Aviation Club 21 October 2015

Martin Rolfe
CEO NATS

I'm going to talk about two things today – the importance of airspace and the politics of airspace change. In essence, infrastructure and politics – two topics always top of everyone's list for lively after lunch discussions.

Airspace: part of our critical national infrastructure

When we think of infrastructure we think generally of the major networks we rely on everyday – utilities like electricity, water, gas….

They're vital to our way of life but we don't really think about them, we just presume they're there and they'll go on working – providing enough supply to meet our demand.

When we talk of transport infrastructure we generally talk of our roads and our railways, maybe even runways… These have the benefit (or curse!) of being visible. We're conscious of their existence and their importance to our everyday lives

Do people think the same of our airspace?

No - Airspace is our invisible infrastructure

But it's every bit as important as our roads and our railways and, dare I say it, our runways

I know I'm speaking to informed audience but it's worth making the point. The UK is an island trading nation – it relies on aviation to keep it connected with the rest of the World.

We have an aviation industry which contributes nearly £50bn to GDP and employs directly and indirectly nearly 1m people.

But the airspace infrastructure on which it relies is struggling to keep pace with forecast growth of 40% by 2030.

We have seen more than a hundred fold increase in demand for aviation in the past 40 years. But our airspace infrastructure was designed more than 50 years ago when the thought of over 2 million flights passing through UK airspace every year would have been laughed at

But that is where we are today

2.2 million flights

More than 240 million passengers

And we manage this with delay levels that are on average less than 3 seconds, about a tenth of the European average. We have the best controllers and engineers in the worlds and we squeeze more out of our airspace than anyone else in the world.

I think shows that we're making best use of our infrastructure.

That's not just down to us - we work closely with our airlines, airports and our GA community – who all play an important part in this – to make sure that the UK's airspace works well and that aviation in the UK is able to thrive, with all the wider benefits that brings to then country

But fundamentally, the airspace was designed for a different age, with completely different levels of traffic and a different environment

And while we have made modest changes here and there to improve things to help us safely cope with today's traffic levels and to improve environmental performance. We've not made any wholesale changes to the UK's airspace for decades

Delivering our future airspace: as important as a new runway?

Now I know in terms of political attention – and I'm very grateful for this – airspace modernisation is a poor and distant cousin to the runway debate

The politics of airport expansion is, fortunately for me, far sexier (actually that might be too much of a stretch even for an audience of aviation enthusiasts!) but it's more prominent and far more tangible to most people.

Runways require tarmac; it has a very visible impact on people's homes, on the local infrastructure, on the local environment. And the additional runway debate, I think, prompted a really important and healthy discussion about the importance of aviation to the country

It got a wide community of people engaged in discussing the importance of runway capacity to the UK. And it wasn't just the airports or the airlines involved in this debate

It was business groups, local community groups, politicians, councils, trade associations. Outlining the benefits, the challenges, the consequences and the compromises of different options.

Now airspace redesign is not a new runway, but airports are only as good as the airspace that supports them. We could build 10 new runways in the South East but if the airspace infrastructure that serves them isn't modernised, the benefit would be minimal

So we, both NATS and the wider aviation industry, need to make the case *for* airspace change

We're fast reaching the point where piecemeal changes taken in isolation won't cut it, particularly in the South-East of England

With no improvement, our analysis based on Government traffic forecasts suggest delays are likely to soar to 50 times what they are today, costing airlines over £1bn pa and costing the wider economy much more.

As an industry, we need to get people thinking of airspace as part of our national infrastructure and to understand that a safe, efficient and optimised airspace structure is fundamental to a successful and sustainable UK economy

And that needs to come from a wide community of people as it did with the runway debate

I hope we can start with the people in this room

Is it as important as building a new runway? I'm biased, but yes. Without it, the runways aren't efficient.

They are both borne out of the realisation that aviation benefits the UK. And if we want the UK to continue to grow, we need to continue to invest in our aviation infrastructure

And the point I hope I have made here is that, as well as thinking about the physical infrastructure we need on the ground to meet future demand, we also need to think about the *virtual* infrastructure we need in our skies to meet that demand

The politics of airspace change

Having said that, thought has been given to what that virtual infrastructure should look like in the future.

And not just by us

As many of you will know, the UK's Future Airspace Strategy, co-created and adopted with the CAA, sets out a blueprint for why we need to modernise our airspace structures

At the heart of it is the basic premise that achieving sustainable growth in aviation is dependent on improving the way air traffic is managed and moves around our airspace

Now ATM alone can't make the industry sustainable. But it can help – by providing the solutions to many of the current complaints.

Modernising our airspace is at the heart of that.

It can increase flight efficiency by removing bottlenecks
It can enable a reduction in CO2 emissions
It can help reduce noise on the ground for local communities
It can reduce the cost of Air Traffic Management – reducing ticket prices
And it can enable us to continue to enhance the safety of our airspace system, particularly as traffic grows - particularly, but certainly not exclusively, in the South East.

I'm sure this has been hammered home to you before but the South East is some of the most complex airspace in the World. We have the busiest single and dual runways in the World, both within 30 miles of each other. Plus Stansted, Luton, City, Southend, Biggin Hill, Farnborough…

The current airspace structure we have to manage them, while safe at current traffic levels, isn't going to manage the demand we're likely to see in 10 or 15 years' time

And it is stopping us from delivering many of the benefits we know our customers and the communities on the ground want – particularly improved flight profiles and reduced noise at lower levels

Which is why we need to modernise our airspace. But, as with the runway debate and with many infrastructure projects, it's a balancing act

A balancing act to provide an infrastructure that enables airlines to reduce their fuel burn and the amount of CO_2 they emit, maximises our finite airspace capacity, reduces the noise impact on people on the ground…

… all while at the same time ensuring hundreds of millions of passengers are being kept safe.

Sometimes these are competing rather than complementary objectives. We can't make everyone happy and there are always going to be winners and losers from any changes.

That makes delivering change politically challenging

And I mean that with both a 'small' p and a 'large' p

Now before you think I've become too self-deluded, I appreciate that airspace change and airspace modernisation weren't hot topics that most voters were concerned about in the election in May But, completely understandably, in the constituencies surrounding our airports, aircraft noise is a big issue.

Community groups, and I know any airport operators in the room will have a greater experience and understanding of this than me, are engaged, passionate and often angry, understandably, about changes that impact them – and even triggered an Adjournment debate in Parliament on Monday night.

This translates into how easy, and how politically acceptable – to local MPs, to councillors, to the Government, to airports - it is to make airspace change

Some of you may have heard about the London Airspace Management Programme or LAMP
This is a plan to modernise London's airspace to help deliver many of those benefits I touched on

To improve flight profiles, to reduce CO_2 emissions, to reduce the noise impact on the ground, to enhance capacity and to improve safety

We're due to implement the first phase of LAMP next February. It includes a new concept for arrivals into London City and Biggin Hill which will bring them in over the estuary rather than over Essex … less people affected …. with two holds out over the East coast if we need them

It will also enable some departures from Stansted and Luton to climb more quickly, reducing noise. So that's actually quite good….   it's the foundation for wider changes to the airspace in and around the South East

However, those wider changes aren't going to happen as quickly as we originally anticipated

Debate around UK Aviation policy, the General Election, and the Airports Commission recommendations regarding new runway infrastructure in the south east and evolving requirements from our airport stakeholders are all influencing the external environment and making it even more difficult to make changes that are not universally popular.

I'm sympathetic to this

Despite describing our airspace infrastructure as invisible, and in lots of ways I welcome this, the areas where that is less true is those in and around airports

For a long time I think the airports – who have responsibility for airspace changes below 4,000ft - have worked hard to engage with their local communities, with their local politicians and their local councils

And we have supported these

However, for changes above 7,000ft the policy framework under which we operate prioritises the overall efficiency of the network – for good reason.

The knock-on impacts this would have on the communities on the ground, we still have to see from 7,000ft.

And equally, to optimise the network, changes are sometimes required to arrival and departure routes below 7,000 ft or even 4,000ft, particularly in such busy and complex airspace as the South East of England

Changes at this level are either jointly managed by NATS and the airport they serve, or are led by the airport they serve. And those airports, understandably, have to manage a huge variety of issues with their local communities, which means that airspace change is only one of many priorities.

All of which means we as an industry perhaps haven't yet found the right balance of engagement that enables us to drive forward the change that *is* required

But, as I hope I conveyed earlier, airspace change is vital to the future of the UK aviation industry and to the wider UK economy

And I believe it's recognised by all parties that we're at a point now, where we need to take a step back and look at the overall framework that governs airspace change, and think about what we need to do so that we can move things forward, and this is what I want to come on to and finish with

Getting things moving: a joined up approach – what do we do now?

Infrastructure projects tend not to be universally popular.

There are winners and losers. People who benefit from the change or from the infrastructure and who support its creation, those who don't, or those who may support it in principle but who are impacted by its development

And there will be winners and losers when it comes to airspace change. Some people will be overflown more, some people will be overflown less

I understand that this is unpopular, and it's difficult. But I'd like to think that the end game is worth it

All of us at least in this room, I hope, believe that the aviation industry is vital to the UK:
It brings us jobs, growth, connectivity with the rest of the World.

And an efficient and effective airspace infrastructure is at the heart of this; we can't have a sustainable UK aviation industry without an airspace system that can underpin it

So we, as a whole industry, need to make the case for change

I hope you will all support that and hopefully, in future meetings or conversations where you hear people talking about our aviation industry and infrastructure, and our runway capacity, you'll remind whoever you're talking to of the important of modernising our airspace infrastructure too

We need a cross-industry effort for this, as with the runway debate, to make the case for the need for change.

To get it on the radar (sorry, couldn't resist it), to get it on the radar nationally so its importance is fully understood.

We will be doing more to make the case for airspace change in the future – we have to – and I hope you will stand up and support us in those efforts; the voice of the aviation industry is a lot stronger than the voice of NATS alone.

The Government's announcement of a new independent National Infrastructure Commission – a depoliticised body that will assess the UK's infrastructure needs – may help with this too

It's vital that there is a strong government framework and policy around this so that we can make decisions, in the proper way – with consultation – and be confident in them, all the way to implementation.

But alongside this I think we can do things differently to try and help

I want NATS to be more transparent about airspace change…. That's not to say we've been secretive in the past; we haven't, but I recognise that we can do more to be transparent.

About why we need to make airspace change, what is considered when we're making airspace change and what the consequences – both benefits and sacrifices – will be

And this leads on to my next point, which is that I also want NATS to be more inclusive.

I understand that those impacted by noise want to understand more about the decisions being made that affect them and want to influence those decisions

That's entirely reasonable, and we're going to increase our efforts to do that; to engage with local communities earlier on in the process, to provide more information about what we're considering or proposing and why…. and to give them greater opportunity to have their say

In return, we'll need clarity on what a good outcome looks like to them … and that's hard when you have winners and loser….- so that we can have an open discussion that seeks to find an agreeable compromise that addresses local community concerns

While at the same time delivers the airspace change that we need for the benefit of the UK as a whole.

We think that's a fair approach and we hope, that as we increase our engagement with some of the local community groups, they can see that we are making an effort to be more transparent and inclusive and that, by doing so, we can find solutions to the UK's airspace infrastructure needs that strike the right balance between national and local interest.

Co*nclusion*

All of us here, I presume, believe in the importance to the UK of our aviation industry

And I hope today I've gone some way to convince you just how important our airspace infrastructure is to that industry

I know the additional runway is *the* main debate in town when it comes to our aviation infrastructure and that's absolutely fine by me

But I hope I've also helped to convince you that runways are only as good as the airspace that supports them

Irrespective of the politics of a decision on an additional runway and whether a new runway is built, we need to get on with modernising our airspace

In fact, if no decision is made or a new runway isn't forthcoming, then airspace change becomes even more important

To make sure we can optimise the airspace infrastructure we have today, and get the very most out of the physical infrastructure we have on the ground in the safest and most efficient way.

The sky's the limit. Quite literally. If we do nothing, the sky is the actual limit.

However, with change we can get on with building an aviation future of benefit to all.

Thank you.