

Environmental Audit Committee

Oral evidence: Airport expansion and climate and nature targets, HC 831

Wednesday 16 July 2025

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Members present: Mr Toby Perkins (Chair); Olivia Blake; Julia Buckley; Ellie Chowns; Barry Gardiner; Chris Hinchliff; Martin Rhodes; Blake Stephenson; John Whitby; Sammy Wilson.

Questions 166 - 310

Witnesses

I: Dr Pauleen Lane CBE, Professional Lead for Infrastructure, Planning Inspectorate; Ian Thynne, Head of Environmental Planning Specialists, Hillingdon Council; Peta Donkin, EIA Director, Infrastructure and Energy, National Infrastructure Planning Association.

II: Mike Kane MP, Parliamentary Under-Secretary of State (Minister for Aviation, Maritime and Security), Department for Transport; Hannah Newell, Director for Heathrow Expansion, Department for Transport; Sonia Krylova, Deputy Director, Carbon Budget Delivery and Framework, Net Zero Strategy Directorate, Department for Energy Security and Net Zero; David Silk, Director for Aviation, Department for Transport.

Written evidence from witnesses:

[Department for Transport](#)

[London Borough of Hillingdon](#)

Examination of witnesses

Witnesses: Dr Pauleen Lane, Ian Thynne and Peta Donkin.

Q166 Chair: Welcome, everybody, to the latest meeting of the Environmental Audit Committee and the final panel event in our study on aviation expansion. We are very pleased to be joined by Ian Thynne, head of environmental planning specialists at Hillingdon Council, and Peta Donkin from the National Infrastructure Planning Association.

We are scheduled to be joined by Dr Pauleen Lane from the Planning Inspectorate, but unfortunately she is joining us online and as yet the technology is defeating us. We managed to get someone on the moon several years ago, but we have not yet managed to get Dr Pauleen Lane into this meeting. We will hopefully have Dr Lane joining us imminently, but we will make a start in the meantime.

I will start with Mr Thynne and then pass to Ms Donkin and ask you to introduce yourself and your area of specialty with regard to aviation expansion and planning more generally.

Ian Thynne: My name is Ian Thynne, head of environmental specialists at the London Borough of Hillingdon. I am an environmental planner, so more of a generalist as a speciality. I have dealt with a variety of issues related to Heathrow expansion, including leading on Hillingdon's response to the original ANPS, the airports national policy statement. I also have the privilege to have worked on the HS2 project in the north of the borough, to complete that picture, so two bits of national infrastructure, one in the north and one in the south.

Peta Donkin: Good morning, everybody. My name is Peta Donkin and I am an EIA co-ordinator in my day job. I work for LDA Design as a director. I am here today representing the National Infrastructure Planning Association. I sit as a board member at NIPA and lead the policy and practice working group for NIPA. I am involved in DCO applications, so that is my area of expertise. I have previously worked on the Dublin north runway airport expansion, but major in renewable energy and other infrastructure projects as well.

Q167 John Whitby: Good morning. Ms Donkin, the ANPS focuses on the south-east of England and ignores regional airports. Would a revised ANPS that included the wider aspect allow for a more coherent planning system?

Peta Donkin: We are starting with the big question; I like it. It is important that any national policy statement, including the ANPS, is updated to reflect where we are currently in terms of our policy framework. There has been a lot of change since 2018 since the ANPS was designated, including several net zero targets and carbon budgets. That needs to be reflected fairly in an updated ANPS. Whether that is dealt with on a regional or national basis is open for debate and should be the subject of a consultation where you can get some feedback from



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industry bodies such as NIPA and us here. The message is that there should be an updated ANPS. We at NIPA are recommending that all of them are updated every five years to keep in touch with current policy framework and changes.

Q168 John Whitby: How could a revised ANPS allow for better or more accurate decisions to be made?

Peta Donkin: It sits within the policy framework. We deal with EIA as a topic, and that deals with all of the environmental impact assessment we have. We have the EIA regulations. They all have to align, so relying on an NPS to do the job is probably not the way forward. We have that structural policy framework: the NPPF, the NPSs and everything underneath that. It is vitally important that they all speak to each other, are coherent and have objectives and guidance within them that we can rely on.

Q169 Julia Buckley: Good morning. Mr Thynne, how are local environmental impacts accounted for, including air and noise pollution?

Ian Thynne: Is that in the ANPS?

Julia Buckley: Yes.

Ian Thynne: Thank you for the question. Taking the point that Peta was just explaining about the links between the different policies, our biggest issue with the ANPS is that there is a bit of a vacuum around some of the policy targets, particularly around aviation. We do not think that the current version takes into account the local impacts in quite the way that it should.

If you take air quality, for example, across London the air is polluted. There is no safe level of air pollution. There are legal levels that you have to achieve, but those legal levels are somewhat above the current standards, which is good, and a lot of progress has been made, but the air is still polluted. If you look at the current ANPS, which talks about achieving legal requirements for air quality, that is effectively giving a headroom to create more pollution. From the levels that we are at to the levels of the legal standards, there is a gap there. In effect, it is allowing for a situation where the airport expansion can create pollution and still be legally acceptable. We would say that that is wrong.

Everywhere else in London, development has to be air quality neutral. We would look to that as a starting point and see where that takes us in terms of mitigation and compensation, bearing in mind that one big-ticket item associated with expansion is the economic benefits. We would not like to see skimping and saving on air quality measures just because a promoter, for example, cannot afford all those specifically, because the big ticket item is the massive economic benefits. We would not like to see any increase in pollution as a consequence of expansion. That is air quality.



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Noise is very similar. The noise impacts from expanded Heathrow are phenomenal. Going back to what Peta was saying about how all these policies link together, there is currently a policy vacuum around at what point you put in noise insulation, for example, and at what point you assess significant effect levels. I think that this Committee has already had a session on this, so, as interesting as the noise topic is, I will try to keep it as dry as I can.

We are talking about significant observed adverse effect levels and lowest observed adverse effect levels. The gap between those two is really important and at this moment in time they are set too high. If you look at the recent Gatwick decision, or the “minded to approve”, you will see that those levels have come significantly down for that scheme. We would be looking to see that replicated in the ANPS for Heathrow expansion. When you start looking at the kind of mitigation required to go to those levels, for Heathrow it is phenomenal.

If you bring that level of SOAEL, that real high level, down to Heathrow, you are talking about 500,000 people, compared with 20,000 at Gatwick. That was the data from the Airports Commission. That is where you would be looking to put most of your high-level mitigation. That is going to be quite costly. They are the kinds of local impacts where we see that there is currently a policy gap. We would like the ANPS to fill those with high standards for what is supposed to be a massive economic behemoth that sits in the south of our borough.

Q170 Julia Buckley: That sounds like a really useful recommendation for us to consider when we are compiling our report. You also touched on the fact that elsewhere you said planning needs to end up air quality neutral for new developments. Are you suggesting that there is an exemption in this case and that that should not be the case? Is that another suggestion?

Ian Thynne: Aviation is massive. It is unique. It is not quite like every other development. When we say every other development, we mean housing developments, storage and distribution units. We accept that aviation is different, but we should not be giving a licence to pollute, take away all the good work that we have done, remove the headroom and remove that space that we have all worked to achieve. There is no reason why we cannot look to achieve and see what that looks like.

Q171 Julia Buckley: It is mitigation rather than exemption and perhaps using the noise pollution as an example or template that could be applied to AQ.

Ian Thynne: Absolutely, yes. You can start setting standards in the ANPS, particularly where there is already a policy vacuum. There is no harm in that. The current ANPS sets policy standards itself above and beyond elsewhere. It is really important that the ANPS is tightened up in that manner.

Q172 Julia Buckley: That is really helpful, thank you. Touching on your role



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from a local council perspective, do you feel that there currently is sufficient engagement with local communities through the development consent order system?

Ian Thynne: We have not, at the local authority, had a development consent order come through to us yet. We started on the journey with the Heathrow scheme back in 2019 or 2020. There was some local criticism about how that engagement worked, but we never got to the end of the process with that, so I am not best to speak to that point about how the DCO process works for Hillingdon.

I will say that it is absolutely essential that everyone is involved at the outset, and already we are starting to see that that may not be the case. We have had the comments from Government and the invitation for a proposal. We have not had an invitation to boroughs such as ourselves, where we have massive impacts. We are talking about over 10,000 people living south of the M4 within the area that is going to be heavily impacted and who are potentially displaced people. We know that there are about 2,000 people who are going to lose their homes. We have not had any invitation to comment on that yet. At these early stages, it is really important that both sides are given a voice.

Q173 **Julia Buckley:** You are saying “given a voice”, but earlier in the process is what I am hearing.

Ian Thynne: Yes, much earlier in the process. I want to make this point, Chair, if I can. When a decision comes out or an announcement is made on TV about expanding Heathrow, it is like an earthquake going off in the borough. It is absolutely distressing for so many people, and then nothing happens. There is a lot of to-ing and fro-ing between Heathrow and the Department for Transport. We know that. Our voice is largely left out. We are really grateful to be here today to be able to say that, but this is our first opportunity. That is a really important point to understand. As soon as those announcements are made, it has a lot of pain for a lot of people.

Q174 **Julia Buckley:** Of course it does. You touched on people’s homes in terms of the physical infrastructure. Going back to the air quality and noise pollution, you must have your own air quality plans, so presumably you are now having to reassess how you can deliver those quality levels.

Ian Thynne: We are a regulator in terms of air quality, but the air quality around Heathrow is not regulated in the same way. It is just within the GLA London Borough of Hillingdon framework. More regulation of the current airport would be appropriate, particularly around noise. I think that this Committee in 2015 recommended an independent noise body. That was set up in 2018 and subsequently disbanded in 2021.

A massive gap in how we regulate the current system results in a lack of trust with the system. That results in a lack of engagement in the process, so coming back to the question. All that provides a bit of a disconnect that we really should be filling before we go into the latest round of third runway discussions.



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Q175 **Julia Buckley:** We will definitely be feeding that back given the scale of the impact. I am sure you have seen on the agenda that the Minister is coming to follow you, so please hold on.

Ian Thynne: I will be sitting there.

Q176 **Julia Buckley:** Yes, it is your chance to have a chat. My final question is, as this process develops, whether you anticipate perhaps compensation for your borough. How do you imagine that playing out?

Ian Thynne: I am careful with what I am saying. The key is to make sure that the benefits are shared. The ANPS sets out stringent requirements to achieve in terms of environment and air quality, so it is not even compensation. It is more mitigation. It is, "Do not have the harm in the first place". From there, we are often told about the massive economic benefits. One report recently suggested it would be £200 billion or whatever it was for the GDP.

How much of that reaches the local level? How much of that is actually realised for our local communities that take the consequences? That is another discussion that needs to be had about how we make it a bit fairer for the council in how it manages its services, because we have a lot of problems that stem from Heathrow for our communities, which do not get a fair crack of the whip at the minute. Meanwhile, every report every day is saying what a great economic vehicle Heathrow is, which is fair enough.

Q177 **Julia Buckley:** We will come on to the economic impacts and hopefully investment in your local transport systems and so on. As an aside, do you have contact with Gatwick? Do you share details about how it has coped and the best practices?

Ian Thynne: Do you mean Heathrow?

Julia Buckley: Yes, between the two.

Ian Thynne: Yes, we have regular liaison with Heathrow Airport Limited, but it is more to do with the systems not being set up to enforce that kind of activity. Heathrow comes up with its own work and marks its own homework. That is how the system is set up at this moment in time, so we cannot tell it to do something. We have no enforcement or regulatory powers over it, but we engage with it and liaise. We do a lot of good work on trying to improve things. Through the third runway expansion, we need a better framework for making things happen.

Q178 **Julia Buckley:** I mean also at a local council level. Do you and Gatwick share best practice with each other? You are in a similar situation with managing a very large local airport and that impact on your communities. Is there any kind of network for councils that are affected by international airports where you can learn together, "Actually, this worked for us and this was a good system for managing that"?



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Ian Thynne: Yes, and we have a lot of time for CISHA, the Council for the Independent Scrutiny of Heathrow Airport. It does a very good job, but, again, it is not a regulator. It does not have enforcement powers. It does not have many teeth in that regard, but it is very good at getting people round the table and discussing these things, so there are avenues, yes.

Julia Buckley: Rather than reinventing the wheel, presumably communities are, not regularly but more than once, affected by the similar issues of the expansion. That was really useful. Thank you very much.

Q179 **Chair:** Heathrow is seen very much by the Government and by Heathrow also as the nation's airport. You were reflecting on some of the negative consequences locally. It is a huge part of the UK economy; it is an even huger part of your economy. Can you give us a sense of how many people are employed there and how central Heathrow is to the local economy.

Ian Thynne: There are economic numbers. I think that it is 7% or 8% of the workforce that is employed by Heathrow. I will have to double-check that for you and get back to you to confirm. It is a massive employer in the south of our borough and in west London. There is no denying that, but it is the type of jobs and the type of activity that goes alongside it.

We have tried working with Heathrow Airport on ensuring that more of the supply chain goes to the local area. It is a competitive market and, at the end of the day, if a big player comes in and takes out that contract, they might employ locally, but most of that economic impact is not going to be felt locally. Stockley Park, for example, is our business centre. That is at 50% vacancy rates. That is just north of Heathrow, currently, as it stands. Stockley Park is where the VAR thing is, so it might have something to do with that in relation to football.

Then you have a lot of regeneration around Hayes, which stepped up around the Elizabeth line, and we are not seeing the level of regeneration that you want. If you look at the indices of deprivation, quite a lot of the places around the airport are high on those indices. Yes, there is a big economic player, but, equally, what are the outcomes of that economy at a local level? It is that that we probably need to interrogate further before just looking at the raw numbers.

Q180 **Chair:** To what extent do you feel like you are hosting the nation's airport, if you like? Do you see that as a contribution and a matter of pride for the council? It feels like we are getting quite a negative sense of what the airport means to the area, which is maybe exactly how you feel. Do you have any alternative sense of this as being a source of pride for Hillingdon, or not really?

Ian Thynne: The negative sense comes back to the ANPS and the expansion. That is where the negative impacts come from. It is what is



on the horizon. The administration's preference is better, not bigger. That has always been our case. We recognise the absolute importance of Heathrow in the borough, and the administration is very supportive of the work that it does. I do not want that to be lost here at all. It is a big part of the borough.

We think it could do more for the borough. It is a national airport. We get that, but our preference is protecting our local residents and we think we can do more with the airport in its current state to do that, notwithstanding the fact that it is very good at what it does in the community and the rest of it. If we are talking about expansion, that is another layer of harm.

- Q181 **Barry Gardiner:** Ms Donkin, I have been struggling to get to grips with the whole way in which the planning of these nationally significant infrastructures goes. It feels rather like squeezing one of those stress balls, because there is nothing firm that you can really get a grip of in terms of the development consent orders. That is what I wanted to ask you about. Government give guidance to decision-makers on these applications. The whole process is very different from what people normally understand as the planning process. You would hope that there would be some really clear guidance given to the people who are making these decisions. Do you think that it is clear enough?

Peta Donkin: I work in DCOs every day. We are governed by the Planning Act 2008. That is our bible, if you like, for the DCO world. The process is that, at the heart of that, you have your environmental impact assessment that sits within the core of the decision-making process. Returning as well to the point earlier about local impacts, that is what EIA looks at. It looks at the impacts both locally and more broadly.

- Q182 **Barry Gardiner:** What does it mean when the ANPS refers to the balance of economic gain versus the climate budget? That is apples and pears, is it not? On the one hand, it is the jobs and the economic growth, presumably. On the other hand, it is the carbon emissions.

Peta Donkin: Yes, so this is what the DCO is designed to test. We set out all the impacts, any associated mitigation and then the residual impacts that occur after that. The point of the DCO examination process and the consultation beforehand is to iron out some of those discrepancies. There may still be some when you go into examination, but that is the purpose of examination. It is to make sure that you are testing your environmental impact assessments.

- Q183 **Barry Gardiner:** My question to you is, "What are the criteria that you use for that test?" When it says, "making best use", according to whom, what values and what criteria? That is what I am trying to get a grip of. Every time I think, "I have something here", it squidges out.

Peta Donkin: I would say, "Welcome to planning", but that is where we are, really. Yes, there is a policy framework in place. It is currently undergoing quite a lot of overhaul, which is a good thing, and we are



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engaging in consultation on that. The policy framework is the NPSs that we have. We have the Planning Act, the DCO process and the examination process.

The decision making is then open to some interpretation and there is that openness there in the process. The Planning Inspectorate would make its recommendation based on everything it had seen through examination, the relevant reps, the written questions and everything that had been discussed and interrogated. There is then the capacity for the Secretary of State to agree or disagree with that recommendation. Whether that recommendation is for approval or refusal, that facility exists.

Q184 **Barry Gardiner:** The words you have used, such as “interpretation”, balancing all these things, coming to a conclusion, make it sound incredibly subjective. You have even said, in what you have just told the Committee, that the inspector can decide one way and then the Secretary of State can take a look at it and decide another. That tells me that there are no actual clear rules and criteria here.

Peta Donkin: There are. If the decision was to be overturned, for example, that would need to be done in a certain way. That is subject to judicial review then.

Q185 **Barry Gardiner:** You are talking about a way. You are talking about a process. I want clarity about what the things are where you would then say, “This is going to appeal because the Secretary of State or Planning Inspectorate has failed to account for this, and that was an essential criteria that should have been used as part of reaching the decision”.

Peta Donkin: There are certain tests that have to be met in terms of planning. I can see that Pauleen has joined us now, so she will be able to come in on this, I am sure. The criteria are there. We have the policy framework in place, the guidelines and the EIA regulations. Everything is in place to make decisions based on sound and robust environmental information that is part of the planning process. Of course that is debated, but that is the purpose of the process, so that no one person has the overriding decision factor without all the facts at their disposal.

That is why examination and DCOs are so important, so that you can have that openness and conversation between various parties. You can interrogate the data and ask for information if you need it. We rely on that policy structure and framework and the regulations that we have in this country to help guide us in that. At the end of the day, the decision is based on a balanced approach. It is a weighing up of whether something is more significant than something else and how that relates to each individual project, rather than a blanket approach to deciding on a development. Each project is different and each place is different, and they need to be treated as such.

Q186 **Barry Gardiner:** We heard evidence from Andrew Meaney, the head of transport at Oxera. He said that the transport analysis guidance from the



DFT that deals with aviation is, in his words, “pretty thin”. For the Government to undertake analysis and test the benefits and costs of public sector investment, this guidance, he said, would have to swell. Do you recognise an emaciation? Do you recognise the importance of plumping up a bit?

Peta Donkin: When we refer to that particular guidance, it is based on a cost-balance exercise. That is a paper and quantitative method of making a decision about something. We need to take that as it is, potentially, but also think about everything else that is combined in environmental assessment. We cannot rely on that particular piece of guidance alone. We must relate to policy in our decision making and the process that sits behind that.

Q187 **Barry Gardiner:** Dr Lane, welcome. I am glad that either you or we have at last managed to master the technology and that you have been able to join us remotely. How much of a role does the transport analysis guidance play in guiding the approval of airport expansion?

Dr Lane: In terms of the TAG itself, there are two elements to it. Obviously, airports have both the aviation implications and the surface transport implications, and TAG is potentially applicable to both. However, in terms of an airports national policy statement, the expectation would be—and that was the reason why the Planning Act was put into place—that the policy statement has, through analysis of the need case, already identified whether the principle of development is established. The question as to using TAG to do a detailed analysis of aircraft movement need should really have been dealt with up front.

However, we would then test, once the policy statement has been set and designated, whether the scheme that comes forward from an applicant fits within that criteria. In other words, does it permit the achievement of what was assessed as the need case? Correspondingly, does it also address issues such as impacts on the local transport network, which may also be assessed using a similar tool, which are manageable, mitigatable or weigh in the planning balance in relation to the impacts of the development of a new or amended runway?

Q188 **Barry Gardiner:** Sorry. I was having a little trouble hearing because our sound system is somewhat tinny here. I understood from what you were saying that you have to have decided in the first place that the need was there, and then you had to check whether the expansion would meet that need. Is that right?

Dr Lane: Essentially, yes. The Planning Act split the overall decision into two phases, the first of which is for Government to establish the need for a particular type of development, whether it is energy generation, water or transport, for example. The Government should establish that need through the national policy statement.

Q189 **Barry Gardiner:** Have the Government established that need?



Dr Lane: In the case of the current national policy statement, that need was established partly through the Airports Commission work originally, if you recall, and, secondly, through the consultation process that was undertaken for the designation of the policy statement. That is a matter for the relevant Government Department that is promoting a national policy statement to go through a process that it believes establishes a need. That includes select committee scrutiny of a draft national policy statement and the laying before Parliament of the ultimate proposed policy statement.

Q190 **Barry Gardiner:** What are the criteria under which that can be challenged?

Dr Lane: In terms of the parliamentary process, that is set out in the Planning Act. For example, select committee scrutiny of it will lead to feedback to the relevant Secretary of State for consideration in any redraft. Indeed, finally, it is placed before Parliament. I think that it is under the negative vote procedure at the moment. In other words, if there is no objection it can go through, but obviously it is open to Parliament to object at that point in time.

Q191 **Barry Gardiner:** Therefore, it is not able to amend either.

Dr Lane: Apologies. I am not an expert on the parliamentary procedure. The Planning Act sets out a current arrangement for it and I believe there are some minor modifications being proposed through the current Planning and Infrastructure Bill. You would need to see the whole of that process. In the end, the policy statement is intended to be designated by Government, following parliamentary scrutiny. This process here is a sort of pre-scrutiny of the proposal, which is helpful.

Q192 **Chair:** Thank you very much for your patience, Dr Lane, and please accept my apologies for the fact that it took us so long to get you on. Sometimes it feels that the parliamentary computers are so secure at keeping people out that they actually keep out the people that we want to be in.

You were referring there to the airports national policy statement. Because of your late arrival, we are slightly doing these questions out of order. Going back to brass tacks, can you how the ANPS informs the planning system for agreeing airport expansion?

Dr Lane: I am grateful for the opportunity to appear remotely and therefore not to have to travel from Manchester. I have had the opportunity to listen to your other witnesses this morning and I have no disagreement with anything that they have said in terms of the process so far.

You may recall that the Planning Act was initiated following the Heathrow terminal 5 planning inquiry, where the process of the planning inquiry took a very long time because the inquiry was trying to establish both the need for the proposal and the nature of the proposal in terms of its



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acceptability in land use planning terms. The Planning Act was intended to separate those into two separate sections. Therefore, the first part of the Planning Act deals with the process by which a national policy statement is established. Therefore, the question as to the principle of development is set out through that process. We then use what is called section 104 of the Planning Act, which starts from the point that an application that is considered to fall within a relevant national policy statement should have a presumption in favour of development, so where the need case for the principle of development is already established in the policy statement.

We then scrutinise an actual application that comes forward to say, first, "Does it fit within the criteria established through the policy statement?" and, secondly, "How has the applicant attempted to mitigate any of the negative impacts of the proposal?" That can be everything, as has just been discussed, from noise to air pollution and ground transport issues. Water resources are increasingly important and, indeed, as has been seen recently, for example, energy demands. All those things will feed into our scrutiny of the proposal.

Possibly it is also worth saying that the flip side is that, if a national policy statement is not designated for the application that has been received—that was the case for Luton and the Gatwick proposals—section 105 of the Planning Act applies. That means that although the current airports NPS can be important and relevant, you have to do more work in establishing the question of the need case more widely. You also saw that play out, for example, with Manston Airport.

It is a slightly different position, but the assumption here is that the new national policy statement would be for a new runway at Heathrow. Therefore, the principle of need, and the information that supports the analysis of the principle of need, should be addressed through the national policy statement process.

Q193 Chair: You have gone through an extremely exacting process there, and I think it will be tremendously helpful to the Committee. What does it say that you can go through all that detail, weigh up the economic benefits, the need and the impact on travellers and the local community, come to a conclusion and then, after all that work, the Secretary of State can say, "I do not like your answer. I am going to give you a totally different one"? What does that say about how seriously the ANPS is taken? Should the Secretary of State have that power when, effectively, the ANPS sets out all those considerations that might need to be thought about?

Dr Lane: That is essentially a political question, in the sense that, originally, the Planning Act established the Infrastructure Planning Commission, which was an independent body, to take decisions. That was then amended to bring those decisions back under the relevant Secretary of State and the role of the IPC was merged into the Planning Inspectorate. Now we make a recommendation to the Secretary of State. That is quite common across other areas of Secretary of State casework



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and would, for example, have been the case if, in previous regimes, it had come forward through a Transport and Works Act order. That would still have been, potentially, a recommendation to the Secretary of State.

It is essentially a question for politics as to who is the final decision-maker. I am just explaining the process as it is now established in law, in terms of the Secretary of State's Government Department and Parliament scrutinise the principles within a policy statement and the Planning Inspectorate role is to scrutinise the proposed application for a development consent order with all of its features: "Does it fit within the system?" and then "These are the elements of it that may need further consideration". Then we make a recommendation to the Secretary of State.

You will have seen that in, for example, the case of Luton, there was a recommendation to not grant the initially proposed order. There was some suggestion of modifications and then the Secretary of State amended the weighting that they gave to the need case. They could do that because that was under section 105. If a section 104 comes forward, the Secretary of State is also bound by the intention of the policy statement, which is that they should comply with the principles of the policy statement as well. Section 104 gives weight to the policy statement, even as the starting point of a Secretary of State decision.

Q194 **Chair:** It is interesting. We will be speaking to the Minister shortly about that. How does it make you feel, as the inspectorate, to do all that work? It is almost like you are there as the jury in a case and someone else walks in at the end and says, "Actually, I think that you have come to the wrong conclusion there". Does it undermine your sense of your own role and the ANPS, or not really?

Dr Lane: I do not think that inspectors are there to put our personal feelings into the process. Our job is to ensure that the process is conducted legally and fairly, that we have heard evidence from all of the relevant parties, that we have understood and, where possible, engaged people in that process and then to construct a recommendation. There are some elements, for example a project that has a habitats implication, where we cannot make a final decision anyway because we are not classed as the competent authority.

There are always circumstances in which the inspectorate cannot make a decision, but we are confident that, in running the process to make a recommendation, we do a fair process that is transparent and lawful. Therefore, the basis on which a final decision is made is also clear. The Secretary of State's decision letter has to set out anything where they have changed something. That itself is potentially challengeable in the courts if it is considered that that has not been done fairly or reasonably.

Q195 **Chair:** As you say, it ultimately comes down to a political decision. We remember the former Prime Minister Boris Johnson, who had a local constituency interest in this, promising to sit in front of the bulldozers if



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ever this got to planning. I do not know whether that offer still stands or if it was a time-limited guarantee, but it reminds us how, ultimately, politicians can intervene in these decisions. From your perspective, Ms Donkin, do you think that it is right that the Secretary of State should be able to override the recommendation of the Planning Inspectorate?

Peta Donkin: That is procedurally established. I am going to stick with the political answer on this one.

Q196 **Chair:** We get where you are going. What about you, Mr Thynne? Are you going to be less political?

Ian Thynne: I am apolitical as an officer of the London Borough of Hillingdon. We have to be careful. We have already heard from the Chancellor saying that it will happen, so already there is that sense of concern about fairness in the process. Coming back to all we have said so far, all our residents really want in this is fairness in understanding their thoughts and the impact and ensuring that there is a proper process to achieve that fairness. If you have already said that this is going to happen and the Secretary of State can override the planning inspector, that gives us a concern of mistrust and already starts to erode the fairness in the process.

Q197 **Olivia Blake:** Ms Donkin, how is the impact of airport expansion on the climate and environment factored into the current planning system, and is it adequate?

Peta Donkin: As I said, we have the EIA process, which factors every topic in. The process is quite detailed. You start off with scoping, so you agree with the Planning Inspectorate what the scope of your assessment will be. That includes what topics you will include. That includes the methodology behind the assessments as well. That is part of a two-way process where the applicant proposes what the scope will be. The Planning Inspectorate goes out to consult on that scope with various consultees and stakeholders, who then provide feedback. That informs the progression of the environmental statement, what topics are included within that and how they are assessed.

Q198 **Olivia Blake:** Do you think that there is the right level of weight given to these factors about whether expansion is approved compared to others, such as economic factors? Do you think that there could be a strengthening of that?

Peta Donkin: The important part of the decision making is the balance, so to attribute a weight would not be strategic or fair, I do not think. It is very much a project-by-project basis, as I said earlier. There could be a greater weight attributed by a consultee to a particular topic and that has to be taken into account through your consultation and your engagement with them. Where we are at the moment, I know that there are changes coming to the EIA regulations. We are looking more on the outcome side. Environmental outcome reporting is coming forward. There needs to be a priority for scoping, agreeing methodology, agreeing that level of detail



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that is required to help decision making and then, in the round, taking that balanced approach to decision making.

Q199 **Olivia Blake:** It sounds like, on a project-by-project basis, the outcome could be very different depending on the project.

Peta Donkin: Yes, and it will be, because no place is the same as another place and a project can be developed and designed differently. You might need different mitigation measures across different projects, so it is not really a tick-box exercise or one approach fits all.

Q200 **Olivia Blake:** That sounds very flexible.

Peta Donkin: It can be, but that is why the DCO process exists, to have that flexibility and make sure that, as you go through examination, that is tested.

Q201 **Olivia Blake:** How can you guarantee that climate and environment are properly factored in in that case?

Peta Donkin: It is through the process. The EIA process looks at all of those topics. It is assessed and then independently verified through that process. The Planning Inspectorate will ultimately make a recommendation. If it feels like it has not had enough information or it disagrees, that engagement allows them and the consultees to revert.

Q202 **Olivia Blake:** Dr Lane, how do you factor non-CO2 warming effects into your decision making and what are they?

Dr Lane: To follow on from the previous point, section 10 of the Planning Act requires the Secretary of State, in preparing a national policy statement, to have regard to sustainable development. That includes, for example, in relation to both mitigating and adapting to climate change and demonstrating good design in their approach. That would include elements of other types of mitigation, including the overall principle of the physical development and the operational proposal that is associated with it. The national policy statement process in itself requires the Secretary of State to have regard to sustainable development in drafting the NPS.

In terms of what we then do, yes, we have a look at all of the questions of related emissions, whether it is CO2, nitrogen dioxide or air particulates, et cetera, in order to understand what the potential of the proposal is. You will be aware that, since the previous NPS was designated, there have been changes. We are at the sixth climate budget and indeed approaching the seventh climate budget preparations. There have also been changes in targets such as air quality reduction at the population level in terms of exposures to air quality impacts.

There are a number of changes that have taken place since the previous NPS was designated. All of those would have to be complied with. The purpose of the examination is to ensure, ideally, that the applicant prepares their application showing how all those elements have been



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considered. We would then check that we think that they actually have done that. If we believe that there are potentially insufficient controls on any of them, we can propose amendments to a draft of a consent order in the form of requirements or, for example, a construction environmental management plan.

The process gives all of the elements of the framework by which these things can be considered at both the initial and the strategic level in policy terms, but also at the specific project detailed level. That certainly includes engagement with the local authorities. We had a lot of engagement with Hillingdon, for example, in the run-up to the previous potential application.

Q203 Olivia Blake: To follow up quickly on that, do you feel that the law and rules around planning give you enough tools to be able to do that adequately?

Dr Lane: Within a policy statement process, it is assumed that any application that comes forward will be compliant with all relevant legal obligations, whether it be drainage, electricity or whatever, unless the national policy statement says specifically why it should not. I will give an example of that if it is helpful to the Committee. For example, if you look at the national networks national policy statement, it refers to the question of inappropriate development in the green belt.

We go through a process that assesses an application that will often be considered, under the normal planning process test, to be inappropriate development in the green belt. However, because the strategic road network needs to link one city to another, the national policy statement permits an exception to be applied, because otherwise you could not actually join up cities that had green belts.

The policy statement itself, the whole thing, is assumed to be compliant with all relevant legal and other policy tests, unless the policy statement itself sets out why there should be an exception. That is one of the key elements that would need to be determined in the preparation of the policy statement and its scrutiny, both in public consultation and through Parliament.

Q204 Olivia Blake: That is a very helpful example. Thank you. Finally, on the cumulative impact, we are not just talking about one airport expansion here. There could be a number. Is there any factoring in of the climate and environment impacts into whether expansion should go ahead based on an overall assessment of all airports, or is it strictly an individual airport-by-airport basis? Would there be a benefit to seeing the overall assessment of this and the cumulative impact, in your opinion?

Dr Lane: The revised airports NPS would have to go through the process that includes, for example, the Department for Transport's sectoral contribution towards carbon emissions—I will take that as an example—within the overall Government control of carbon emissions. It would have



to demonstrate how, through either some combination of jet zero and sustainable aviation fuel or controls on the nature and type of movements that could be permitted. It would have to go through that process so that the policy statement could be considered to be compliant with the sectoral contribution that is assumed from transport. The sectoral contribution is part of the overall Government control under the Climate Change Act.

There is a framework in which those things are considered. For example, the national networks national policy statement was challenged on the basis that it infringed that. That challenge has recently been declined by the courts. There is a framework to control all this within the system and people need to follow the framework.

Q205 **Olivia Blake:** Is that framework robust enough that if, say, five applications came at once, they would all be considered in the round, or would that mean that the full picture would not be there?

Dr Lane: At the moment, we are in a situation where there has been either decisions or a "minded to" position taken on everything from London City to Stansted, Luton and Gatwick. They have all been through a type of planning process in recent years. In drafting an update to the current airports NPS, the Department for Transport is in a good position to understand what the cumulative position should be, because all the other elements have already effectively either been completed or are going through the process. In doing that cumulative assessment, that is exactly what you would look at, which is "What is the potential if all those consents were built out, for example, in a particular timeframe?" There is potentially quite a lot of information available in the system now for the start of this next process.

Q206 **Chair:** I think that Mr Thynne wanted to come in on that previous question.

Ian Thynne: Yes, it was about the weighting economic versus environment, if I may just come back on that quickly. We talked about, in the north of the borough, HS2. That was a lesson learned there right in front of our eyes. There was a report out recently that HS1 did not have the economic benefits that were anticipated. The weighting that we give to the economic argument does not get reassessed and is a bit nebulous.

When these schemes get built, we know that they will have air pollution problems and noise pollution. We do not guarantee the economic benefits. The key is that, when we give the weight to the economic argument, it is not overstated. That was the point with the HS2 argument. It was overstated and that led down a path that we all know we hopefully will not do again. That is a really important point to understand when we start giving that weight to the economic argument. I know that everyone wants to see those numbers go up, but it is really important to maybe temper that with a bit of reality.



Q207 **Barry Gardiner:** Dr Lane, since the ANPS was produced in 2018, we have had major pieces of legislation, such as the Environment Act for one. We have established the Office for Environmental Protection. The whole environmental milieu has changed. That is not reflected in the ANPS, is it? Are you able to take that into account and, as it were, mentally upgrade the ANPS? How do you do that?

Dr Lane: If you look at section 104 of the Planning Act, the starting point is a currently designated policy statement. It remains currently designated. The Government have announced a review, but they have not chosen to suspend the policy statement during the review process, so it remains currently designated.

If you go further down section 104 of the Act, you will see that we must take account of things that may be important and relevant, but also whether there are any disbenefits that outweigh the principle of development and that it is consistent with other legal obligations. Where a law or case law has moved on in the meantime, we are able to take account of those in both the examination process and the recommendation.

The Government have announced a review. When they do that review, they will similarly have to take that as a starting point, or, as I said, explicitly give a reason in the NPS as to why such a position did not apply. The process can move on, but that is another reason why it is important that, where possible, policy statements are updated on a regular basis, for exactly the reason you raised.

Q208 **Barry Gardiner:** In the Gatwick DCO, you found that its assessment of a 3.4% uplift in emissions, which would have been below the material impact level of 5%, was incorrect. The Planning Inspectorate found that the scale of emissions would be such that it was likely to breach the material impact. That relies on you having some fairly specialist knowledge about greenhouse gas emissions and knowing how they are produced and exactly what is going to happen here. Is that just whatever objections happen to be put into the process? Of course, the driver here is the person creating the DCO, and that is the airport itself, is it not?

Dr Lane: It is indeed.

Q209 **Barry Gardiner:** It gives you fairly biased information, or at least selective information according to the science that it chooses.

Dr Lane: Indeed, yes. As the applicant puts forward its application and case, and that includes its assessment of environmental impact, airports will generally have a larger panel of examining inspectors, such as three, four or five. That can also be supplemented by additional resources where necessary.

There are two elements of the public scrutiny during the examination process. First, we can receive representations from other bodies, and we do, and that is part of the process. Secondly, the examining authority



itself can ask relevant questions. You will see that there is an interplay between those two in the way that the process sets out.

If, for example, the examining authority believes that there might be an error in something, it will often write to the applicant even before the examination has started and say, "Would you mind, please, considering that you review the following elements where we think there might be a problem?" Then we will have the relevant representations from parties. You will have written representations, and the examining authority will continue to ask questions both in writing and orally, through the whole process. You are correct: airports are a very intensive set of projects that have to be examined. That is why we devote time and resource to them.

Q210 Chair: Finally, Dr Lane, you explained there that you will sufficiently take account of new legal obligations. With regard to aviation not being legislated within the carbon budget, does that therefore have an impact on the extent to which you are able to take that aspect of legal obligations into account?

Dr Lane: We will have a look at what was covered off in the appraisal of sustainability that accompanies the national policy statement, which is a requirement for the promoting Department to produce. If we believe that there is something there that has to be further assessed at the project level—an example as you have just said here might be the case—we will normally follow the process whereby we will ask for an evaluation, ask other parties for their opinion on the evaluation and then follow a process as set out, for example, in the current Finch case law, whereby downstream emissions are considered as part of the process. The national networks policy statement sets out a similar process.

It is then a matter for the Secretary of State, in making their decision, as to how they review that information in the context of both national-level law and international obligations. There have been issues with both aviation and shipping over a period of time. Some of those are moving forward within the overall carbon budget process. Anything that remains as a gap would need to be assessed as part of the final decision on an individual project.

Chair: Dr Lane, Ms Donkin and Mr Thynne, thank you very much indeed for all the evidence you have provided us with today. We now bring this first panel to a close.

Examination of witnesses

Witnesses: Mike Kane, Sonia Krylova, Hannah Newell and David Silk.

Q211 Chair: Welcome back, everyone, to the second panel event today as part of our aviation expansion inquiry. We are very pleased to be joined by Minister Mike Kane from the Department for Transport. Thank you and



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your colleagues for joining us. I will invite you to explain who we have with us today and the approach that you are taking to the issue of aviation expansion.

Mike Kane: I am Mike Kane. I am the Minister for Aviation, Maritime and Security. I will allow my officials to introduce themselves.

David Silk: Good morning, I am David Silk. I am the director for aviation in the Department for Transport.

Sonia Krylova: Good morning. I am Sonia Krylova. I am deputy director for carbon budgets at the Department for Energy Security and Net Zero.

Hannah Newell: Good morning. I am Hannah Newell, director for Heathrow expansion at the Department for Transport.

Q212 **Chair:** We will probably be directing the majority of the questions to you, Minister, but if there is someone else you want to bring in, feel free to do so. Do you want to start us off by just explaining the approach that the Government are taking to this question of aviation expansion?

Mike Kane: Thank you very much for giving us this opportunity today. It was a great honour to be asked to be the Aviation, Maritime and Security Minister. We had a lot to do. We had two key manifesto commitments at the general election. One was to do with airspace modernisation. Our airspace is analogue in a digital age. We can improve resilience, reduce carbon and do many other things. It is long overdue. Pilots are still flying the pathways that they did in the 1950s. That was one of the key things that we developed in Opposition. We wanted to turbocharge that.

The second manifesto commitment at the general election was around sustainable aviation fuel. There is a pathway to net zero in aviation by 2050. Some 40% of that pathway is the introduction of sustainable aviation fuel. I am sandwiched today between the two Bill Committees yesterday and tomorrow. We are making progress with that.

Early on, when I became Minister, we introduced the mandate that all planes taking off would have 2% sustainable aviation fuel, i.e. non-fossil fuel. That came into force on 1 January this year. So far we are receiving very good feedback on that. That policy ramps up over the next few years.

We are also introducing something called the revenue certainty mechanism. This is part two of sustainable aviation fuel. This will allow a Government-owned contract company to get a strike price for this fuel so that we can begin to scale up this industry right across our country. That could lead to, we estimate, 15,000 jobs and £5 billion added to GVA over time.

Those have been our two main policies. We also inherited a number of DCO issues that had not been solved and we are beginning to unpick them. One was around Luton. We have no capacity in the south-east.



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One was over Gatwick, which is still live. I cannot say too much about that one. We also invited proposals for a third runway at Heathrow from a promoter to match our mission for growth in the country.

Q213 Chair: Can I just bring you on to the economic argument? Clearly, we are very conscious that this is a transport policy, but it is also very much a Treasury policy. We have heard the Chancellor extolling the benefits of expansion in advance of the final decision on Heathrow. The Government have claimed that airport expansion will provide economic growth. The Committee has heard a variety of different pieces of evidence, including some from people who were opposed to that view. Can you just explain how much growth you are expecting, and by when you would expect to see this growth?

Mike Kane: We would expect to see growth straightaway. Heathrow announced last week a £10 billion package over the next five years to improve its terminals and reduce its carbon footprint. It signed a deal with the Scunthorpe Steelworks. The steel for its new landing bays will be sourced from the UK. Some 60% of that £10 billion is sourced through supply chains outside the south-east. That investment of £10 billion over the next five years secures the removal of 3 million tonnes from its carbon footprint and insulates 6,500 homes and 15 schools from aircraft noise. That is a huge investment straightaway.

Q214 Chair: Is that investment dependent upon the third runway or not?

Mike Kane: No, that has already been announced.

Q215 Chair: That is not part of the growth that we are getting as part of this. To turn to the growth that we are getting as a result of the proposed expansion, how much do you anticipate it will be? When would we expect to see that?

Mike Kane: We have asked a promoter to come up with proposals for a third runway by the end of this month. We will then review the airports national policy framework. We will be making changes to the national policy framework. It is already leading to growth because both my Department and particularly Heathrow are scaling up to meet this challenge. We want spades in the ground as fast as humanly possible, if not within the lifespan of this Parliament.

Q216 Chair: Do you have any analysis that can point to what economic growth we might expect to see as a result of the expansion of Heathrow? Is there any analysis that you can point to?

Mike Kane: In addition to the CBI, the Federation of Small Businesses and the British Chamber of Commerce, which are very clearly for this, our analysis—

Q217 Chair: I am not asking who is for it. What analysis do we have?

Mike Kane: The estimates out there are that there will be 100,000 new jobs through the expansion of Heathrow with a third runway. We would



better connect our regions, which is absolutely critical to growth in the UK. We would also massively improve freight because Heathrow—along with East Midlands, but by far and away Heathrow—is critical for both freight flights and belly-hold freight for UK plc.

- Q218 **Chair:** In terms of the detailed economic analysis to support the claim of economic growth, when are we going to see something? Clearly, we have just heard from the Planning Inspectorate about the myriad of different things that it wants to look at. We also heard from a representative of Hillingdon Council, who said that the local community feels like the decision has already been made and the Government are going to go through the motions of coming up with a case.

If the major reason for this is because of the Government's growth mission, there surely has to be some robust detailed economic analysis to back up the fact that growth is going to come as a result of this. We heard alternative witnesses saying, "It is leading to people taking their tourism dollars outside the UK rather than money coming in". What detailed economic analysis will we have in advance of this decision being made?

Mike Kane: When we receive the proposals for a third runway, we will then look at the airports national policy statement, which was last reviewed in 2019. It clearly needs updating. It is seven or eight years old. We are in a new era. That is what we will do. We already know that this is 100,000 jobs, improved freight and improved connectivity to our regions, with 60% of the supply chain outside the south-east.

We will take into consideration the views of those in Hillingdon and elsewhere locally, but Heathrow is a national asset. It is our critical major hub. It has been at capacity for two decades, Chair. We have to do something about that.

- Q219 **Chair:** We have heard conflicting views on that from other people. The Committee would be grateful to see more detailed economic figures to back up the claims of growth. I hear what you say about the jobs that are being created.

I just want to come back on to what you were talking about in terms of the information that you have. The aviation demand forecast has not been updated since 2017; it is very out of date. Will you commit to publishing up-to-date data on what demand you expect? We saw a huge drop-off post Covid and there has been some recovery since then, but we need to see up-to-date figures to demonstrate that demand. Will you commit to publishing an up-to-date aviation demand forecast?

Mike Kane: I can tell you straightaway that in April aviation had the best month that it has ever had. Demand at most of our major airports is going through the roof. That is being matched by the airlines, which are stepping up, particularly this summer. Jet2 has released 18.6 million seats for this summer, which is an absolute record. Month on month,



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whether it be at Manchester, Stansted, Gatwick or London City, we are seeing the best ever months for aviation.

Q220 **Ellie Chowns:** Minister, you are repeatedly making claims about jobs and economic benefits. Where is the data that underpins your claims?

Mike Kane: As part of the ANPS, we will produce the data that underpins those claims.

Q221 **Ellie Chowns:** You do not yet have any data that underpins those claims.

Mike Kane: We already have data. We know that a third runway has the potential impact of creating 100,000 jobs, but for the detail we will go through the—

Q222 **Ellie Chowns:** Where is the data that supports that claim?

Mike Kane: We have data to say that a third runway could potentially bring 100,000 jobs to the UK economy. The supply chains have signed deals with Scunthorpe for the steel. We know that 60% of the supply chain is outside the south-east. It is not just beneficial for the south-east of England; it is beneficial for the whole country.

Q223 **Ellie Chowns:** Minister, you are simply repeating the claims that you have already made.

Mike Kane: They are not claims.

Q224 **Ellie Chowns:** The point that this Committee is making is that we need the evidence of that and the analysis that underpins it.

Mike Kane: We will bring forward that evidence once we receive the proposals for a third runway from a promoter and begin to review the ANPS.

Q225 **Ellie Chowns:** You have already made a decision on expansion.

Mike Kane: The Chancellor invited a third runway at Heathrow.

Q226 **Barry Gardiner:** You did not answer the Chair's question, though, did you? You told him what this month was, but you did not answer his question. Will you publish a full set of the economic data to update it from the 2018 ANPS?

Mike Kane: I can give you data—

Q227 **Barry Gardiner:** No, it is a straight question. Will you publish that data?

Mike Kane: Here we go. I will invite David to come in.

David Silk: The Chair is correct that the last aviation demand modelling was produced back in 2017-18. We recognise that we need to update that demand modelling and we are looking to do so alongside the ANPS review process.



Q228 **Barry Gardiner:** When will you be publishing that data?

David Silk: At the moment we do not have a precise date for when we will be able to provide it, but we have committed to conducting a review of the ANPS once we have received a proposal from the scheme promoters, which, as the Minister said, we are due to receive this month. We recognise that the review of the ANPS needs to be based on the latest available demand modelling. As part of that process, we need new demand modelling.

Q229 **Barry Gardiner:** Ms Newell, could you just repeat your title?

Hannah Newell: I am the director for Heathrow expansion at DFT.

Barry Gardiner: You are the director for Heathrow expansion, not the feasibility of it. I think that was Ms Chowns' point.

Q230 **Chair:** Can I just clarify, Mr Silk? Clearly, we are grateful that you are going to be updating this information. The Committee wants to know whether that update will predate the decision or whether this is something that will eventually happen but, effectively, the decision has already been made?

David Silk: As part of the ANPS review, we recognise the need to update the modelling and the economic case of the ANPS. The Secretary of State still needs to make the precise decisions on the scope of the ANPS, but we recognise that we need to update the modelling and data for that.

Q231 **Chair:** Will this be before you make a decision on expansion or not?

David Silk: Yes, because it will be part of the ANPS process.

Q232 **Chair:** We can clarify this now. There will not be a decision on the expansion of Heathrow until the review of the ANPS has been concluded and we have the updated economic forecast and the updated demand forecast.

Barry Gardiner: We still have a director for it.

Chair: Let us hear from her.

Hannah Newell: To decouple what we are doing here, the airports national policy statement will set the framework against which a planning application will be considered. In the ANPS, we will set out the need for expansion and look at what requirements any expansion planning application would need to meet in order to be consented. There are still steps on the process beyond that point.

Q233 **Sammy Wilson:** Since the Government have already stated that they are inviting applications for a third runway at Heathrow, I take it that it would be sensible to appoint somebody into your position so that you have someone in place to deal with it who has the right knowledge and background. It is not unusual ahead of the project taking place to designate someone to deal with it.



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Mike Kane: It is one of the biggest transport infrastructure projects this country has ever undertaken. We have only built one international runway in 80 years. That happens to be in my constituency. Therefore, the Department for Transport, I and the Secretary of State made a decision that we need to gear up for this to be well prepared for it. The honourable Member for East Antrim is absolutely right.

Q234 **Sammy Wilson:** The evidence that we have had so far is that some people say, "Yes, there is going to be an increase in demand for air travel, but that can be better facilitated, as the Better Horizons report stated, by looking at existing facilities where there is unused capacity at present or opportunities to save regional airports, such as Doncaster and Sheffield". Why the concentration on the south-east of England, when there may be better ways of dispersing increased air travel and not adding to the pollution that exists at present? Has consideration been given to that?

Mike Kane: Again, that is an exceptionally good question. From 2018, Government have had a best-use mechanism policy. I personally think we should sweat the assets that we already have. As we know, Heathrow has been at capacity for two decades. That has led to resilience issues and other issues that you have seen over time. Even though it is the most punctual airport in Europe at the moment, that does not stop us making sure that we sweat other assets both in the south-east and across the country.

We saw Manchester have its best ever year at 31 million passengers. We saw Liverpool getting back to almost its pre-pandemic situation. We see Stansted investing £1 billion. The new owners of AGS—Aberdeen, Glasgow and Southampton—are investing £350 million. These venture capital companies are seeing that there is expansion going on right across the country in people and their demand to fly. Despite Heathrow, we need to keep an eye on the market, as we do right across the nation.

Q235 **Sammy Wilson:** Is there any danger that the concentration on expanding airports in the south-east will prevent or diminish economic growth opportunities for some of the regions of the United Kingdom? I can remember speaking to a councillor from Newcastle, who indicated that when Newcastle started its international—

Mike Kane: Do you mean Newcastle, Northern Ireland?

Sammy Wilson: No, Newcastle, Northern Ireland does not merit a place for flying a kite, let alone an aircraft. This councillor said that once Newcastle started international flights to Dubai the impact on economic growth in the area was enormous. If the aim is to get economic growth, is there a case for concentrating more on airports in the regions, rather than having the controversy that is now hitting the Government because of the expansion in the south-east area.

Mike Kane: It is interesting. I am also the Maritime Minister. We are seeing a huge expansion in the Port of Tyne with a £1 billion investment



in the undersea cables for the offshore clean energy mission. If you talk to Matt Beeton, the chief executive there, he will say that is directly linked to Newcastle Airport as well. They have seen a huge expansion of easyJet. They have said to me—I have raised this—that what is key to them is connectivity. The connection to London is important for all those new jobs that are coming in the clean energy sector. I hope to see those connections improved as part of this ANPS review for all the regions of the UK because they could be better.

- Q236 **Sammy Wilson:** One of the arguments that you have made is about the connections. Coming from Northern Ireland, I fully understand the point that you are making about the connection between the regions and a good hub airport in the south-east. Businesses and tourists can flow between the hub airport and the regions, or vice versa.

This has always been a big issue. Domestic flights are not really big money-makers for places such as Heathrow. Therefore, domestic flights will be—and they have been—squeezed out. How will you ensure that the objective that you have stated here in the Committee today is achieved?

Mike Kane: I would say to the honourable Member that his colleague, the Member for Strangford, recently had an urgent question on his plane almost being cancelled. Connectivity is a big problem for people from Northern Ireland and the other regions. Those flights coming into Heathrow are sometimes not seen as big money-earners. The people in the regions can lose out to some of the other things that happen because there is a lack of capacity at Heathrow at times. It is part of the ANPS. For me, it will be absolutely crucial that everyone can benefit from growth at Heathrow, particularly people in our regions.

- Q237 **Olivia Blake:** It would be remiss of me not to mention Doncaster Sheffield. Doncaster Sheffield is not currently open. I was intrigued by the claims around the best ever months for Manchester and other places. Is that displacement because of some of these closures and some of the struggles that I know other regional airports are having? The flights just are not on offer at those airports anymore. Do you see a role for Doncaster Sheffield going forward?

Mike Kane: The answer to that, simply, is yes. Peel, which owned that particular airport a number of years ago, made a business decision that it did not want to go forward with it. I have been immensely impressed with Oliver Coppard and Ros Jones at Doncaster Council and the effort that they have put in. We have protected the airspace. The city council now has terms of agreement with Munich Airport International to operate the airport.

The MPs, councillors and mayors are working extraordinarily hard to begin to get flights. We have seen flights take off recently, but we know there is demand from both airlines and passengers to reopen that airport and use it again. The great country of Yorkshire can certainly host two airports, in my opinion.



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Q238 Chris Hinchliff: Minister, my constituency, North East Hertfordshire, is rather uncomfortably sandwiched between Luton Airport, which recently had its passenger expansion approved, and Stansted Airport, which has its own plans. The residents in the communities that I represent, such as Baldock, Albury and Rushden, have all contacted me about the impacts that they are already experiencing from aviation noise pollution. Should my constituents be concerned that airport expansion will have a negative impact on air quality and noise pollution from surrounding airports, both from more flights and increases in traffic?

Mike Kane: We made some decisions about Luton. The Secretary of State overturned the planners' decision on 3 April. It will go from 19 million passengers to 32 million passengers. Your key question is about noise and air pollution, which is probably going to be a theme for a few minutes of this.

Chris, I grew up under the flight path at Manchester Airport in the 1970s, with my nose pressed against the fence, having cycled to it on my chopper bike. I remember the BAC One-Elevens, the Tridents and the Concorde. I remember how noisy and dirty those planes were. We have to think of noise and air pollution in probably different ways.

This is what I would say. Since 2006 the noise envelope around Heathrow has reduced by 40% because we have been investing in clean technology. ICAO set some standards for engines in 2018, which came into force in 2023, about particulate emissions and noise. We are spending £2.3 billion through the Aerospace Technology Institute to look at noise and pollution. As the aircraft become more modern, we know that noise reduces and air quality improves. With airspace modernisation, we will be able to change flight paths and have steeper take-offs and landings, which will maximise the benefits to local residents on the ground.

Q239 Chris Hinchliff: We also have an updated understanding of the impact of noise pollution, for example. It comes in at a much lower level than was previously thought. As I said, my constituents are already feeling those impacts. I just want to get a clear answer. Given everything you have just described, you are confident that airport capacity expansion is not going to worsen noise pollution and air pollution for my constituents?

Mike Kane: I would not be interested in doing it if it did. Just to reassure you, the Department has two studies in the field currently, which we will report back on if that would be of interest to this Committee, which will report next year. One is the aviation night noise effects survey; the second is the aviation noise attitudes survey. We have two surveys in the field at the moment to help inform our policy in this area, which will report back in the new year.

Q240 Chris Hinchliff: Following on on that theme, the Davies commission into airport capacity, which reported almost exactly a decade ago, recommended the creation of an independent aviation noise authority



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with statutory consultee status and a formal role in monitoring processes and further recommended that that independent authority should advise on the design of a noise charge or levy to incentivise airports to reduce noise and ensure they make an appropriate contribution to local communities. Is that something that the new Government will be considering?

Mike Kane: I am not responsible for policy a decade ago. I can tell you that Howard Davies is a fellow fanatical Manchester City fan. That is one fact that I have.

Chair: Has he got any attributes at all?

Mike Kane: In my local airport, when planes fly off-piste and create noise, they have to pay into a compensation package, which is used by community groups to spend on local projects. In terms of where that policy from a decade ago is up to, I will refer to David, if that is all right.

David Silk: You are referring to the Independent Commission of Civil Aviation Noise, which was established after the Howard Davies Commission, as you say. After an independent review of ICCAN, the previous Government took the decision to close it down. That independent review suggested that it was not particularly effective in performing the role that it had been set up to do. We are not actively considering re-establishing it at the moment, but that is perhaps something that we can look at during the ANPS process, as we consider the noise impacts of the proposals that come to us.

As the Minister said, there are lots of things we are doing in the noise space, including the two studies that we currently have in the field. We have also recently extended the night flight restrictions for the noise-regulated airports, which are Stansted, Gatwick and Heathrow. There is a suite of things that we are doing in order to manage noise impacts. We are not actively considering re-establishing ICCAN at the moment.

Q241 **Chris Hinchliff:** Along similar lines, in the same year—I appreciate this is ancient history to some extent—a previous iteration of this Committee recommended that the Government, when addressing the noise impact of an expanded Heathrow, should do so against a full range of metrics, not just average noise experience, and those metrics need to be measured against international standards, such as World Health Organisation recommendations, which, as I understand it, are significantly lower than those that we currently use in terms of the recommendations from the WHO to have daytime impacts below 45 decibels and night-time impacts below 40 decibels. Is that something that the new Government would consider? Do you want to write back?

Mike Kane: That one deserves a written answer because some of that is quite historical. There are international regulations that we sign up to. We are a world leader in that. As we said, we have two studies in the field.



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We have noise-regulated airports. As a new Minister, I am sometimes not sure how that works or why I have hard powers over the three in the south-east, but it is up to local planning committees outside the south-east. We need to revise that at the appropriate time and come back with a more unified way forward. On those specifics, I will drop you a note.

Q242 **Chris Hinchliff:** I would be particularly interested to know whether, in the process of making decisions, the WHO recommendations will be considered.

My final question is around the evidence that we have received that highlights that the current ANPS fails to provide targets on air quality and noise pollution, particularly in relation to ultra-fine particulate matter. Will the updated ANPS provide limits on these pollutions to ensure the planning system can properly take account of these issues?

Mike Kane: The point about non-CO2 air pollution is really important. This is an area that we do not know enough about. We do not know enough about the warming effects of contrails from our aircraft. That is why we have another study on non-CO2 impacts, which is a research and development programme that we are spending about £29 million on. I am not sure of the date that that will report, but I will let you know that too.

There is also some evidence from AIG and Virgin—this comes from the Sustainable Aviation Fuel Bill—that sustainable aviation fuel is leading to lower particulates out of the tailpipes as well, but we need more research into this area for sure. That is what we are doing.

Q243 **Chris Hinchliff:** Recognising you want further research, do you have an ambition of seeing firmer targets on those two points within the updated ANPS?

Mike Kane: We want to be fully informed on nose and tailpipe emissions, whatever they contain, so that we are fully informed in the decisions that we are making.

Q244 **Chair:** You do not want to have targets. Just to clarify, that was the question that was asked. You want the information, but you do not want to have targets.

Mike Kane: We are an evidence-based Government, or we are trying to be. That is why we have put these surveys in the field. We have three now, two on noise and one on non-CO2 tailpipe emissions. That will all be published; that will be open; that will help inform our decisions.

Chair: There will not be targets.

Q245 **Barry Gardiner:** Minister, I want to turn to the sustainable aviation fuel mandate. By 2040, there will have to be 22% SAF in the mix for aircraft. That is the main obligation. It ramps up to the 2040 level. Can you explain to us what the power-to-liquid obligation is?



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Mike Kane: In terms of SAF development, there is first, second, third and fourth generation. Third and fourth-generation is power to liquid. This is where we use electricity and carbon that we capture to produce the fuels for the plane. That is not at scale at the moment, so we have to go through first, second, third and fourth-generation SAF. If this Bill is passed, we will establish a counterparty, which will be a Government-owned business, that will begin to lease the contracts to suppliers. As the mandate ramps up, the contracts will be released.

Q246 **Barry Gardiner:** What is the obligation? I understand that the main obligation is that the percentage of SAF should increase from 2% to 22%. What is the obligation around power-to-liquid?

Mike Kane: Power-to-liquid kicks in after a number of years.

Q247 **Barry Gardiner:** What is that obligation? What year and what—

Mike Kane: That has been published. I will drop you the notes.

Q248 **Barry Gardiner:** I could not find it. There is clarity on that.

Mike Kane: There is clarity about that.

Q249 **Barry Gardiner:** The CCC, in its most recent update this year, said that supply-side factors could constrain or enable the rollout of low-carbon technologies. It made specific mention of SAF. It said, “For emerging technologies in our pathway ... including synthetic SAF ... we generally seek to minimise reliance on them as a sole solution and leave scope for optionality”. SAF is not your main method, is it, of reducing emissions in order to allow the expansion to go through? What is the main element of that?

Mike Kane: There is a pathway to net zero for aviation by 2050. SAF, as I have already said, is 40% of that. In addition to SAF, we have to do other things such as airspace modernisation, which we are also legislating for currently. We have the emissions trading scheme, which is a carbon pricing mechanism.

Q250 **Barry Gardiner:** Maybe I should turn to Ms Krylova. You are in charge of carbon budgets, are you not?

Mike Kane: To finish my point around ETS, we are looking to widen that market with some alignment with the European Union. We also have CORSIA, which will cover international flights in terms of carbon pricing as well. There is a suite of measures that will help us get down to net zero by 2050. I am happy for you to come in, Sonia.

Q251 **Barry Gardiner:** What does the Committee on Climate Change say about demand reduction?

Sonia Krylova: The Committee on Climate Change says that a combination of measures can help aviation meet net zero.

Q252 **Barry Gardiner:** What is its primary one? If the second measure is SAF,



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what is the first one?

Sonia Krylova: The CCC has a combination of different pathways.

Q253 **Barry Gardiner:** Yes, they have a combination. The second one is SAF. What is the first one?

Mike Kane: What is the first one, Barry?

Q254 **Barry Gardiner:** It is demand reduction. You have not mentioned it.

Mike Kane: Yes, it is not part of the suite of packages that I, as Aviation Minister, am considering.

Ellie Chowns: Why not?

Q255 **Barry Gardiner:** Really? Pricing is not something that you are considering.

Mike Kane: Pricing is different to demand management, Mr Gardiner.

Q256 **Barry Gardiner:** It is part of demand management. That is very clear in the CCC reports.

Mike Kane: I do not want to get into Treasury policy and APD, but Treasury is looking at the suite of packages that it has in terms of any industry, trying to make them as carbon-beneficial as they possibly can be. That is why there is a differential between long-haul transatlantic flights and short-haul flights. If somebody calls that demand management, well, some people say potato.

Q257 **Barry Gardiner:** We know that increasingly people are taking the medium-haul, and yet there is no extra tax on the medium-haul. This will be levied on the short-haul. It will not impact the medium-haul.

Mike Kane: Which particular tax do you mean?

Barry Gardiner: The SAF mandate will not apply to it.

Ellie Chowns: The ETS will not apply.

Q258 **Barry Gardiner:** Yes, the ETS. S&P Global Commodity Insights has looked at the potential constraints on SAF and the potential market. It has said that the number of countries that have proposed or adopted long-term blending targets of sustainable aviation fuels continues to increase. They have done their assessment of that, looking forward in terms of the commodities. If all countries were to meet their 2050 SAF blending targets, S&P Global has calculated that this would imply an annual supply requirement of 17.5 billion gallons. In short, they say that global supply could not meet global demand. How are you factoring that into your proposals?

Mike Kane: First, AIG said at an evidence committee yesterday that something like 17% of the world's SAF is already used in the UK. We can be incredibly proud of that. Airlines are telling us that they are able to



commit to the 2%. Some are using more at the moment. The key to this is that this mandate ramps up, as you said, over years. There is not the global supply to do 22% at the moment, but there does seem to be the global supply to do 2%. That is why it ramps up over years, so we can match production.

Good strategy is turning what you have into what you need to get what you want. There are parts of the UK that are absolutely ripe for investment. Once the revenue certainty mechanism establishes a strike price, it will give investors the confidence to begin to invest in those plants.

Q259 **Barry Gardiner:** I applaud what you have done on that because it has been very important in driving forward the production of SAF. S&P Global has looked at global production in terms of long-term commodities. We may produce it—it is great that you have driven that production—but it will be sold on the international market and prices will be driven up as a result of that.

Mike Kane: It will not necessarily be sold on the international market. That will be a decision for the counterparty when leasing the contracts to the SAF companies. I hope it will be because I want us to be a world leader in selling this and be export-driven, but that is not guaranteed.

Q260 **Barry Gardiner:** That is interesting. We have never insisted on our oil or gas production from the North sea only being sold in the UK, despite what other political parties have said.

Mike Kane: I am more of a Cobden fan. I would like to see it sold across the world. Free trade is fair trade.

Q261 **Barry Gardiner:** There are a number of different claims about efficiency gains in the sector. How confident are you that those can be delivered?

Mike Kane: What do you mean by “efficiency”?

Barry Gardiner: I mean efficiency in terms of reducing the emissions that are coming from the increases in technology in the aviation sector.

Mike Kane: The airports are doing a great job. I mentioned the 3 million tonnes that Heathrow wants to take out over the next five years through its terminal reconfiguration. We are seeing airports build solar farms, particularly at Newcastle and Birmingham, which is leading them to become net zero very quickly.

In terms of aviation itself, it is around how we invest with the fuel side. We have done the demand management side with the SAF mandate. We are doing the supply side with the revenue certainty mechanism.

In terms of aircraft improvements, we are investing £2.3 billion as a country in the Airspace Technology Institute to improve engines and fuel and streamlining aircraft. There is a commitment through a whole suite of measures to improve those efficiencies.



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We are still looking at hydrogen. As a Department and a Government, we have given money to the CAA to improve the hydrogen regulatory framework. We know that hydrogen has a part to play. ZeroAvia has just set up a manufacturing base in Glasgow to build drivetrains. Particularly in our highlands and islands, and maybe Northern Ireland as well, this could be a real part of the future. I would love to be the first Minister to say that the UK will have zero emissions from aircraft tailpipes on its domestic flights. I am not in a position to say that yet, but, even if I was in a position to say that, domestic emissions only account for 4% of our emissions overall. We have to look at the other suite of measures in addition to hydrogen and electric aircraft.

Q262 **Julia Buckley:** Just on that point, this Committee heard evidence from the airport sector that switching to SAF fuels might also affect global warming because it might reduce emissions. Do you factor that into your emission calculations as well?

Mike Kane: I think the question relates to the non-CO2 part of emissions.

Julia Buckley: The contrails, yes.

Mike Kane: I will say directly to the Member for Shrewsbury that I have the science budget for the DFT, which runs at something like—it is a lot of money—£973 million. I think that is the exact figure. I am not sure there is enough research into that. Scientists are beginning to tell us there is other evidence about warming from contrails that is non-CO2-related. We need to find out more about that. That is why we have this study in the field to inform our decisions in the future. I am not sure when that study reports back, but we can let you know.

Q263 **Julia Buckley:** We heard about commodities and the concern about the raw materials that we need to make this SAF. I know Barry Gardiner touched on power-to-liquid, which is a future-generation version of SAF. What about the earlier versions, the current generation and the next one? What sorts of raw materials do we expect to rely on to create those fuels?

Mike Kane: At the moment, 1G and 2G SAF refers to something called HEFA, which stands for hydroprocessed esters and fatty acids. My kingdom for a chemistry degree, when it comes to some of these things. They will be the contracts that we were letting. This is basically vegetable oil. We can go to residue agricultural waste. We do not want to be competing with growing or farm space.

That is why we want to ramp up, as Mr Gardiner says, to power-to-liquid. We are trying to get to a place where we can extract carbon out of the air, mix it with hydrogen, electrolyse it and create jet fuel by doing that. We could have a market where creating SAF is pulling carbon out of the atmosphere. That is the market that we would seek to have in years to come.

Q264 **Julia Buckley:** This Committee would be most interested in agricultural



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waste residue. I have also been contacted by groups talking about sewage sludge, which I know causes concern for us around pollution in water. If there is a use for some of these waste products, as a Committee, we would be interested to hear more about that.

Mike Kane: Yes, I have had a private convivial chat with the Secretary of State for DEFRA about the sewage in his rivers. We can take a look at that for him.

Q265 **Julia Buckley:** Finally, we have heard a lot about the investment and the revenue certainty that you are putting into this sector. How much are you expecting either airlines or airports to invest in additional infrastructure or storage to contain the new SAF?

Mike Kane: Again, that is a great question. What airports and airlines are saying is something that came up at the evidence session yesterday on the revenue certainty mechanism. This is a blend that goes in. It is just like the aviation fuel that we currently have. It is transportable in the regular ways and can be stored in the regular ways.

We will have to think more carefully around hydrogen, which needs a new regulatory framework and new storage capacity. SAF is the perfect fit in the medium term because it fits into existing pipelines, lorries, HGVs, containers and into existing facilities at airports.

Q266 **Ellie Chowns:** Minister, the Climate Change Committee has said that demand management is essential to enable the aviation sector to meet its net zero targets. You have just told us that you are not considering demand management. You have also told us that you aspire to be an evidence-based Government. Why are you not considering demand management?

Mike Kane: I do not want to stop Mr and Mrs Jones, who have worked hard all year, going on their annual holiday to Mallorca from my constituency.

Q267 **Ellie Chowns:** That is not the test case, with respect, Minister. Demand management includes carbon taxation and the taxation of aviation fuel, which is unfairly excluded at the moment. It also includes options such as a frequent flyer levy, which would address your concern. We know that 50% of the airport expansion that you are currently foreseeing will be used by just 3% of the population on leisure flights. Airport expansion is an extremely inequitable investment in transport infrastructure.

Given all that and the very clear direction from the Climate Change Committee that the evidence shows that demand management is essential for the aviation sector, why will you not consider it?

Mike Kane: I am happy to look at what the Climate Change Committee says.

Ellie Chowns: Are you not—



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Mike Kane: Forgive me. Let me answer the question, with respect back. We already have carbon taxes in ETS and CORSIA. APD is not a carbon tax, but, as I said earlier, Treasury has differentiated the aircraft that traverse the Atlantic and those that fly short-haul. Most of our constituents probably use those aircraft once a year. Our suite of measures still gets us to net zero by 2050. That is what we are doing. Is there something above and beyond stop people flying that we should consider?

Q268 **Ellie Chowns:** That is the very clear message from the Climate Change Committee.

Mike Kane: They are saying that we should stop people flying.

Q269 **Ellie Chowns:** No. There are these three options: a frequent flyer levy, which would be a very equitable and fair option; taxation of aviation fuel; and proper carbon taxation. If you look at the measures involved in the emissions trading schemes that you have just talked about, the situation currently is that a flight within Europe is captured within the ETS but a flight to somewhere such as Egypt is not. That is incentivising medium-haul flights. Clearly, those are not functioning as effective demand management schemes currently. Will you consider those three demand management options that I have just outlined?

Mike Kane: All three of them would be Treasury-based initiatives. They are not matters for the Department for Transport.

Q270 **Ellie Chowns:** You are here, together with people from DESNZ, to talk about the climate impact of aviation. Is it not essential that, in considering your strategy for meeting net zero targets for aviation, you must consider those three options?

Mike Kane: No.

Q271 **Ellie Chowns:** Why not? Do you aspire to be an evidence-based Government?

Mike Kane: We have a clear pathway to net zero by 2050, and we are pursuing it. That is why we have introduced, in this legislative session, airspace modernisation; it is why we are introducing the SAF mandates; it is why we are introducing the revenue certainty mechanism; it is why we have studies in the field to inform what we want to do in the future. If there are taxation issues, you need to bring those to Treasury.

Q272 **Ellie Chowns:** Minister, you are telling me that you have completely ruled out fair taxation of aviation fuel, carbon taxation and a frequent flyer levy. You have simply ruled them out as options for enabling the sector to meet its net zero targets, despite the very clear advice of the Climate Change Committee that those demand management measures are in fact the most important ones.

Mike Kane: We will lay out, as a Department, our response to the Climate Change Committee's concerns in the near future.



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Q273 **Ellie Chowns:** It is not the first time that the Climate Change Committee has said this.

Mike Kane: When did they say it last?

Q274 **Ellie Chowns:** They have talked about demand management in their previous reports. I would have expected that your Department would have considered these arguments already. I am delighted that you will write to this Committee with your consideration of those measures.

Mike Kane: No, we will lay out our concerns to the CCC in the normal ways.

David Silk: We are due to publish updated plans for carbon budget periods 4 to 6 in October. We are also due to respond formally to the Climate Change Committee's annual report later on this year. As the Minister said, we will formally be responding to them.

Q275 **Ellie Chowns:** Specifically on that—I am glad you mentioned responding to carbon budget plans—can you tell me, Minister, why you still have not legislated for international aviation to be included in carbon budgets? Will you bring forward the secondary legislation for that before you come forward with the carbon budget 6 delivery plan?

Mike Kane: We are delivering it anyway. When we get the legislative time, we will put it into legislation.

Q276 **Chair:** The policy of the Government is that airport expansion will happen in line with our environmental legal commitments. It is extraordinary to hear you come here and say you are happy to look at what the Climate Change Committee says. Has it informed the development of this policy in any way?

Mike Kane: I am not sure whether that is extraordinary. This Government have generally had a clear pathway to net zero by 2050, and we are pursuing that.

Q277 **Chair:** Demand management is not a part of it in any way.

Mike Kane: We will lay out our response to the Climate Change Committee later this year.

Chair: Once you have read it.

Mike Kane: I have read it, Chair.

Chair: I thought you said you were happy to have a look at what they said.

Q278 **Sammy Wilson:** Minister, I am sure you are aware that there will be legal differences and personal differences as to how we reach the goal of clean transport. I am pleased to hear that you are not considering the demand management measures that have been outlined by the CCC, simply because, as you pointed out, they price people out of the market.



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There is an increase in demand for people wanting to fly, especially for people from Northern Ireland. We do not have any option but to move from Northern Ireland to here by flying. Frequent flyer levies or increasing ticket prices would be detrimental to our economy and the personal ability to travel.

Given that that is the case, the Climate Change Committee and the jet zero policies did indicate that there were a large number of ways in which CO2 emissions could be reduced. If you are not going down the line of demand management, could you outline what technical measures, efficiency measures and organisational measures can be taken to reduce the CO2 emissions from flying?

Mike Kane: I am all for a preferential option for people, particularly in Ireland, who cannot access the rest of the UK. Those three key airports, one in Derry/Londonderry and two in Belfast, have a future ahead of them because so many people like yourself come here to work. That has to be critical.

The suite of measures, as I have already outlined, is key. There were two legislative pieces in the first session of this Parliament around airspace modernisation. We know we can reduce carbon emissions just by making the planes fly in a straight line and not have to circle. EasyJet tells us that its jet from Jersey to Luton burns about one-third more carbon than it should because of the route that it has to take. We are improving our airspace.

Some 40% of the pathway is around sustainable aviation fuel and introducing the revenue certainty mechanism. There is then the £2.3 billion we are investing in improving engine technology for noise, aircraft quality and fuel burn. There are also our national commitments around the emissions trading scheme and our international commitments around CORSIA as well. Have I missed anything?

It is a whole suite of packages that we are introducing, but we have to do it from a position of strength. We cannot go backwards. We have the third-biggest aviation market on the planet. We are a world leader. I want to be a world leader in aviation and I want to be a world leader in cleaning up that aviation as well.

Q279 **Sammy Wilson:** Has your Department done any estimates at all on the impact on airfares of the recommendation by the CCC that all of the costs of decarbonisation and the non-CO2 clean-up should be put on passenger tickets? Has any work been done on that? If work has been done on that, have you done any estimate on the impact that that might have on people flying from Dublin or from Holland or France rather than flying from airports in the United Kingdom, where they are subject to such taxes?



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Mike Kane: I would say to the honourable Member that I am acutely aware, because of the nature of Ireland, of differential APD policy and the difficulties that it causes.

Our principle is that the taxpayer should not clean up this industry. It has to be the industry that does it on the basis of the polluter-pays principle. That underpins everything that we try to do. There will be differential ticket changes when we introduce the revenue certainty mechanism. That could be £1.50, plus or minus, on an average ticket over the year.

Introducing airspace modernisation is paid for by the airlines, but they are also committed to that because they know that, if they can fly in a straight line, they save money. That ultimately benefits the passenger as well.

Q280 **Sammy Wilson:** Could I just go back to an answer that you gave me earlier on about regional connectivity? I take it that, when you are doing your economic assessment of the increase in capacity in the south-east and, say, a third runway at Heathrow, you will be able to build into that a figure for the benefits to regions, because you will have made assumptions about what that expansion means in terms of additional flights coming from regions into the hub.

Mike Kane: That is a great suggestion, and I will take that away. Can I just give him my personal commitment, as he knows, that regional airports benefit from any expansion of Heathrow, either through its terminal capacity and the £10 billion that it is spending over the next five years, or if we get a promoter coming back with a third runway and, in the next 10 to 15 years, having that extra capacity as well. It benefits every corner of the United Kingdom.

Q281 **Blake Stephenson:** I am conscious of time, so I hope not to take up too much of it. I just want to take us back to ANPS, if I may. Can you commit to the updated ANPS being published before any airport expansion is approved? I appreciate that it is a question that the Chair asked earlier, but I was not certain that I got a clear answer on it, so could you answer that please, Minister?

Mike Kane: As I was not involved with the ANPS in 2018, I will ask my officials here to answer directly.

Hannah Newell: As the Chancellor announced earlier this year, we are inviting proposals from promoters for a third runway and plan to review the ANPS. The plan is that any application for planning consent at Heathrow would be considered against an updated airports national policy statement.

Q282 **Blake Stephenson:** So the ANPS needs to be published before a decision can be taken because it needs to be considered by the planning process.

Hannah Newell: Yes.



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Q283 **Blake Stephenson:** Minister, would you consider everything to be on time in terms of preparation of the ANPS?

Mike Kane: I would say that this country should have been making some decisions a long time ago about the future of this industry, and they did not happen. All Governments become sclerotic at times. There is an old adage that, if I was going there, I would not be starting from here, but this is what we are faced with in terms of some of the decisions that we are making around airspace modernisation, the revenue certainty mechanism, inviting third runway proposals, and unpicking some of these DCO decisions. We are clearly doing that and have a clear mission to keep us as a world class aviation hub in the UK, and to clean it up as well.

Q284 **Blake Stephenson:** If all Governments become sclerotic, are you suggesting that this one has? I do not want to put words in your mouth. I am sure that you were not saying that.

Mike Kane: I was nowhere near saying that. There has been nothing sclerotic about my first year in this office.

Q285 **Blake Stephenson:** On timing, there was a commitment to have this ANPS done by the summer. By the looks of the weather, it is currently the summer. The updated impact assessment on the Planning and Infrastructure Bill suggests that we are heading for November. Does that timeline resonate with you? Do you consider yourself on track and on time?

Mike Kane: When the Chancellor invited proposals for a promoter to come forward with a third runway, we, as a Department and as a Government, said that we would then review the ANPS on receipt of that proposal. There was no commitment, I understand, to an autumn deadline.

Q286 **Blake Stephenson:** Keir Starmer's *Plan for Change* document suggests that all relevant national policy statements will be ready for this summer. This will not be ready for this summer. You are suggesting that it will be ready for the autumn. Are we now talking about delays within Government?

David Silk: The Heathrow ANPS commitment, as the Minister said, was for the proposal to come for the summer. It was not considered one of the relevant national policy statements to be updated by this summer, because we needed the Heathrow proposal first.

Q287 **Blake Stephenson:** I am pleased that we are clear on the timeline. In terms of the approach that you are taking, is there a view that you will take a whole-systems approach to this and airport expansion, or are you just going to focus on Heathrow?

Mike Kane: I am extraordinarily keen to see a successful aviation sector across all of our nations. That means improving the airspace, which I am responsible for, across the whole of the United Kingdom. That means



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bringing in the revenue certainty mechanism, which I am responsible for across the whole of the United Kingdom. It is up to airports that operate primarily in the private sector to bring their plans and their planning permissions forward, which are generally granted through their local planning authorities.

Q288 Blake Stephenson: Just to be clear, will the ANPS that we are talking about here be a UK-wide and whole-systems statement, or will it focus just on the south-east?

Mike Kane: I will allow David to come in here, because he is really the expert in how this will proceed once we receive the third runway proposal.

David Silk: The ANPS is a national policy statement, so it is a national planning statement, but it is specifically with regard to our national hub airport, Heathrow. For the rest of the country, we have our making best use policy, which is focused primarily on enabling airports to expand within their existing footprint.

As we do the ANPS review, we will also take into account whether there needs to be any update to our making best use policy. Based on our understanding of capacity and demand in the rest of the country at the moment, the making best use policy is the best way of enabling other airports to expand as they so wish and through the planning system.

Q289 Chair: Just to clarify and check that we have understood this correctly, there are currently people putting forward proposals for a third runway at Heathrow. That will be inspected by the Planning Inspectorate initially, against the ANPS.

Hannah Newell: Those proposals have been invited by the Secretary of State to inform the airports national policy statement review. A deadline of 31 July has been set. That letter has been published on gov.uk. We will receive those proposals and then proceed with the review of the airports national policy statement.

Q290 Chair: The expansion plans will then be compared to that ANPS to see if it is compliant.

Hannah Newell: After that point, promoters can submit applications for development consent at Heathrow, which will be considered against the airports national policy statement.

Chair: Thank you for that clarification.

Q291 John Whitby: Minister, just going back to what you said about the busiest month ever, I am just trying to understand what was driving that increase. Is this more people coming to the UK to spend their money here, or is this UK citizens going abroad and spending their money there, or do we not know?



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Mike Kane: There will be a more detailed breakdown from the CAA, which we can get if needs be. How airports work is that, for every passenger who goes through their doors, there is a cost to that. I think it is £33.26 at Heathrow. That is how they make their money. Every month or every quarter, the CAA publishes the figures that are going through the UK, and they are going up.

Q292 **John Whitby:** I just wonder if they are people coming here, spending their money here and helping the UK economy, et cetera.

Mike Kane: We are talking at the moment to the Minister, Chris Bryant. We are joining up some work streams around inward-bound tourism, and some of the work streams that I have from my jet zero and aviation work streams, to make sure that we marry that up across Government and get the biggest bang for the buck of tourist pounds, dollars or punts, or whatever, into the UK.

Q293 **John Whitby:** Talking of jet zero, the price of carbon is currently much lower than the price planned in the jet zero strategy. Therefore, carbon is currently undervalued and underpriced. Is this going to make it more difficult for the sector to decarbonise?

Mike Kane: What is interesting in the revenue certainty mechanism, when we talked about first, second and third generation, and the HEFAs and the waste that we will make the SAF off, is that, when that waste becomes valuable, is it waste anymore? That was quite an enlightening piece of work that the evidence committee brought forward yesterday.

Q294 **John Whitby:** Are you looking to introduce a mechanism that would ensure that carbon is priced appropriately?

Mike Kane: The mechanisms that we are introducing are through the revenue certainty mechanisms. The counterparty, which will be a Government arm's length organisation, will be inviting bids for those SAF manufacturers to upscale their production in the UK to meet the mandate that we have already introduced.

Q295 **Chair:** We heard evidence in a previous panel that the net number of passengers coming into the UK was substantially lower than the net number of passengers going out. Effectively, we were exporting more tourism than we were bringing in. You said that the CAA will have those figures, but has that not been part of your considerations in terms of whether this is an economic benefit or otherwise?

Mike Kane: We are joining up our work with Chris Bryant, the tourism Minister, to look at this, and we have a stream of work checking on this. I do not have any figures for you here today.

Q296 **Olivia Blake:** Minister, we have heard a lot of evidence laced with a healthy amount of scepticism about the sector's ability to achieve targets on emissions up to 2050. The sector is not on track, and there is a poor record of delivery on targets. How confident are you that the ambitious



targets that have been set will be delivered by the sector?

Mike Kane: You are right. The dial is moving to the right on carbon. That is because we have not had a Government that have been making some of the decisions that have needed to be made for quite some time. I am hopeful now that we do have a Government and a strategy that will bring that carbon target back to the centre, so that we do get back on track. Hence, in the first session of this Parliament, the Department for Transport had five of the 10 Bills, one of which was the revenue certainty mechanism and airspace modernisation. We could also decarbonise our airspace through secondary legislation. We really have worked at extraordinary pace in the first 12 months to try to get those carbon dials back on track.

Q297 **Olivia Blake:** This might be a question to Ms Krylova. If the emissions of the aviation sector go significantly over the carbon budget, who will have ultimate responsibility for balancing the books overall to ensure that we do deliver net zero?

Sonia Krylova: The Department for Transport is responsible for its contribution to carbon budgets and decarbonising transport. We then look in the round to make sure that everything adds up to carbon budgets, as set out in the Climate Change Act, so we have a robust process for that. We have the clean energy superpower mission board, which is chaired by the Energy Secretary and attended by the Transport Secretary. As has already been said, in October, the Government are going to publish their very detailed plan for how they are meeting carbon budgets to 2037. That will cover the aviation measures as well as many other policies.

Q298 **Olivia Blake:** Are you concerned about delays to electrification of the midland main line also having an impact on the carbon budget of the Department for Transport? If the aviation targets are not met, are you expecting the Department for Transport to find the carbon from other modes?

Mike Kane: I would say that surface access transport does not lie with me, but it is absolutely critical to decarbonising aviation. We know that markets that airports can penetrate depend on our public transport penetration to the airport. We live 30 miles apart. I have to make that journey on Monday morning to visit Sheffield University, and I am probably going to have to set off at 7 am or 6 am to make a 30-mile journey on that train

Olivia Blake: You will.

Mike Kane: Passengers, particularly in the north, have not seen the benefits that we are now introducing with electrification, particularly in solving the disputes, which is giving people more confidence, particularly outside of the south-east, to travel in an environmentally sustainable way to their airport, which they have not had previously.

Q299 **Olivia Blake:** Will there have to be the equivalent of cost-shunting for



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carbon within the Department to make this all balance, if you are not projected to meet your targets?

Mike Kane: In terms of aviation emissions, they are a small part of the Department for Transport's emissions, but what happens is that they grow over time, because it is the much harder bit to decarbonise.

Q300 **Olivia Blake:** Yes, exactly. It is harder to decarbonise. We are off target already. How are you going to guarantee that those carbon emissions are going to be picked up elsewhere in the Department, if they are not achievable, because they are ambitious?

Mike Kane: They are ambitious, and we are off target, but that is why we are introducing the measures that we are taking as part of the new Government. In terms of the mixing up of the carbon, I will look to others.

Q301 **Olivia Blake:** If you cannot meet the target within the Department, what happens at that point?

Mike Kane: These are binding targets.

Q302 **Olivia Blake:** That does not mean that they will be met.

David Silk: I am not sure that I fully accept that we are off target. The last year for which we have complete data is 2023, when carbon emissions from aviation were lower than in 2019. Some of that may be because demand had not fully returned post Covid, but some of was also down to efficiency gains. We have seen efficiency and decarbonisation gains over the previous 20 years, which would have continued in this period.

In terms of the carbon budget 6 process, the Secretary of State for Energy has ultimate legal responsibility for ensuring that Government as a whole have a credible plan. Within that, we are doing detailed work with our DESNZ colleagues at the moment on transport's contribution to that carbon budget plan. That will include our plans on aviation, where we feel that we have a credible plan towards decarbonising the sector by the middle of this century, including through the carbon budget 6 period.

Q303 **Olivia Blake:** That is very helpful. What I am trying to get at is where DESNZ comes into this if DFT fails to meet the targets. Where does the responsibility sit in your Department to make sure that DFT is delivering? If it is not, how does that escalate up to the Secretary of State?

Sonia Krylova: As I said, we have a very robust process. We work very closely with DFT colleagues. The relevant directors generals meet regularly. The October plan will set out how everything adds up across the economy. The clean energy superpower mission board is the Secretary of State-level forum for that. As I said, the Transport Secretary is a member of that board. It is chaired by the Energy Secretary. We do look in the round to make sure that everything is adding up to carbon budgets.



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Q304 **Olivia Blake:** Finally, what mechanisms and contingencies do you have in place to agree reductions across other Government Departments if aviation does not deliver the required reductions? Do you have anything already in mind?

Sonia Krylova: We are planning 25 years into the future, so there are a lot of uncertainties. Even the CCC says that there are multiple ways to get there, but that it is possible to get there. That is the key thing. Naturally, we are planning for multiple scenarios, and airports are just one aspect of a huge array of scenarios that we have to prepare for. We factor all of that in. In the October plan, you will see that delivery risks are factored in. We have up and down scenarios and, even on the current plan, we know that we will need carbon removals as well, because, as the Minister has already said, based on current technology, we are not expecting that all the decarbonisation will come from the aviation sector. The Climate Change Committee says the same thing. We have a programme of carbon removals to complement and to make sure that we get to net zero overall.

Q305 **Olivia Blake:** Is that the only kind of offset that you are looking for from other Departments?

Sonia Krylova: All sectors have to get to net zero.

Q306 **Olivia Blake:** I mean within Government. Do you know which Department you are going to go to if DFT is not able to meet the targets?

Sonia Krylova: We look at it in the round, so we are constantly assessing the whole picture. The removals are quite a broad range of policies. There are natural removals, which DEFRA is responsible for, such as tree planting and peatland restoration. Then there are engineered removals, such as bioenergy with carbon capture, and direct air capture. It is quite a broad range of levers that the Government have to play with to make sure that it adds up.

Olivia Blake: I am hoping that you will meet the targets, I should say, but thank you.

Q307 **Chair:** We did ask for a Minister from DESNZ to come and attend this, and we were told that it was not necessary because the DFT is responsible for hitting its environmental targets and that there did not need to be offsets. It was DFT's personal responsibility to make sure.

The Climate Change Committee has, as its number one recommendation, demand management. We have heard today that demand management is not a part of this plan. The Department for Transport Minister believes that we can get there without any need for demand management. Were you aware before today that that was not a part of the strategy?

Sonia Krylova: There may be different uses of the terminology. The CCC advice is quite nuanced, especially in the latest publication, which is the carbon budget 7 report. It says that the combination of measures can get



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us to net zero for aviation, even with growing demand, so we are completely aligned. We are talking all the time to our colleagues in DFT.

Q308 **Chair:** Just to be clear, I asked whether you were aware before today that demand management was not a part of the strategy, and that we could get to net zero without demand management, despite the CCC saying that it was the number one recommendation.

Sonia Krylova: I just want to be clear on what is meant by “demand management”. In terms of the policies that the Minister has set out, including CORSIA and the UK emissions trading scheme, there is complete agreement that they are part of the suite of policies. If, by “demand management”, you are referring to direct restriction on capacity, the Climate Change Committee itself has said that that may not be needed. In DESNZ, we recognise everything that has been said today.

Q309 **Chair:** You were asking me for a definition of “demand management”. Maybe I could ask you for one. Can I suggest that you write to the Committee to just explain what you understand by the term “demand management”, so that we all know that we are on the same page?

Mike Kane: Demand management in aviation is a matter for aviation. I just think that we may be on slightly different pages here, Chair, and I would like to get to a place of consensus. Are the carbon taxes, in your opinion or ours, demand management? What about CORSIA or ETS? Are we talking about restricting people from flying?

Q310 **Chair:** The recommendation of the CCC was its recommendation. What I understand by “demand management”, not that that really matters, is reducing the amount that we fly overall. As was laid out by my colleagues, there are a number of ways in which you could achieve that. It is not necessarily about Mrs Smith not having her one holiday a year.

Mike Kane: Let us lay out our response to the CCC in due course, and then we can come back at some stage.

Chair: I appreciate that colleagues will be wanting to get to Prime Minister’s questions. I am very grateful to you and your colleagues for being with us for an extended period. With that, we will bring this sitting to a close.