

Environmental Audit Committee

Oral evidence: The Airports Commission Report: Carbon Emissions, Air Quality and Noise, HC 840

Wednesday 30 November 2016

Ordered by the House of Commons to be published on 30 November 2016.

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Members present: Mary Creagh (Chair); Peter Aldous; Caroline Ansell; Glyn Davies; Caroline Lucas; Mr Gavin Shuker.

Questions 1 - 133

Witnesses

I: Rt Hon Chris Grayling MP, Secretary of State for Transport, and Caroline Low, Director of Airport Capacity, Department for Transport.



Examination of witnesses

Rt Hon Chris Grayling MP, Secretary of State for Transport, and Caroline Low, Director of Airport Capacity, Department for Transport.

Q1 Chair: We are having a one-off session on the Government's plans for a third runway at Heathrow. Welcome to everybody who is joining us here today, in particular the new Secretary of State, Chris Grayling, and Caroline Low from the Department for Transport.

We are going to get straight into the detail, as you would expect. I wanted to kick off by asking you about the fact that the High Court has now ruled that the 2015 air quality plan, on which this Heathrow expansion—the third runway—was based, was overly optimistic and did not aim for the earliest possible compliance with EU rules. I wanted to ask you, Secretary of State, what impact does this decision have on Heathrow expansion?

Chris Grayling: It is important to separate these two issues, for reasons I will explain. I don't think that the air quality issue addressed in the Supreme Court and the challenge around reducing levels of NOx is part of the same debate as the Heathrow expansion. The NOx issue, the air quality issue, even around Heathrow itself, is about the traffic on our roads. It is about volumes of traffic. It is a situation that exists around the country, not just around London, but in many other urban centres as well. My own view—and that of the Government—is that we need to take steps to address that way before we ever get to addressing the issue of the opening of the runway. We cannot simply sit on what is clearly a very major issue for 10 years.

The runway is not due for 10 years. This is an issue that has to be addressed much more quickly. Indeed, only this week we set out in more detail our plans following the autumn statement. We have a substantial additional sum of money from the autumn statement to continue the work that we have already begun on low emission vehicles in the United Kingdom, with a particular focus this time on public transport vehicles, but we have to continue, in my view, an across-the-piece strategy to drive the migration of the transport in our busiest urban areas to lower emission technologies. We need to do that long before this runway opens.

I have always seen—and I was very clear in the Commons at the time we made the statement—that I don't think the issue of reducing NOx emissions can possibly wait for the runway to open. We have to have made a material difference by the time the runway ever happens. This is not an issue about the aircraft. It is an issue about road traffic, and that is an issue that is not linked specifically to the airport itself. It is a much broader issue that we have to address.

Q2 Chair: But on your air quality plan, essentially you have to go back and do another one by July 2017.

Chris Grayling: That is correct.



HOUSE OF COMMONS

Q3 **Chair:** Presumably that will happen.

Chris Grayling: It will.

Q4 **Chair:** Transport and DEFRA will work together on that with Treasury?

Chris Grayling: Yes. That is happening at the moment, yes.

Q5 **Chair:** The emissions modelling on which your current plans for expansion at Heathrow are based, first of all, did not take into account the real world driving emissions test, which will be in force in 2021, and they did not take into account the fact that all diesel car emissions have been under-reported, so you have two different issues there, haven't you? You have an under-reporting of real world driving emissions and then you have a new EU real world driving emissions test from 2021. What happens when we leave the EU?

Chris Grayling: It is not for me to judge what Parliament decides to do. As you know, our plan is to migrate the existing legal base into UK law when we leave. It will be a matter for the Government and for Parliament to decide what to do thereafter. I cannot conceive of a situation where we will not want to continue to improve air quality in this country. I see this as an important public health issue, but as I say, it is a much broader issue about road transport in urban areas around the country that we have to get to grips with.

Q6 **Chair:** Do you think that you have underestimated the pollutants in the baseline figures for Heathrow?

Chris Grayling: In terms of the air quality work that we have done, we have done a range of sensitivity analyses. We have not yet completed the analysis of the latest data, but nothing in the initial indications that we have secured from that data, following all the issues that you describe, has given us cause to believe that our assessment that we could deliver the expansion of Heathrow within the limits set out in our documentation, within the estimates set out in our documentation and within the work done by the Airports Commission—nothing has happened to change that assumption.

Q7 **Chair:** The new air quality plan has to come in in July 2017. Does that affect the Government's timetable for Heathrow?

Chris Grayling: No, it does not. As I say, these are different issues. The first thing to bear in mind about the Heathrow expansion plan is there is a commitment from Heathrow, which I intend to hold them to, that the new runway should be delivered without an increase in road transport to the airport. If you look at the plans for public transport improvements, we are going to have to deliver the southern access and the western access to Heathrow; you have the opening of Crossrail; you have the arrival of HS2 in 2026, and of course the improvements to the Piccadilly line that will dramatically expand capacity on that route. You are going to see in the coming years a big expansion of public transport access to Heathrow. They clearly have other tools at their disposal if they choose to



do so. One of course would be to introduce a charging zone in and around the airport itself. That would certainly provide a demand-based limitation on transport access. Of course one of the things they are already doing—and I would expect them to continue to do—is to migrate the on airport vehicle fleet to low emission technology.

Q8 Chair: We are going to come on to the assumptions around surface transport access and who pays for them in a moment, but if I can, can I press you on the air quality side of things? Once your new air quality plan is agreed—and hopefully this time it will reach the threshold that the Supreme Court wants to see—will you include updated COPERT emissions forecasts in that in order to reduce the uncertainty? The problem with the air quality plan for Heathrow is that you knew there was this real diesel problem and you did a qualitative analysis. You did not do a quant analysis; you did not crunch the numbers on that. Will you crunch the numbers in the new analysis with the new air quality plan?

Chris Grayling: We are already doing that. Caroline, would you like to explain the work that is being done?

Caroline Low: Can I just pick up on the modelling? You are quite right that at the time that the sub-committee took the decision, we did not have the full detailed data on the new emissions factors, so we did a qualitative analysis. We are now doing a full model run, which will be incorporated in the appraisal of sustainability that will be published early next year and consulted on.

To the extent we need to do further analysis when a full updated air quality plan comes out, we will look at that, but we would expect that that would be captured by the range of sensitivities that we will be putting out for consultation.

Q9 Chair: Secretary of State, do you agree with local authorities that the initial review that you have done is unacceptable and that a proper assessment is required?

Chris Grayling: No, I don't accept that. All of the initial work that we have done suggests that, even with this new round of data that we knew was coming and was anticipated, the sensitivity analysis that we did means that we can still deliver this within the air quality thresholds. As I see it, the definition is that we cannot wait until 2026 to make a real difference in air quality. The assumption appears to be that nothing is going to happen between now and then, and of course that cannot be the case. We have a genuine issue. It is not just an issue created by the legal position. It has also been created by emerging public health evidence. We are committed, as you have seen this week, to continuing to drive the development and implementation of the low emission vehicle technologies. I don't think we can wait until 2026. My view is that in 2026, by the time this runway is opening, the paradigm must have already changed. I say this in complete clear conscience that we are



HOUSE OF COMMONS

going to have to make a difference to what is a road traffic problem, not an airport problem, long before the airport expansion happens.

Q10 Chair: You said that we cannot wait, but I do not know if you have read our Committee's report on sustainability in the Department for Transport. We have no confidence that the Department is going to meet its own targets on ultra-low emission vehicle take-up. The Committee on Climate Change says it needs to be 9% by 2020. We are at 1.2% now. To get to two thirds of the fleet being low emission vehicles by 2030, we cannot see a roadmap to make that happen, so I am sure at some point in the future we will come back to that with you.

Your own initial qualitative review of Heathrow, using updated emissions modelling, found that in 2025 a new runway "could impact on EU limit value compliance", so there is a problem, isn't there?

Caroline Low: Can I just pick up on that?

Chris Grayling: Yes.

Caroline Low: That modelling output was assuming no mitigations were taken by the airport, and in fact the airport has committed to—and Government will be holding them to—a set of initiatives, where necessary, to bring air quality back into line, for example, a low emission fleet and at the extreme, if needed, an emissions charging zone around the airport. We are confident that with those mitigations we can get back to compliance.

Q11 Chair: You think that what Heathrow can do on their site will deal with the entire west London air pollution problem—isn't that slightly heroic?

Chris Grayling: Of course it won't, but that is the whole point. The whole west London air pollution problem is not a Heathrow Airport problem. It is a different issue that we have to solve. The point I keep making is that this is a broader problem that is all about the level of road transport on the M25, the M4 and through the streets of west London—if I remember rightly, one of the worst hotspots was in the centre of Hillingdon, some way away from Heathrow. This is not a Heathrow Airport problem. It is a west London conurbation problem. It is an east London, a south London, a north London conurbation problem and a Liverpool, Leeds, Manchester, Birmingham problem that we have to resolve, and we should not be taking strategic decisions about the future of aviation in the context simply of a problem that is a much, much broader one that we have to deal with through a much, much broader strategy.

Q12 Chair: When can we expect to see a new comprehensive strategy showing the impact of a new air quality plan on meeting our EU limit values if Heathrow opens in 2025? When can we expect to see that?

Chris Grayling: The first thing you are going to see, and the first thing to say, is that we have already been clear that the projections that we have, taking into account this latest data, demonstrate to us that we



HOUSE OF COMMONS

believe we are correct in our view that the expansion can be delivered within the current legal framework, so we are clear that can happen. We are also clear that it will require some mitigation, but Heathrow has already set out a number of ways in which we can deliver that mitigation, and some of these things are happening much earlier. We talked about the migration of the on airport fleets to low emission vehicles. That is something that isn't just going to happen in 2025-26, but of course the Government will publish—

Chair: When is it going to happen?

Chris Grayling: It is beginning to happen just now, and indeed a number of our airports are doing this now.

Q13 **Chair:** When will it be complete at Heathrow?

Chris Grayling: We are not going to give the final go-ahead to this airport unless we are satisfied that it can meet the thresholds that we talked about, but I keep saying that of course the air quality issue is not a Heathrow issue. It is a west London issue, it is an urban issue, and that has to be dealt with much sooner. You will see next summer, when we publish the national plan that now has to be taken and updated and delivered faster, our overall strategy for dealing with that issue.

Q14 **Chair:** Will it specifically look at the Heathrow issue when that new air quality plan comes, yes or no?

Chris Grayling: The national air quality plan will not be about Heathrow, but the work that we do and that we publish will address the Heathrow issue.

Q15 **Chair:** As part of that air quality plan, so not a specific new report about Heathrow—

Chris Grayling: No. There isn't going to be a separate chapter in the national air quality plan about one airport. That is something that we deal with in the work that we publish about the airport itself, the documentation, the material that we lay before Parliament. The national air quality plan will be broad-ranging and will deal with an overall national strategy as to how we deal with NOx emissions across the whole of the transport sector and indeed elsewhere.

Q16 **Chair:** The people living around Heathrow will not see an updated full air quality forecast for their area based on taking a qualitative analysis of the diesel emissions and/or the real world driving emissions test?

Chris Grayling: No. Caroline just said we will be publishing updated information in due course.

Q17 **Chair:** When is "due course"?

Caroline Low: In the new year, when we consult on the national policy statement, we will be publishing a full appraisal of sustainability, based on the current air quality plan and full updated modelling with the latest



HOUSE OF COMMONS

emissions factors, and we will set out the position for Heathrow. The new national air quality plan will come later. That will also use the best possible information. I would need to check with colleagues at DEFRA, but I assume that will take into account planned infrastructure and therefore will take into account proposed expansion at Heathrow. We will at that point also check that the information we have put out about air quality around the airport captures anything new coming out of the new national plan, and we will update if necessary.

Q18 Chair: When you publish the national policy statement, you will publish an updated air quality plan alongside it, which will factor in the COPERT for them?

Chris Grayling: Yes.

Caroline Low: It is an appraisal of sustainability rather than an air quality plan, which sets out all of the environmental impacts of the proposed expansion at Heathrow and at the other alternative schemes.

Q19 Chair: When do you anticipate that being published?

Caroline Low: Early in the New Year.

Chair: Before March, springtime, say?

Chris Grayling: No, it will be earlier than that.

Chair: That is helpful, thank you very much. We are going to move on to transport issues.

Q20 Glyn Davies: I would just like to ask you a few questions, Secretary of State, on the infrastructure improvement in relation to the Heathrow expansion. In the Committee's interim report, it recommended that the Government set out their assessment comprehensively on what would be required in terms of infrastructure improvements, responsibilities for funding and milestones for completion before agreeing to the Heathrow expansion. Why did you think it was right to agree to the Heathrow expansion before doing those things that the Committee had recommended?

Chris Grayling: We are very satisfied that we now have a very comprehensive plan for improving public transport access to the airport. There are two dimensions. First of all, there are the immediate improvements needed as a result of the runway itself. That is to the various neighbouring roads to the M25, all of which will be borne directly by the airport. Then there are improvements that will be happening anyway, like the Piccadilly line improvement, which will substantially increase capacity on the Piccadilly line, and Crossrail and HS2.

The other two projects that are already in the pipeline for public transport access to Heathrow—the western access and the southern access—are projects to which Heathrow Airport will make a financial contribution,



HOUSE OF COMMONS

even though they are already planned as part of the public spending process.

If you take the mix of that, it will be a quantum step forward in public transport access to Heathrow. It will be by far the best-connected airport in the country, if you look at the different rail access and underground access that it will have. I am very satisfied that there is a very bold and comprehensive plan to deliver all of that, and I understand how it is going to be funded.

Q21 Glyn Davies: I want to ask one or two questions about costs. Transport for London has talked about a required infrastructure cost of about £15 billion to £20 billion.

Chris Grayling: I think it is ludicrous, to be honest. I do not see where £15 billion can come from. If you look at what we are seeking to deliver around Heathrow Airport, it feels to me like somebody has taken every possible transport improvement in the whole of metropolitan London and thrown it into the mix, and probably funding a large chunk of Crossrail 2 out of it as well.

If you look at the things that we are talking about to deliver that better access, the improvements on the M4 are happening now or about to happen as part of our ongoing road improvement process. The M25 changes need to be funded by Heathrow Airport itself. As to the—

Q22 Chair: How much are you putting there?

Chris Grayling: The improvements? It will depend ultimately on what technology they use to cross the motorway. There are two options. One is to tunnel under the motorway. The other is to cross the motorway on a slightly raised runway, as happens at many other airports. I suspect they will go for the second rather than the first. It looks to be operationally easier as well as less expensive, but that will be a matter for the detailed design work. I am not expert in that arena, but that will be funded entirely by the airport. The rail improvements, as I have just said, will be part-funded by us, part-funded by the airport, based on the fact that these are long-planned projects that would happen regardless of the airport expansion.

Crossrail, of course, opens in two or three years' time. HS2 will provide much better connectivity into Old Oak Common, and TfL's plans for the Piccadilly line will increase capacity, I believe, by 60%. That is a huge step forward, and there are the road improvements close by. These are things that are already happening, so I am baffled as to where TfL manages to get a £15 billion figure from, because I do not know what you would spend the money on.

Q23 Glyn Davies: Yes. That has had some pretty compressive rubbishing, I believe, the TfL recommendations in terms of costs or what they think it will cost. The Commission itself thought it would be £5 billion, something like that, and Heathrow is setting aside a contribution of £1 billion. These



HOUSE OF COMMONS

are big sums of money. Is the Government confident they can handle it?

Chris Grayling: The Heathrow contribution will be much higher than £1 billion, but fundamentally, in a sense, at this point what matters to me less than the absolute numbers is what the commitment is. If Heathrow gets the go-ahead at the end of the consultation on all of this, then things like the commitments to deliver, no increase in the overall road access to the number of vehicles accessing the airport, and the proportion of passengers accessing the airport by public transport, I regard as mandatory parts of the agreement process. They will be obliged to do that and it will cost what it will cost.

Q24 **Glyn Davies:** On a slightly different point, you have talked about improvements to the M4 that are taking place anyway, but will there be any other improvements needed to the M4? I think Heathrow committed to funding the M25, the A road and the airport station works? Clearly there will be work on the M25; there will be other works associated with it. Are you confident that the funding for all of those will be in place?

Chris Grayling: Those the airport will have to meet itself. The M4 is an interesting question, so whereabouts to start the process of expansion of the existing M4 into the end of the motorway past Heston? There is a question mark in the future about whether there will be a programme to expand the elevated section. If we are setting an absolute limit on road access to Heathrow—so in other words they are going to cap the number of vehicles accessing the airport at the level it is today, whether they do that through improved public transport or by charging or whatever—that is going to be a firm commitment we will keep them to.

There is not an obvious reason for Heathrow to be paying any or all of the expansion of the M4 elevated section, which if it ends up being required is a factor of the sheer volumes of traffic coming into London from the west. This is where I think the TfL issue may have come from. I suspect TfL have looked at every potential transport improvement that might be needed for NOx emissions in west London and said, “We will throw all of that into the mix, because all this work needs to be done”. If we are holding the airport to that limit of the current number of vehicles accessing the airport, then what we have to make sure is that the public transport improvements are delivered, so that they don’t break that threshold and we do get that 55% of people accessing the airport by public transport, which I regard as very important.

Q25 **Glyn Davies:** Can I ask you about cost overruns? Heathrow are making it pretty clear that they do not want to be responsible for any of the cost overruns. There has never been a project of this kind of size where there were not some very significant cost overruns. If Heathrow are not going to pay, then somebody else is going to have to. It looks as if the Government would be in the frame for that. How are you going to accommodate that?



HOUSE OF COMMONS

Chris Grayling: The cost overruns on the project itself are their problem. This is a privately funded project. The elements that are committed to by Heathrow, whether it is the work on the M25 or whether it is the building of the runway and the terminal buildings, if they don't get it right, they pay.

Q26 **Glyn Davies:** That is pretty clear.

Finally, I want to ask you about the position of local authorities within close proximity to the airport, who are telling us that there is not enough detail on how the surface access projects to mitigate poor air quality will be monitored and enforced. How do you respond to the views that the local authorities are putting forward about the absence of enforcement about air quality?

Chris Grayling: It is worth saying that the majority of local authorities support the expansion. In terms of enforcement of air quality, this is something that is done by local authorities themselves. As I say, if we do not see an expansion of the number of vehicles accessing the airport and if we achieve the goals we need to achieve in reducing the level of emissions from the vehicle fleet, then the challenge of enforcement will remain very similar to what it is today, to be honest. It is for the local authorities to seek to enforce. Where, for example, dirty vehicles are accessing the low emission areas, then either the Mayor or the local authorities have the job of dealing with that.

Q27 **Glyn Davies:** Any breaches are the responsibility of the local authorities to deal with through their—

Chris Grayling: Appropriate enforcement, absolutely. They are the ones who have the monitoring powers and rights and should enforce.

Q28 **Chair:** Is there a tension there between what you are saying is a national strategic infrastructure asset at Heathrow and a local authority? Let's say that in 2024 Hillingdon or Hounslow discovers that its air quality site is not meeting the standards, despite all of the best efforts, all the surface access improvements, the low emission zone, and the new railways that may or may not be built. The Airports Commission was quite clear that new airport capacity should not be released if the air quality targets could not be met. What happens then? Are you saying that Hounslow's station modelling is going to stop this nationally significant infrastructure plan?

Chris Grayling: It depends what and where. If it is clearly the case that the airport does not have the ability to deliver the commitments, for example, on road access to the airport, so that we are expecting a huge increase and air quality problems as a result, then no, the airport will not be able to release its infrastructure. It will not be able to use—

Chair: You will be monitoring and evaluating. It will not be down to Hounslow or Richmond or Hillingdon?



HOUSE OF COMMONS

Chris Grayling: It is down to the local authorities to enforce if they are monitoring by the roadside and there is a particular problem, but I would expect that problem to be more geared towards individual vehicles. We are seeing the growth of low emission zones. It is the job of local authorities to enforce those low emission zones, and if vehicles are accessing them that are above the pollution threshold, then it is the job of the local authority to enforce. Of course we will monitor the overall issue and make sure that the airport is held to the commitments it has made in a variety of different areas, but on-the-ground enforcement for obvious breaches resides with the local authority.

Q29 **Chair:** Isn't this the strategic thing about releasing the airport capacity? It is a much bigger strategic issue than just asking local authorities to monitor and enforce something, because the Airports Commission was clear that if these air quality plans cannot be reached then the capacity should not be released. That is a strategic decision for you, isn't it, Secretary of State?

Caroline Low: In response to that recommendation from the Airports Commission, in the NPS coming out next year we will be consulting on a condition that planning consent would not be granted if the airport could not demonstrate that it could expand within the legal limits. Subject to the consultation, that will form part of the planning condition for the airport to expand.

Chris Grayling: If a planning condition is set and you do not meet that planning condition, you cannot complete your work.

Q30 **Chair:** Just on the railway side of things, Heathrow set aside £1 billion and Highways England modelled the costs of the M25 work between £500 million to £1.1 billion, so somewhere in between that. Construction and infrastructure projects sometimes overrun their budgets. Network Rail modelled the southern rail link between £700 million and £1.8 billion. Is that in Network Rail's planning period for 2019 to 2024?

Chris Grayling: We have not completed the work on the next control period yet, but it is very clear that in order for this runway to happen we will need those additional rail links. I would question the amounts. There are some issues around overall project costs, but that is a different question. We will have to deliver those improved rail links for this airport to be able to meet its targets.

Q31 **Chair:** It is fair to say though that, for example, on the electrification of the Great Western line, a project that was supposed to cost £1 billion is now looking like it is going to cost £3 billion. You might not think that Network Rail could do it between £700 million and £1.8 billion, but we might also think it might be more than that.

Chris Grayling: We clearly have a job to do. Over the past 12 to 18 months the financial controls of Network Rail have improved quite dramatically, but none the less there is still a lot of work to do in ensuring that Network Rail brings projects in cost effectively and on budget for the



HOUSE OF COMMONS

future. That is something that, again, we are certainly not going to be waiting until the 2020s to address.

Q32 **Chair:** Is the southern rail link in the control period 2019 to 2024?

Chris Grayling: We have not finalised that control period yet, but it is my intention that it should be.

Q33 **Chair:** Just on the western rail link, so out to Reading, in 2015 the costs were put at £500 million. Is that still the ballpark figure?

Chris Grayling: On the western link, I want to ask the obvious question: is the best way to do it to take a tunnel out west or to create a left turn on the existing join?

Q34 **Chair:** What is the answer?

Chris Grayling: I do not know yet, but I am asking the question. There are two possible options. You either build a very complicated route that joins the Great Western main line a bit further that way, or you just put a left turn on the existing join. That work has not been done yet, but I intend it to be.

Q35 **Chair:** You are at the planning stage for the western rail link, even though it had—

Chris Grayling: These are all schemes that have been in development for some time and are in the Network Rail pipeline.

Q36 **Chair:** Yes, but you want them to do a left turn now, so that is a new angle on it.

Chris Grayling: As you would expect of any new Secretary of State faced with a large bill, I am asking devil's advocate questions about whether one can do these things and deliver the improvements quicker than would otherwise be the case and cheaper than otherwise would be the case.

Q37 **Chair:** When will you have the answer?

Chris Grayling: Shortly.

Q38 **Chair:** Famous last words. Basically, we could be looking at £2 billion for the southern rail link and up to £500 million, say your left turn takes you down—

Chris Grayling: I think the £2 billion for the southern rail link is a stretch, but—

Q39 **Chair:** You are hoping it will be cheaper. Fine, thank you.

You are aware that in Crossrail, Heathrow did not make a contribution to it and there was a shortfall that had to be met.

Chris Grayling: I am.



- Q40 Caroline Ansell:** Can I ask one last question on that? In terms of the aspiration that this will in no way increase road traffic and that there is an ambition for much greater uptake in public transport, what degree of tolerance is there within some of the modelling to allow for a lesser take-up than you, or Heathrow, are envisaging at this point?

Chris Grayling: Do you want to pick up on that, Caroline?

Caroline Low: I cannot answer the specific question about ranges within that modelling, I am afraid. What I can say is that we will be setting a hard target for Heathrow of the percentage of passengers arriving on public transport.

Caroline Ansell: A hard target?

Chris Grayling: Yes. That is the point. It becomes one of the planning conditions out of a number of planning conditions meeting the various noise and excess emissions targets.

- Q41 Caroline Ansell:** On the Government's interpretation of compliance with the EU air quality directive, it has been said to be incorrect and unlawful and basically allows air quality to get worse, provided that it is no worse than the worst link in the zone. How do you answer that challenge to the Government's interpretation?

Chris Grayling: We have now been told by the courts to go back and do the work again, and clearly that is going to happen. There are two issues here. One is, yes, there are legal rules to comply to, but secondly, it is also about doing the right thing. I am a very strong believer that we now need to push as hard as we sensibly can towards a much lower emission vehicle fleet in the UK. We are among the world leaders in the support that we provide for the acquisition of electric vehicles, for example. We are becoming one of the major world manufacturing centres for electric vehicles, not just for the Nissan LEAF in Sunderland, but you will have seen Jaguar Land Rover's goal to start building very large volumes of electric vehicles in the United Kingdom, which we will do everything we can to facilitate. We are very encouraged by that.

One of the things coming out of the autumn statement money is additional investment in low emission buses. We are spending more money on charging points, so in my view this is a really important step to take now. Whatever the rights and wrongs of what has been done in the past, the fact is that we have an air quality problem, which is causing a public health issue. We have to do what we can, within the parameters of what we can do, because people do not change their vehicles overnight, but push to try to migrate that car fleet for the vehicle fleet of the future.

- Q42 Caroline Ansell:** Specifically on that health question, the Government's own study suggests that we are still looking at a £100 million disbenefit in terms of health effects. How do you intend to deal with that cost to public health?



HOUSE OF COMMONS

Chris Grayling: As effectively as we can. The truth is you cannot wave a wand and change these things overnight. I wish it was otherwise the case, but we do it by doing what we have just done in the autumn statement, for example, in stepping up Government support to encourage people to take on these new technologies, both in the commercial arena and in the personal arena. We will continue to try to find ways to do that. Obviously the bit we perhaps have the most lever over is the bus fleet, for example, where we are providing direct additional finance to support a new generation of low emission vehicles built in this country.

Q43 **Caroline Ansell:** How quickly and how often can we expect an update to that health assessment then, with all these new innovations and encouragements coming online?

Chris Grayling: I hope we will see real progress. The Environment Secretary has responsibility on this and I have no doubt will come and update you regularly.

Q44 **Caroline Ansell:** On the EU referendum, what impact do you foresee that the result is likely to have on air quality targets?

Chris Grayling: I cannot conceive of this Government or a successor Government wanting to water down air quality standards. We all now recognise that there is a very real issue. It is certainly the stated intention of the Government to migrate existing rules from the EU into UK law on the occasion that we leave. It will then clearly be a matter for this House to decide what further changes to make on the recommendation of a proposal from the Government. I find it hard to believe any Minister is going to stand before this House and argue for a reduction in air quality standards.

Q45 **Caroline Ansell:** Do you foresee potentially that there could be an enhancement to that?

Chris Grayling: We are going to want to see progress in the future. I see over the next decade big, big changes to the technology we use on our roads, and that is for the better.

Q46 **Chair:** The EU emissions directive sets emissions targets for 2020 and for 2030, so are you saying that once we have left we will keep those 2030 emissions targets?

Chris Grayling: That is going to be a matter for the next Parliament, but I cannot conceive of a situation where any Minister is going to stand before this House and argue for a diminution of air quality.

Q47 **Chair:** What about the real driving emissions test in terms of those UK-made vehicles—not the electric ones, but the fact that the EU is bringing in this test to give full transparency to what a car's performance on air quality is on the road? That is coming in from 2021.

Chris Grayling: Yes. Of course we are doing that already here. We are moving ahead with preparations for that. We see that as very important.



HOUSE OF COMMONS

The reality is that what has taken place in VW particularly is wholly, wholly unacceptable. We are looking at ways of addressing that issue from the point of view of UK consumers, from the point of view of testing, from the point of view of making sure that future vehicles are transparent when it comes to people's ability to assess the emissions from them. This is not just a UK issue. This is an issue for every European country, and there are some quite radical things now happening around Europe, as there will be in the United Kingdom. Even the low emission zones that were planned prior to the court case would have had a very material impact. The strategy that we came forward with subsequent to the court case I am confident will also have a very material impact on it—a significant additional material impact.

Q48 Chair: Are you saying that we will bring in the real driving emissions test before EU law requires us to, which would be 2021, or if we leave what happens to that?

Chris Grayling: Of course by 2021 we will not be in the European Union.

Chair: That is the point.

Chris Grayling: I expect us to have real world emission tests as quickly as we sensibly can, certainly no later than we would have done as part of the European Union. Possibly we will be able to do it sooner. I cannot commit to that right now, but I certainly do not see us—while I am Transport Secretary—shifting it back and doing it at a later date.

Q49 Caroline Lucas: In your response to the Committee, and indeed in the statement to the House, you said that Heathrow can be delivered within the UK's carbon obligations, but the figures in the Government's business case assume that aviation will emit 15% more CO₂ than the amounts allowed for in the carbon budgets by 2050. I wonder how you reconcile those statements.

Chris Grayling: There are two different ways that this could happen. It is worth saying of course that international aviation is not within the current climate change legislation. Notwithstanding that, we and the international community are taking this issue very seriously, hence you will be aware of the recent ICAO agreement in Montreal. We believe that a number of different factors will have a material impact on the level of emissions from this sector.

One of those is change in technology, with the emergence of a new generation of much more fuel-efficient aircraft that will emit less carbon than has been the case in the past; a second is the development of biofuels, and we yesterday published a consultation on how we intend to incentivise the increased use of biofuels in aviation in this country. Of course many airlines are doing this already. Virgin Atlantic, for example, is already well advanced in the development of biofuels technology for use in their planes, so that is the second factor.



Of course the third element, which was at the heart of the ICAO agreement, is the international plan for offsetting in this sector. I am very confident that with the package that is available we will achieve what the Airports Commission said we would be able to achieve, which is to deliver the expansion of airport capacity in the south-east without breaching the carbon goals that we have. Is there anything else to add to that, Caroline?

Caroline Low: Just to pick up on that, there has been some press about this and comments from the Committee on Climate Change. The further work that was published alongside the decision was supplementary to all of the work that the Commission did, and we absolutely accept the recommendations and the scenarios that they ran in relation to carbon. As you know, there was a carbon cap and a carbon traded scenario, which probably represent extremes. In our further sensitivities we ran those off the carbon traded scenario, but that was not to imply that that is the scenario that we expect to be in. We still expect to be somewhere in the middle, depending on the range of policy approaches taken. In summary, we stand by the work that the Commission did on carbon, which was accepted by the CCC.

Q50 **Caroline Lucas:** I will come back to some of these issues around ICAO and biofuels in a moment, but biofuels are only likely to be able to be substituting a very small proportion of fossil fuels.

Chris Grayling: Yes, it is a factor. It is not a transformative—

Caroline Lucas: It is a very small factor. I just wanted to come back to the issue of offsetting, because in the letter from the Committee on Climate Change to Greg Clark, the Secretary of State, they make very clear that they do not think that carbon offsetting should be factored into the targets that you are aiming for. Not least, they say that because, "The Committee has consistently said the Government should not plan to use credits to meet the 2050 target because these credits may not be available in the future and they may not be cheap". Relying on offsetting when that is flying in the face of what the Committee on Climate Change is recommending seems unwise.

Chris Grayling: We have not taken a policy decision yet on whether we will go for a hard target or whether we will include offsetting. My point was that of the options available to us for the future, that is one of them.

Q51 **Caroline Lucas:** The trouble is that is one of them, but it is one that the Committee on Climate Change is recommending you do not use. Another option presumably, if you went more towards the carbon cap scenario, would be that you would be expecting Herculean cuts in emissions from other sectors in order to allow the aviation industry to continue to grow, and already the Committee on Climate Change is saying that the expectations of the other sectors cutting by 85% or more is at the upper end of what is likely to be possible. It seems to me that if you are not going to go down the traded side, then you are going to be expecting



even greater emission cuts in sectors that are already under massive pressure. How realistic is that?

Chris Grayling: I am not ruling out the trading side. We have just signed up to the ICAO agreement, which is a big international agreement as to how most of the leading countries in the world are going to deliver the objectives in international aviation.

Q52 **Caroline Lucas:** It is voluntary?

Chris Grayling: It is voluntary, but none the less, the planned participation is very substantial. It is an option for us for the future, which we believe is one part of the policy decision we have to take.

Q53 **Caroline Lucas:** The trouble with your answer, with respect, is that we have looked at what would happen if you went down the carbon traded route and we have established the fact that the Committee on Climate Change is recommending you do not do that, for very practical reasons. We have now looked at the issue of whether or not you will be expecting other sectors to make greater cuts in order to allow aviation to expand, and it appears that, because you will not put down your flag on what you are going to do, you are able to evade the downsides and the flaws in either of those strategies and—

Chris Grayling: You have to bear in mind how closely the Committee on Climate Change worked with the Airports Commission. The Airports Commission conclusion has taken into account all the factors available to them and taken into account the Committee on Climate Change's modelling that we could deliver a third runway at Heathrow or a second runway at Gatwick within our overall carbon goals. That work was done very closely between the two organisations, so this isn't something that we, as a Government, are suddenly plucking out of the air. We are simply accepting a recommendation from our independent Commission, which worked very closely with the Climate Change Committee before it arrived at that conclusion or recommendation.

Q54 **Caroline Lucas:** But your business case is assuming that aviation will emit 15% more CO₂ than the amounts allowed for in the carbon budgets by 2050. You have a letter from the Committee on Climate Change, which is saying that they think you might have misunderstood them and they would like to point out, for example, that they have limited confidence about the options for other sectors to go beyond cuts of 85%, which are already factored into your calculations. I will just put it to you that you are boosting the amount that you think that aviation is going to be allowed to emit in the face of the evidence.

Chris Grayling: I don't think that is right. The Airports Commission worked very closely with the Committee on Climate Change. It reached the conclusion on the basis of that joint work.

Caroline Low: Just to be clear, the carbon traded scenario is not the business case. You have to look at all of the scenarios that we put out.



HOUSE OF COMMONS

Going forward, there is general agreement that dealing with this at the international level is the right thing. That is why we were waiting to see where we got to in Montreal before doing further detailed analysis and putting forward policy proposals on this. We will be taking that work forward now. We will be putting out discussion papers on carbon strategy for aviation next year.

Caroline Lucas: Can I ask one further follow-up?

Chris Grayling: Of course.

Q55 **Caroline Lucas:** On the issue of whether or not there might be an expectation on other sectors to decarbonise even more dramatically than is currently anticipated, have you had any discussions with Ministers from other Departments and industries about the feasibility of that assumption?

Chris Grayling: Not at the moment. We have a number of cross-Government forums where we discuss environmental issues, but my belief is that we will in due course take a policy decision that will provide the right balance between the different tools and options available to us.

Q56 **Chair:** Just on the carbon trading scenario, you are saying, "There are two different types of models here. One is a carbon traded assumption, one is a carbon capped assumption, but we are not really looking at either of those. There is some sort of Goldilocks option right in the middle". Is that correct?

Caroline Low: The Commission also ran a carbon sensitivity model, so the carbon capped and carbon traded models were effectively artificial modelled scenarios run off a carbon price rather than actual policies. The carbon sensitivity model, which sits somewhere in the middle and allows for about 80% growth, starts to bring in looking at the most efficient policies to reduce carbon, the sort of things we have talked about: fuel efficiency and aircraft operational policies, and offsetting. Having understood now where we will get to from ICAO, we can take forward and put forward a range of policy measures. Perhaps you are right to call it a Goldilocks in-between, but we will be putting the flesh on the bones of that going forward.

Q57 **Chair:** The Airports Commission modelled carbon prices of between £200 a tonne and £380 a tonne in 2050. That stands in sharp contrast to €11 a tonne, which is what it was under the EU trading scheme. Where do you think carbon prices will be in 2050, and what will that add to the price of a flight?

Chris Grayling: The answer is we don't know. The Airports Commission has taken some fairly prudent assessments on this. If we find ourselves in the year 2050 where technology has not moved as fast as we expected, where other factors come into play, inevitably that will have an impact on the cost of flying. If you look at how fast aerospace technology is changing at the moment—this is the point we have not touched on to



HOUSE OF COMMONS

enough of a degree so far—most of the airlines will now say that the new generation of aircraft is dramatically reducing air fuel costs, dramatically reducing the level of fuel consumption, and by definition therefore also dramatically reducing carbon emissions. I fully expect to see over the next 10 or 20 years quite substantial changes to the nature of the fleets on the tarmac.

If you just go to Heathrow now you will see a massive move by most of the big airlines into new aircraft, 787s particularly, with an expectation that the A350 will do the same. These are significantly reducing carbon levels on the existing paradigm. Caroline Lucas is right that the biofuels element is not transformational, but a contribution of biofuels of percentage points to the level of emissions clearly makes a difference as well. This is a moving feast—

Q58 **Chair:** But you are about to publish your aviation emission strategy next year, aren't you?

Chris Grayling: Yes.

Q59 **Caroline Lucas:** How can we be confident that this expansion can be delivered within our climate obligations when the strategy to achieve this has not yet been written by you? You are sort of setting some of it out, but it is kind of like, "Trust me, I'm—"

Chris Grayling: It is not. We have a well cast independent Airports Commission, in consultation with the Committee on Climate Change, which has said to the Government, "You can achieve this expansion within your carbon targets". That is what we are basing ourselves on. This is not, "Let's pluck something out of the air and go for it". We have gone through a process of getting serious independent analysis done, which has reached the conclusion on the issues of air quality and of carbon emissions that we can achieve our objectives within the limits that are currently set.

Of course in the case of carbon emissions, there is no law of the land that requires us to meet any particular target. We are doing what we believe is right. We are partners in the ICAO agreement. We are looking to a strategy that delivers what we need to achieve, as the Airports Commission said we could, within carbon targets that are not found in UK statute, but are things that we are pursuing nonetheless.

Q60 **Chair:** We are doing it because we want to, rather than because we are mandated by climate change—

Chris Grayling: It is a matter of fact that international aviation is not in the legislation. That is not stopping us pursuing a sensible strategy on the carbon emissions from aviation.

Q61 **Chair:** When can we see the aviation emissions strategy? When will that be published?



HOUSE OF COMMONS

Chris Grayling: All the documentation on that expansion will be published in the new year and will obviously be available for scrutiny through next year.

Q62 **Chair:** Simultaneously?

Caroline Low: The work on wider aviation strategy will be coming out later next year.

Q63 **Chair:** We are going to have the national planning statement on the future of this strategic national infrastructure airport coming out before we have an emissions aviation strategy published?

Caroline Low: The NPS that we will be consulting on we will be based on the work, as the Secretary of State said, done by the Airports Commission in consultation with the CCC. The question then is, what next for the industry? That is what we will be consulting on later next year.

Q64 **Chair:** Don't they go hand in hand?

Chris Grayling: No, because they are not simply about Heathrow. There is a broader national strategy on aviation as well.

Q65 **Chair:** But you are going to expand demand and capacity at one airport, and you are going to do that policy statement before you have put out a strategy on what we are going to do on aviation emissions. Doesn't that seem like putting the cart before the horse?

Chris Grayling: No, because what we have done is we have taken proper independent advice on can we deliver the expansion of airport capacity in the south-east and keep that within our emissions targets, given the factors that we have discussed this afternoon, and the answer was yes.

Q66 **Chair:** When will the carbon reduction plan be published? Will that be coming out after the national policy statement on Heathrow as well?

Chris Grayling: The work that is going to be published in the national policy statement will be based on what has been done by the Airports Commission in consultation with the Committee on Climate Change.

Q67 **Chair:** When is the carbon reduction plan coming out—after the end of the year?

Chris Grayling: That is right.

Caroline Low: Yes. It is not a carbon reduction plan. It will be a discussion paper around carbon. We will be putting out a number of papers around wider aviation strategy to update the aviation policy framework, which is the current overarching document. Having taken the decision on south-east capacity, we then need to look more broadly at aviation strategy and update it in line with having taken that decision. One of the issues we need to look at is carbon. At the moment we are doing the analysis following the ICAO decision. I am not sure exactly



HOUSE OF COMMONS

when that will be complete, but I expect it to be spring/summer next year.

Chris Grayling: Some of the issues that you describe will lie somewhere in the future. If you look at what the Airports Commission recommended, it said that we would need extra capacity by 2030 and that by 2030 we could deliver that capacity and keep within carbon goals. It said that we might subsequently, by 2050, need a further runway in the south-east, but that could only happen depending on where we are with carbon emissions at the time, so there is a clear process going forward. As far as I am concerned, the work that has been done by the Airports Commission, in consultation with the Committee on Climate Change, is the work upon which this expansion should be based. The question is about where the direction of travel goes beyond this for the future of the aviation sector in the United Kingdom. It has to take into account where we get to at the end of the Heathrow expansion process or at the end of the national policy statement process.

Q68 **Chair:** But there is a gap between the various things that are in play now and where we need to get to in order for Heathrow to expand and for us to meet our—

Chris Grayling: No. It is important to challenge that. I don't accept that. What we have is a very detailed piece of independently carried out work that says, "You can expand Heathrow based on the existing situation. Based on your overall carbon goals, this is something that can be delivered". That work was carried out by the Commission in consultation with the Committee on Climate Change. I am satisfied that that gives us the basis to move forward. There isn't going to be some radical additional new piece of work that lies on top of what the Airports Commission has done that is a whole new strategy. The Airports Commission has done that work for us. The further work we need to do for the future is based on the rest of the aviation sector, over and above and beyond what happens at Heathrow.

Q69 **Caroline Lucas:** There is just one thing on that, because you said you would be basing the way forward on this close collaboration between the Committee on Climate Change and your Department. But I would come back to the letter from the Committee on Climate Change of 22 November, which clearly says that aviation emissions should be at the same level in 2050 as they were in 2005, without the use of international credits. Can you rule out now that you will be using international credits if you are going to be in line with what the CCC says?

Chris Grayling: We have not reached a decision yet on whether to do that or not. We have just been—

Q70 **Caroline Lucas:** But you cannot say on the one hand that what you are doing is being sanctioned and agreed to by the Committee on Climate Change if in the next breath you are saying, "One of the things we did—"



HOUSE OF COMMONS

Chris Grayling: Yes, I can, because what you are doing is conflating two separate issues. The one issue is the work done by the Airports Commission and the Committee on Climate Change on the expansion of Heathrow—can that be delivered? Indeed. Not just expansion of Heathrow, but the additional runway in the south-east—can that be done within climate targets? The answer to that was yes. What you are quoting is them saying, “But we do not think you should use credits”. That is a different question.

Caroline Lucas: Discuss. To my mind, they seem to be pretty—

Chris Grayling: I disagree. There is a much broader issue. This is not just about Heathrow Airport for the next 30 years. It is about aviation across the United Kingdom and aviation policy across the United Kingdom. That is a different question from whether we can expand one airport with an additional runway. They are saying they don’t think we should use credits. That is a policy debate that we will have to have and we will have to reach. That is a different question from whether we can, within those limits, expand one airport.

Caroline Lucas: That begs a whole load of other questions.

Q71 **Chair:** It is keeping going, isn’t it? If I can just finish off, your aviation strategy is coming out after the national planning statement on Heathrow, and you said it will be sort of the middle of next year, alongside the carbon reduction plan. I am asking you about the cross-governmental—

Chris Grayling: The cross-Government—

Chair: Yes.

Caroline Low: There is a phased carbon reduction strategy, which is due out early next year. As I understand it, that is not about aviation, because as we have been discussing, aviation is not included in those targets at the moment.

Q72 **Chair:** You are doing a carbon reduction plan as well, are you?

Caroline Low: We will be putting out, as part of our discussion of future aviation policy, some discussion papers around carbon.

Chris Grayling: If I can give you an example of where that comes into play, one part of what we are going to be producing is a future strategy for the use of airspace. Quite clearly, if we can use new technology to reduce stacking, that reduces fuel consumption and reduces carbon emissions, so it is not about, “Here is a carbon reduction strategy”. It is a strategy to improve the performance of aviation generally, reduce costs, reduce fuel use and reduce emissions.

Q73 **Chair:** Although you can argue that we already have very efficient aviation use in this country compared with other countries—

Chris Grayling: I would argue that actually we don’t.



Chair: Okay. We will have to take that outside, but—

Chris Grayling: Okay, but let me get this in very quickly, because it is quite important. A very practical example of that: you can today follow an aircraft all the way from its point of origin to its point of destination and talk to it on the way. In the past, an air traffic controller only got into contact with a plane in the last stages of its flight. If a plane is flying the Atlantic and it is clear to air traffic control when it arrives over the south-east, and it is going to spend half an hour flying in circles over Cobham, then saying to that plane in advance, “Slow down, use less fuel, don’t stack” becomes a real option in airspace management terms. That is the kind of improvement that we are going to need for the future. That simply does not happen now. If you are in the south-west of London or the north-west of London, you are well used to planes flying in circles over you overhead for long periods of time, completely unnecessarily. If we can manage it so that does not happen, that is a material benefit to carbon emissions.

Q74 **Chair:** Will you be examining non-CO₂ emissions as part of that aviation strategy?

Chris Grayling: There is an extensive debate about the non-CO₂ emissions. Our view is that if we reduce fuel consumption—which is happening in a variety of different ways, one of which I have just described, and technology is another—then we will see those emissions reduce as well. But there is no clear scientific basis to look at other emissions and put those at the heart of our strategy.

Q75 **Chair:** Are demand-side measures something that you are examining as part of the aviation strategy?

Chris Grayling: If you are talking about, for example, increasing air passenger duty, they have happened in recent years, but that is very much a matter for the Treasury.

Q76 **Chair:** The Committee on Climate Change has said passenger demand growth cannot realistically exceed a 60% increase between 2005 and 2050 to be consistent with carbon budgets.

Chris Grayling: Yes.

Caroline Low: What we will be putting out as part of the carbon discussion next year is an updated marginal abatement cost curve, which looks at all of the policies that you can use and the relative efficiency of different policies to manage carbon. One of them is demand management. It is relatively inefficient compared to some of the other policies, but there is a 2011 analysis on that that we will be updating for part of this work.

Chris Grayling: It also depends on the technology for the future. They don’t know; we don’t know. There have been over the past 35 years some pretty dramatic changes in aviation technology. Going back 35



years, fly-by-wire was only just starting. The kind of technology you are now seeing in the Dreamliner, the A350, the new 737s were nowhere in sight at that point. It is a bold assumption to assume that there is no possibility for that to happen, but our view is that what we are doing is completely consistent with what the Committee on Climate Change has described.

Chair: Thank you. We have been joined by colleagues. Welcome to Gavin Shuker. I do not know if you have any interests you wish to declare.

Mr Gavin Shuker: No, I don't.

Chair: Excellent, and Peter Aldous. Caroline, you had a—

Q77 **Caroline Lucas:** A couple of follow-ups. I want to go back to the non-CO₂ emissions, because they are significant. This is an issue I worked on in the European Parliament when we were doing aviation in the EU ETS proposal, and although you are right to say that there isn't an absolutely defined figure everyone agrees to, everyone agrees that there are significant non-CO₂ impacts—in other words, when you have contrails—when you have NO_x emissions at altitude. It seems to me just to say, "Because we don't know the exact figure we are just not going to take them into account at all" is rather reckless. Putting a modest figure on it, it might be that the total impact is around double the impact of CO₂ alone, so can you say what kind of research is going on in your Department or elsewhere to get a handle on it? Because the idea that, "We don't entirely know, therefore we are not going to follow it up" seems to be completely in contradiction to the precautionary principle.

Chris Grayling: There is no international evidence at the moment, no firm international scientific base for this.

Q78 **Caroline Lucas:** Yes, there is. There are huge amounts of evidence of the non-CO₂ impact of aviation. We don't know the exact calculation, but it is not in question that there is a—

Chris Grayling: But there is no scientific basis for us to take specific policy decisions, because we don't have, as you say, the very specific data on which to base such decisions. My view on this is that if a central part of our goal is to reduce fuel consumption—and that is going to come through technology, better airspace management, as we described earlier—then that has the same beneficial effects on non-CO₂ emissions as it does on CO₂ emissions.

Q79 **Caroline Lucas:** That is true, but if the impact of aviation emissions could well be double what you are working on, then the impact of all of your modelling is in question, and given that that is a debate that is being had in many of the big organisations now, in ICAO and elsewhere, I want to know in what way you are at least anticipating that this might need to be factored in at some point.

Chris Grayling: The phrase "could well be" is not something that we yet have sufficient evidence to adapt policy on.



Q80 **Caroline Lucas:** The precautionary principle? There is a lot of evidence that there is a significant impact and we can—

Chris Grayling: What is that impact?

Caroline Lucas: Somewhere between 1.3 and 1.9, from my recollection. I will stand corrected. By the way, if you did it by 0.5, I would be happy enough, but I want you to acknowledge that there is an impact that could well be escalated as we find out more.

Chris Grayling: If evidence emerges, we will have to respond to it.

Q81 **Caroline Lucas:** I look forward to that. Can I move on quickly to the ICAO issue, and then we will move on? Just on ICAO, we were mentioning it earlier, but the scale of its ambition falls short in key ways of the UK's domestic policy. What will the Government be doing to strengthen that ICAO agreement and to bridge the gap?

Chris Grayling: I think it is quite a success point to have reached the ICAO agreement, to be honest. As Caroline said earlier, this is something we believe has to be addressed on an international basis. This is not something where the UK acting alone unilaterally can make a significant difference. It has to be done on an international basis. The ICAO agreement is a significant step forward, and is a significant step further forward than appeared might be the case in the run-up to the reaching of that agreement.

Q82 **Caroline Lucas:** You have no plans at this point to be looking to strengthen it.

Caroline Low: There are reopeners in the agreement, which we would seek to build on, but I think the first thing is to take the agreement we have, to work through the detail, which is what we are doing now, and to make sure what we have is properly implemented. We can then look to build on that agreement going forward.

Q83 **Caroline Lucas:** One final question on biofuels, as we mentioned those earlier. Will the Government be addressing the full lifecycle emissions of biofuels, including land use change, when you are developing policy in that area?

Chris Grayling: Yes. This is something I feel quite strongly about. There is a role for biofuels and there is a particular role for biofuels that reprocess waste products. I am not comfortable with a strategy that simply causes people to grow palm oil plantations around the world and to get rid of rainforest, for example, to make way for them. I am seeking to be very cautious across the Department's activities—and this is not just in the area of aviation—to make sure that we do not promote a policy that encourages detrimental land use change, as opposed to using materials where there is a positive benefit in creating biofuels. I will be very watchful of that in my time as Secretary of State.

Q84 **Caroline Lucas:** I have one very last one—sorry—going back to ICAO.



ICAO, which I didn't mention earlier, does not reduce aviation emissions, of course. It simply commits to offsetting them. Given there is no guarantee that there will be capacity in world carbon markets to achieve that, isn't it risky to be putting a lot of emphasis on assuming that that ICAO agreement is going to dig you out of a hole?

Chris Grayling: I am not assuming it is going to dig us out of a hole, but it seems to me to be the best way that we have of getting an international focus on the issue, getting countries working together on the issue and getting countries taking action to offset the issue. With the best will in the world, saying to countries around the world that are in a growth spurt, "You have to stop expanding aviation" is not going to get us very far, so I think the—

Q85 **Caroline Lucas:** No, but they might be saying that perhaps we need to reduce aviation in order to allow them equitably to increase it. I will leave that point with you. I am not expecting a response.

Chris Grayling: I think our aviation market is increasingly dwarfed by others.

Chair: Gavin, you had a very quick follow-up.

Q86 **Mr Gavin Shuker:** Yes. In a bid to atone for the fact that I have joined the session slightly late, I will only ask questions on one topic, which is this: given that we have a legally binding carbon budget, do you think that aviation gets enough of that budget with the size of the pie that we currently have?

Chris Grayling: Of course the issue is that international aviation is not contained within the current legal limits for carbon emissions. It has always been expressly treated as an international matter. We could perfectly well say, "Nothing to do with this. We will leave aviation to its own devices". We don't do that. We are working quite carefully to make sure that aviation policy is consistent with our overall goals. But in terms of legal obligation, there isn't the same legal obligation that exists in other sectors.

Q87 **Mr Gavin Shuker:** Just briefly as a follow-up, do you feel there are other sectors of the economy where—through greater use of energy efficiency, for example—you might be able to offset some of the impact of what you are proposing, which is to expand the great proportion, over time, of carbon that is being used by UK passengers in aviation?

Chris Grayling: If you take one example we were talking about earlier, I support the growth of electric vehicles and I would like to see dramatic growth in electric vehicles around the world. That offers us the opportunity to deliver a step change reduction in the generation of carbon from one part of the transport system, but I don't think that is a satisfactory alternative to looking to use new technology in the aviation sector to reduce fuel consumption as well. It is a virtuous circle, in that we reduce fuel consumption, we reduce cost, we reduce the price for passengers, but at the same time we reduce carbon emissions. My view



HOUSE OF COMMONS

is that the dramatic transformation of aircraft technology and aero engine technology that is currently taking place is a real, positive benefit that makes the future of international aviation much more sustainable than would otherwise be the case.

Q88 Glyn Davies: Can I ask one or two questions about anticipated noise levels? The Airports Commission has said that the expanded Heathrow will not have a noise level that exceeds what it is today. But I think we also know that if we continue out the Heathrow expansion with two runways it will be significantly reduced by 2030.

Chris Grayling: Yes.

Glyn Davies: So the position we have is, if you like, a less favourable position than we would have had, in the sense that the target, the ambition you have, is that no greater than today rather than no greater than what it would have been in 2030.

Chris Grayling: That is clearly the case. The interesting thing, of course, is because you have six rather than four flight paths, the impact in noise of a plane flying overhead and the benefits in noise reduction terms will still happen. One of the reasons that we chose the north-west runway option rather than the extended northern runway option was that this allows us still to provide respite to people on the routes—not quite as much as before, because of the configuration of an extra runway that operates in mixed mode, or an element of mixed mode that inevitably has to happen when you have three runways rather than two or four. But nonetheless, if you are on the flight path into or out of Heathrow over the coming period, as we see more and more of those new generation planes coming to Heathrow, the noise levels above you will drop.

Q89 Glyn Davies: How are you going to devise the legally binding noise targets? What measurements are you going to use? Are you going to use World Health Authority recommendation levels, which are much lower than the sorts of noise levels that you have previously talked about?

Chris Grayling: This is something we need to consult on. It would also be a part of the remit of the new independent noise body that I intend to set up. We do need to work quite carefully on what the right approach is. Is it about the full airport? Is it about the amount of noise on individual approach routes? Of course, the use of airspace becomes crucial then as well, because clearly if you use a very concentrated route for arrivals or departures, you concentrate noise very much over a single area in an intensive way. If you spread, you have more people affected for less of the time. One part of the process of discussing how we use airspace needs to be about the relationship between the use of airspace and noise on the ground.

Was there something you wanted to add on noise, Caroline?

Caroline Low: In relation to those World Health Organization targets, as you know, the Commission looked at the full range of metrics, because



HOUSE OF COMMONS

on the 57 Lden, which is the number that has been used historically and is quite helpful for looking back for historical comparisons, we agree with the World Health Organization that the onset of annoyance is now probably further out than the 57 contour, so the Commission looked at a much wider range of contours and indeed different metrics. Going forward and starting to talk to the community about this, it is really important that we understand from them which metrics capture how it feels on the ground.

Q90 Glyn Davies: Can I ask you about the independent survey of attitudes? The Committee has recommended an independent survey of attitudes in the past. When does the Government intend to share the Ipsos MORI survey that has been taken? Surveys have to be independent, and seen to be independent, if they are going to be accepted by people and be effective.

Caroline Low: We will be publishing our report on that next year.

Q91 Chair: We wait for three years. You commissioned the work in 2014-15 and people have to wait until 2017 to see what the answers of that survey are. Do you think that is acceptable?

Chris Grayling: It is part of the process that leads up the publication of the national policy statements.

Q92 Chair: You did not publish it as part of your decision on the expansion.

Chris Grayling: We have not currently taken a decision. It is important to state where we are in the process. We have made a recommendation. That recommendation then has to be put to the country in the form of a national policy statement. There is a public consultation. There is parliamentary scrutiny by a specially appointed Committee. There is then an indicative vote in Parliament. The decision is not taken until after that indicative vote. I personally, if I am still in the job, am taking that decision. At that point, that is when the decision is a clear one. At the moment we have only made a recommendation. What we do now is set forward all the evidence for consideration as part of the process that happens over the next 12 months.

Q93 Chair: So when it says, "Government decides on new runway at Heathrow" on the Government website, it is not a decision.

Chris Grayling: No, it is not a formal decision. It is a recommendation from a committee of the Cabinet that we believe this is the best option, that we have accepted the recommendation of the Airports Commission report and we are now moving ahead with the formal process with that recommendation around the third runway. We are not consulting on all the options now—

Chair: Okay. We will carry on with the noise survey.

Q94 Glyn Davies: There is only one further point I want to ask about. How are you going to enforce these levels? Clearly there are going to be noise



HOUSE OF COMMONS

levels. What are you going to do in terms of enforcing them? What do you anticipate doing in terms of enforcement? Some airports might just stop the plane flying if it breaks the noise levels. What do they anticipate if the noise levels are breached?

Chris Grayling: The enforcement body is the Civil Aviation Authority. It will have the power to fine. We would look to create a structure where there are tangible incentives, if the airport is approaching noise limits, to provide financial incentives to bring less noisy aircraft to the airport. I would not want to be in a position where an airline from a developing world country that has older aircraft was excluded from Heathrow. There are bound to be some noisy aircraft coming into Heathrow, but I do not see why, in the future, major international airlines should be bringing noisy aircraft to Heathrow at a time when aircraft technology means that you can bring a plane into Heathrow with much less noise than has been the case in the past.

Glyn Davies: I will let you pursue the noise, Chairman.

Q95 **Chair:** I will. Thank you, Glyn.

In our report into Heathrow, this Committee said that there should be an independent aviation noise authority set up and that it should undertake those noise survey inquiries. In the Government's response, which I accept was before your time, the Government said they were considering whether such a body is required. This was after both the Airports Commission and Heathrow had accepted it. Are you still considering it or is that body going to be set?

Chris Grayling: I fully intend that there should be an independent noise body; what we will be consulting on is its remit rather than its existence.

Q96 **Chair:** Is that going to be part of the national planning statement papers?

Chris Grayling: Yes.

Q97 **Chair:** So it is all going to be in that early spring bundle?

Chris Grayling: Yes.

Caroline Low: Can I just clarify, because there is quite a lot of consultation going on next year. Early next year, simultaneously we will be putting out two consultations, one on the national policy statement, one on airspace and noise. The role of the independent noise authority, which is potentially a national role, not just around Heathrow, will be captured in the airspace and noise consultation. It will come out at the same time.

Q98 **Chair:** There have been some semantics around whether it is a noise commission or a noise authority. What is the difference? Is it to do with powers or is it just—



HOUSE OF COMMONS

Chris Grayling: Part of the consultation is on what precisely it should do. At the moment the enforcement body is the Civil Aviation Authority. There may not be a lot of logic in changing the enforcement powers, but it is a question of defining exactly what remit the new organisation should have, but there will be a new organisation.

Q99 **Chair:** Could you see a situation where if an aircraft or a company breached noise limits there would be penalties, for example, fines, as there are at Amsterdam Airport?

Chris Grayling: It is a possibility. We have to be quite careful, because I do not want a situation where a developing world country that has an older aircraft flying an important strategic route to London is fined for doing so. I do not envisage a situation where there are no noisy aircraft at all flying into Heathrow. I do envisage a situation where there are clear financial incentives not to bring a noisy aircraft into Heathrow if you are a big international airline. I think we have to be careful. I do not want us to be in a position where we are cutting off an essential link to a country that needs that link.

Q100 **Chair:** I am sure the residents might have a different opinion on that.

Chris Grayling: Would you really suggest that we should be excluding a developing country's airline from Heathrow because it cannot yet afford quieter aircraft?

Q101 **Chair:** I think the price sensitivity around access to Heathrow is probably around the payments for the landing slots rather than the ability of the old or new aircraft, to be frank.

But have you read the Ipsos MORI survey on noise? Have you personally seen that?

Chris Grayling: I have seen it; not for a while. I saw it very early on after getting the job, yes.

Q102 **Mr Gavin Shuker:** What evidence is there that communities want more predictable respite over reduction in noise as a total?

Chris Grayling: The truth is that communities want as little noise as possible. The challenge for us in terms of airspace management and the decisions we will have to take as part of the process that lies ahead in a couple of months is how do we manage the airspace on approach to and departure from major airports. There are two ways. You can either have aircraft following a very defined single route, in which case one group of people is affected all the time. You can put in place—indeed, we already have—noise mitigating measures for people on that route. The alternative is to spread them out and therefore give people much more respite, but of course in that situation far more people are affected and you are much less able to provide noise mitigation measures. That is an essential part of the consultation. We already have those issues around Gatwick, where there is a lot of unease about the way in which flight paths currently



HOUSE OF COMMONS

operate. I think we need to reach a clear decision about how we want to approach this in the future as part of the consultation.

Q103 Mr Gavin Shuker: Would you accept that a central thrust of your suggested package of mitigation for the expansion of Heathrow is more predictable respite?

Chris Grayling: In terms of the overall plan at Heathrow it is respite at all. The problem with extending the northern runway is by definition you would be creating two mixed-mode flight paths with no mitigation at all, no respite at all. At the moment if you are living on one of the flight paths, you get time off the planes. This was a crucial reason why we did not accept the extension of the northern runway proposal. It does not allow respite at all.

Caroline Low: It is important though to set out the full scope of the proposed mitigation package, because respite is only one element of it. A night flight ban is also an important element for local residents; compensation; the enforced noise performance targets that we have already talked about; and a significant package of compensation, both for insulation and for wider community projects.

Q104 Mr Gavin Shuker: There are around 16 to 18 night flights that currently take place through the night at Heathrow. How many of those will be retimed as a result of your night flights ban?

Chris Grayling: There is a clear objective. We have a complete ban on scheduled night flights for six and a half hours. Those that would fall within the current six and a half hour bracket would end up having to move.

Q105 Mr Gavin Shuker: Would you be surprised if I said to you that is four?

Chris Grayling: It depends on the final timings we adopt.

Q106 Mr Gavin Shuker: So it would not surprise you if I said it was four. Forgive me, but the central thrust of what you are saying is obviously that there are mitigation procedures in place for doing this. I have suggested to you that a central tenet of that is increased, more predictable respite, but as I understand it, under your plans, respite would reduce for a large number of communities. Is that not correct?

Chris Grayling: That is the case. If you end up with three runways rather than two, inevitably, in order to provide respite, you are providing respite across six areas rather than four. Therefore, it is mathematically the case that levels of respite will have to change. The particular way they are operating a runway at any one time in mixed mode has an impact, because planes that were only coming in one way are now moving both ways, so that does have that effect. The offset against that of course is the Airports Commission, in the overall forecast for noise in aviation over the coming years, say that even with that changed situation, noise levels will be lower than they are at the moment.



HOUSE OF COMMONS

Q107 **Mr Gavin Shuker:** To what extent is steeper approach to Heathrow part of your mitigation measures?

Chris Grayling: There is a variety of ways in which we can do this. Steeper approach is definitely one option. This is part of the airspace consultation. That is my point: our desire is to reduce noise levels as much as possible and to keep respite as high as possible. There are practical ways in which you can do that. One of the things that generates noise on the approach to an airport is the point at which you lower the undercarriage; another is the angle of descent into the airport. These are all things that I think need to be refined in a way that reduces noise levels to the maximum possible degree.

Q108 **Mr Gavin Shuker:** Would you accept, then, Heathrow's evidence that steeper approach would have a minimal, if not negative, effect on Heathrow's operation while exposing local residents to less aircraft noise?

Chris Grayling: Steeper approach has potential benefit.

Q109 **Mr Gavin Shuker:** If I talked about the package of measures you talked about, around steeper approach, around more predictable respite, and a night-time flight ban, would there be anything that I am missing out there in terms of your approach to noise?

Chris Grayling: Broadly in the approach to noise, there is a very substantial package of mitigation available to local communities—more substantial than has been the case in the past—and providing additional resource to more public buildings, for example. It is a very broad-ranging package and is as good as is on offer anywhere in the world.

Q110 **Mr Gavin Shuker:** Given that it is very choice terminology to say "more predictable" rather than "greater respite", the fact that steeper approach doesn't seem to make the kind of step change in difference that we potentially expect or want and that the ban on night flights only affects four flights over the course of an evening, do you think this package as a whole is sufficient to dampen the concerns of residents?

Chris Grayling: There are currently about 16 flights that arrive at Heathrow each night. They will have to be timetabled to arrive outside the six and a half hour window. At the moment there is not a formal requirement to the same degree that we would be putting into place. I would argue that this is a process of improvement, which combined with the quieter aircraft coming on stream all the time means that the noise issue will be less pronounced than it has been in the past, even with this expansion. The truth is I remember when you used to stand on Wimbledon Hill back in the 1980s, up on Wimbledon Common, and you could often hear planes taking off from Heathrow, such was the noise at the end of the runway as they accelerated.

When we were looking at the different options, we stood at the end of the runway at Gatwick having a normal conversation 30 metres from an A380 taking off. The noise levels from planes have changed exponentially. That



HOUSE OF COMMONS

does not mean it is still not a problem. There are questions around, for example, the approach taken by the A380 over areas like Twickenham, where we need to make sure that we get the flight path working in the best possible way to minimise, where we possibly can, the impact on those residents.

Q111 Mr Gavin Shuker: Finally, Chair, if I may, given that Heathrow has pledged that an expanded Heathrow would also be a quieter Heathrow, and how key that is for residents and for this nationally important infrastructure project? Do you feel that your previous answer to say fining is essentially the role of the CAA is sufficient against the pledged obligation, were that not to be met? Do you think there is a role for a heavier stick from Government than just passing the buck?

Chris Grayling: If we were in a position where the airport was consistently breaking a planning condition that was linked to noise, then that would require a much greater degree of enforcement than simply the CAA administering a fine. However, the current system of enforcement of breaches in this area is controlled by the CAA. One of the things that we will be consulting on in relation to setting up the new independent noise authority is what powers it should hold and what the breadth of its responsibility should be. We are very open to thoughts about that.

Chair: I am sure we will have some to share with you on that.

Chris Grayling: I would be surprised if you did not.

Q112 Peter Aldous: Secretary of State, my apologies for only joining the final part of this session. I had another commitment that I could not rearrange.

I want to explore, you might say, the issue of trust between the local community and the Government. There is a very attractive, on the face of it, mitigation package—£700 million for noise insulation, I think—but I think there is concern when the local community look at the previous promises, whether it was for Terminal 5 or whatever, those that have been broken. There is an example that there was a promise arising out of Terminal 5 to refit 42 schools and community buildings. There was a promise of that work being done in 2005, and it was only completed 10 years later. That was a project that had a cost of £4.8 million. This project has £700 million, so there is an understandable concern. Will you deliver? Will the Government keep to their promises?

With that in mind, I would pose a first question. How will you ensure that the airport keeps to its pledge to spend more than £1 billion on community compensation, and that includes the £700 million on noise insulation?

Chris Grayling: The answer to that is that these commitments have to be enshrined in the planning conditions. It has to be made legally binding. We talked earlier, before you came in, about the issue of surface access to the airport, about air quality issues. These have to be binding conditions.



HOUSE OF COMMONS

Q113 **Peter Aldous:** Through those planning conditions, those will be regularly reviewed and monitored?

Chris Grayling: Yes. That would be the responsibility of one of the regulatory authorities. I would be looking at the CAA to enforce complete breaches of this kind.

Q114 **Peter Aldous:** If we look at the noise insulation offer in a little bit more detail, Heathrow say they intend to deliver that over 20 years and they will begin the insulating one year before the new runway is operational. What that means is that for some households they will not be insulated until 19 years after the new runway is operational. Do you think that is fair on them?

Chris Grayling: What we will see with the use of any new runway is that its usage will build up and the money will spread out as the noise impact becomes broader. We will be looking very carefully at making sure that people are treated fairly. If one of the things that comes back in the consultation is that they want to look at the timing of the way that operates, how it operates, we would obviously look at that.

Caroline Low: In terms of the relationship with the community, one of the recommendations from the Commission was the establishment of a community engagement board, and that is something we are taking forward. The airport and the local community are talking already about exactly how to do that. We are watching very closely, and we are pressing for an independent chair, because I think this is not just about a promise for 10 years' time when a runway is open, it is about improving that relationship now.

Q115 **Peter Aldous:** It is good that you are taking that forward early, because that was a recommendation of the Commission. Will the community be represented on that board?

Caroline Low: Yes. We are looking at the moment—or we have asked the airport and community bodies to look—at whether an existing body can be developed into that, because that may be more efficient, or whether they need to set up a new body.

Q116 **Peter Aldous:** What sort of body would that be? If there is an existing body, just give me an idea what sort of body that would be.

Caroline Low: It is possible that the existing Heathrow Consultative Committee could be used. We have spoken to John Stewart about that. I have spoken to him personally. He is considering whether he thinks that could work and is now, I believe, speaking to the airport.

Q117 **Peter Aldous:** Do you think the board might have influence on spending on compensation and community support? Would that be within its remit?

Caroline Low: At the moment we are not establishing it as any sort of statutory body with spending powers. Will it have influence? Absolutely.



HOUSE OF COMMONS

We would expect it to be collecting the evidence from the community and helping the airport and us understand what the right package is.

Chris Grayling: I am not going to tolerate a situation where somebody who lives 800 metres from the end of the runway, under the flight path, has to wait 15 years to get their house insulated. That is not going to happen.

Q118 **Peter Aldous:** So you will hold their feet to the fire?

Chris Grayling: Yes.

Q119 **Peter Aldous:** That is great. Last year, Transport for London suggested that three times as many households as Heathrow predicted could fall within the 55 decibel contour and therefore be eligible for insulation. With that in mind, how will you ensure—how will the Government ensure—that all homes affected are insulated? How will those be prioritised? With that sort of announcement last year, is £700 million enough?

Chris Grayling: We will answer the detail in a moment. First, just to say that I have not been wholly convinced by some of the analysis that has come out of Transport for London about those projects.

Q120 **Peter Aldous:** What is the reason for that, as a matter of interest?

Chris Grayling: We were discussing earlier, before you came in, the £15 billion estimate for surface access, which in my view rather took every possible transport improvement you could come up with across the whole of west London and threw it into the pot. I did not accept that figure, I could not see how you could possibly come to that figure, so I am a little bit sceptical about some of the information that came out of Transport for London in the run-up to all of this.

Did you want to say something about the noise contour and how it is going to be measured?

Caroline Low: The noise contour is measured according to European rules. I don't think there is any question about the noise contour. I think it may be about the number of new households that might be built within the contour and that is exactly why, when we go out to consultation, that is the kind of information we can take back in and check that the measures are going far enough.

Q121 **Peter Aldous:** The £700 million, if you were running out of it, is there potential to top it up?

Chris Grayling: We would have to deal with that at the time. There is no current plan for that, but if there was a real issue at the time, based on substantial growth at Heathrow and a serious community issue, we would have to have conversations with them.

Q122 **Peter Aldous:** My final question: Ernst & Young carried out a study that highlighted that there were a number of areas in which public



HOUSE OF COMMONS

engagement will be necessary so that that engagement is effective. Have you taken on board the findings of that study? How are you are working with Heathrow to ensure that the public will be fully involved during the expansion process?

Caroline Low: The first stage is the consultation on the national policy statement, where we are now working very closely with local authorities to understand what will work in the immediate vicinity of the airport in terms of local events and to make sure that the material we are putting forward is well understood. As you will know, the Secretary of State has appointed Sir Jeremy Sullivan to oversee that process. The first step in this long planning process will be engagement with the communities in that way. Heathrow will then take over with its own engagement.

Q123 **Chair:** A follow-up on the noise. Secretary of State, you said you would not be happy for someone living 800 metres from the runway to be waiting 19 years or 15 years. Who gets the insulation first? Has that been rolled out? Have you done the logistics of rolling out the £700 million noise insulation programme?

Chris Grayling: Not yet, no.

Q124 **Chair:** No. That is quite granular, but it is very material.

Chris Grayling: To be honest, we could not have done this because we have only just reached the point of recommendation, so if we had been planning it across the summer, that would probably have been held as us having reached a decision in advance.

Q125 **Chair:** There is a trade-off though, isn't there, on the biofuels debate between carbon savings and the noise issue? How are you going to balance those competing priorities? You are doing a biofuels competition. What is more important?

Chris Grayling: There are two things happening in parallel at the moment. We are looking to encourage innovation in the biofuels arena. I am particularly concerned that we do this around sustainable sources of material for biofuels. At the same time you have airlines that are very actively engaged in trying to develop biofuels. There is a trade-off, but I think trade-offs get rapidly overtaken by technological development. I would be very surprised if the next generation of biofuels aren't smoother running, better suited to what we have discussed. This is something that is not going to happen overnight. It is a process over time, but it is a process over time at a time when aircraft noise is coming down sharply as well. I don't think that will be a major issue for us.

Q126 **Chair:** Are you planning on running a biofuels competition for aviation?

Chris Grayling: We are currently doing a competition for biofuels development, not specifically tied absolutely to aviation, but with aviation in mind.

Q127 **Chair:** Great. If I can take you back to the carbon issue and ICAO as a



final set of questions, the ICAO agreement does not reduce aviation emissions, it commits to offsetting them. There is no guarantee that there will be capacity in world carbon markets to achieve this, is there?

Chris Grayling: I would argue that there is, in the sense that the way you offset is either through a reduction elsewhere or through the replanting of an area of land that has lost its foliage over the years. The sad thing is, this planet has no shortage of areas that were once green and are no longer so. One of the things that we will all need to do for the future is to bring back into agriculture or forestry—or indeed simply wild-planted areas—areas that are now arid.

Q128 **Chair:** The agreement's credibility obviously depends on large emitters living up to their voluntary commitment to participate fully in the programme from 2021. What will UK aviation be doing differently after 2021?

Chris Grayling: I expect, if we are moving ahead with this, that UK aviation will be funding offsetting projects.

Q129 **Chair:** Where? In this country or developing countries? What mechanisms?

Chris Grayling: To be discussed. That is certainly market-based, to see who comes up with the most innovative plans that make the biggest difference. We fortunately do not have too many arid areas in this country, so I suspect it will be global. A lot of the offsetting projects that exist at the moment are global. As to the behaviour of other countries, we cannot guarantee that, but we can seek to influence them.

Q130 **Chair:** I can perhaps suggest some recommended reading. We did an excellent report on soil health, which might change your mind on arid areas in this country, so it is worth having a look.

Chris Grayling: I will look at that. I have no prejudgment about where the money should be spent. I suspect that what we will see as the ICAO agreement takes shape is a strengthening of the opportunities for smart environmental projects to offset the impacts of the emissions covered by the agreement.

Q131 **Chair:** What analysis have you made of the incoming President-elect's proposals around this and encouraging the new US administration to continue its commitments?

Chris Grayling: I haven't yet, but I already made the acquaintance last summer—before either of us held our current posts—of the new US Secretary of Transportation. I shall have to meet her before too long and I am sure we will be discussing a whole range of things, including the ICAO agreement.

Q132 **Chair:** Finally, have carbon savings from the Single European Sky been factored into the calculations for the emissions impact of the Heathrow expansion?



HOUSE OF COMMONS

Chris Grayling: We have not yet taken decisions about what we will do on the Single European Sky. Clearly that is something that will be part of the decision-making post the Brexit vote and as we move towards the negotiations, so I can't give you a comment on that today, I am afraid.

Q133 **Chair:** Does it not have a material impact on the Heathrow expansion?

Chris Grayling: We will need to take into account a number of factors before deciding what our strategy is around European aviation, the Single European Sky, IATA and the rest. That work is yet to be completed.

Chair: Thank you very much indeed, Secretary of State.

Chris Grayling: You are welcome.