it on a proportionality of risk basis.

3.10 Currently, young people have no clearly defined pathways into the aviation sector. Introductions to aviation should begin at an earlier and be facilitated in a more formal and organised manner than is currently the case. The model at Stansted Aviation College is an excellent example of the end result of these 'education pathways' and more of these should be built. Unless the Government takes the lead in promoting aviation pathways throughout education, the aviation industry will continue to face skills shortages.

3.11 A review of the T-level options must occur so that aviation is one of the areas that they cover. An Aviation T-level provides an excellent opportunity to help rectify the market failure which is occurring. But approaches must also be considered. The current apprenticeship's available for aviation needs expanding and developing. The new GCSE's should also have an

aviation theme added to them so there is a continuation of aviation education at all levels of the education system

Section 4 – Sky Typing

4.1 The APPG is concerned that measures to introduce Sky Typing have been delayed. The Government has previously made commitments to the display flying community, that Sky Typing would be introduced by secondary legislation by adding it to the list of prescribed circumstances contained within the Civil Aviation (Aerial Advertising) Regulation 1995.¹ This commitment should be honoured as soon as possible, separate from the White Paper process.

4.3 Approval of sky typing without delay would open up a new revenue stream for small aerobatics companies which contribute to the prosperity of the small GA airfields which typically support this activity.

Section 5 - Drones & Model Flying

5.1 Drones and model aircraft, although unmanned, share the same sky as all other aviation. It is therefore proper that they are included within the Government's aviation strategy going forward.

5.2 In light of recent events, especially the incursion by drones into Gatwick's airspace, it is understandable that the Government wishes to restrain and monitor the activities of drone operators. However, in the APPG-GA's view, measures already imposed have been knee jerk reactions and have a disproportionate impact on otherwise safe and responsible aviation communities.

5.3 The exclusion zones around aerodromes that were brought into force by statutory instrument in February have only served to diminish the opportunities for model flying clubs whilst increasing the bureaucratic burden on air traffic control units at aerodromes. The implementation period for the reforms was too short and little guidance was offered to the amateur volunteers at model flying clubs or to ATCs on how memorandums of understanding should be drafted. The model flying community has suffered great upheaval as a result.

5.4 Whilst the policy of these exclusion zones is sound, it will only really have an effect in defending against incursions once other measures like electronic conspicuity for drones and registration of drones come into force. Even with these measures in place, a malicious user could still make incursions. Therefore, it seems now, the only effect of the changes has been to inconvenience lawful users.

5.5 The APPG-GA is concerned that if too hostile an environment is created for drones and model flyers in the UK, innovation will be stifled, and young people will be put off from taking up these gateway aviation hobbies. The compulsory regulation of drones does not mean that

¹ Letter sent from Baroness Sugg, parliament Under Secretary of State for Aviation, to Mr Jez Hopkinson dated July 24th 2018.

any illegal activity can be prevented by malicious users, who would simply not bother to register the drone.

5.6 The 2050 Strategy must include measures to properly integrate drones into existing airspace and to regulate them in a proportionate way.