



**Response to the Consultation by the
Department of the Environment**

**Review of Current Belfast City Airport
Planning Agreement**

**By the
General Consumer Council
for Northern Ireland**

January 2005

Introduction

The General Consumer Council, the statutory representative for passengers travelling to from or within Northern Ireland, welcomes the opportunity to respond to the Department of the Environment's consultation on the review of the 'Seats for Sale' restriction contained within the current Planning Agreement at the Belfast City Airport (BCA). The Council has outlined our views on the proposal to make changes to the current restriction that states operators using the airport are not permitted to offer for sale more than 1.5 million seats on scheduled flights in any 12-month period.

White Paper

The Council believes that the current application to review the 'cap' on the number of seats for sale is in line with the Government's Aviation White Paper, The future of Air Transport. This document recognised the constraints Belfast City Airport currently operates under and invited the Northern Ireland authorities to review the 'cap', if and when the operator asked them to, to ensure the airport could develop to meet the expected increase in demand and passenger numbers over the next number of years.

Consultation Process

The Council would like to convey some concerns with the timing and length of the consultation. We believe that eight weeks is not long enough on an issue of this nature particularly when much of it has taken place over the Christmas and the new-year period. We believe that any consultation on changes to the current planning agreement should take account of all views and therefore adequate time should be provided to allow all interested parties, including businesses, environmentalists, local residents and consumer representatives to forward their views to attempt to achieve a balance that will support a sustainable and competitive aviation industry in Northern Ireland.

Northern Ireland Aviation Strategy

The Council believes that the Department for Regional Development should consult further with key stakeholders and review all airport facilities, infrastructure and opportunities and consider what changes may be required at Northern Ireland's three main airports, particularly Belfast City and Belfast International, to best meet the need of Northern Ireland passengers and the region as a whole in the future.

This result of this could contribute to the development of a strategy on how Northern Ireland airports can facilitate the proposed growth over the next 25-30 years as outlined in the Government's White Paper on Aviation, published in December 2003. The Council believes that decisions on the current Planning Agreement, including the seats for sale restriction, would be best considered in the wider context of such a strategy.

However, the Council recognises that in the current lack of such a strategy decisions need to be taken to enable the development of new routes and the services being offered by airlines operating in Northern Ireland.

To determine whether the seats for sale element of the planning agreement should be changed, the consultation needs to take into account all issues, interests and concerns including those of consumers, residents, business and environmentalists. All have an important contribution to make to help achieve the right balance needed for the future benefit of Northern Ireland. However, until decisions are made on the development of Northern Ireland airports, it is difficult to judge what changes are required to benefit consumers in the long term.

Comments on the Seats for Sale Restriction

Changing Aviation Market

In principle, the Council supports the application as we recognise that we now live in a different market in terms of aviation. The average size of regional aircraft is larger than it would have been in the past. In many cases the economic viability and long-term sustainability of a route has led to regional airlines having to use larger aircraft.

The initial limits on the number of seats for sale at the airport was set at a time when the average size of aircraft was smaller. Smaller aircraft no longer fit the demand in Northern Ireland or the nature of the “no-frills” airlines that currently comprise the majority of the local aviation market. These industry changes mean that there is now a clear disparity between the seats for sale allowed and the number of air transport movements permitted at the airport.

Furthermore, the restrictions also were set to limit the total number of passenger numbers to 2.2 million per annum but this was decided at a time when there was limited capacity at the old terminal building at the airport. The new terminal building is equipped to handle more passengers which should be taken into account when considering the request for an increase in the seats for sale.

Therefore, the Council supports in principle the application to increase the numbers of seats for sale allowed in the planning agreement, provided that it does not breach the number of Air Traffic Movements (ATM's) currently permitted i.e. 45,000 under the planning agreement. There are other issues of concern that should also be taken into account, such as environmental and noise pollution. In addition, concerns should be addressed in relation to the number of late flights i.e. those taking off or landing after 9.30pm.

Impact of Decision

The Council believes that the consultation should consider what impact the decision on future seats for sale is likely to have both in the short and medium term for the airport and for consumers in Northern Ireland.

If the cap on the number of seats for sale is not increased there may be some immediate impact on current services, or those services scheduled to commence in early 2005. The airports projections show that the 1.5 million seat restriction may already have been reached by the end of last year, 2004, or early this year, even before new services are introduced.

For example, if the current 'seats for sale' cap is maintained, some airlines may have to reconsider plans to introduce new routes, some of which are not served by other airports or airlines operating on Northern Ireland. Alternatively, the airlines may be forced into reducing the number of daily flights on existing services to accommodate new routes thus reducing the choice and flexibility that passengers currently enjoy in travelling to a number of destinations. It should also be considered what impact a reduction in the number of daily flights to a destination with current high passenger demand could have on fares.

Some of the responses from the airlines in the documentation accompanying the consultation show that they believe the current seats for sale restrictions inhibit their potential to develop their services and grow their business from Belfast City Airport. Further consideration must be given to any implications this could have for the long-term commitment of current operators at BCA or whether this could make the airport, or indeed Northern Ireland, less attractive to airlines that may consider locating there in the future. It is for this reason that the Council supports a more strategic approach through looking at Northern Ireland as a whole.

Other Issues in Planning Agreement

Although BCA has not applied to change other aspects of the planning agreement, consideration should still be given to how any change to the seats for sale restriction may impact on other elements of the agreement, such as the number of flights that land after the 9.30 official closure time or to the level of noise generated at the airport.

In theory the number of permitted flights remains unchanged, at the current limit of 45,000 per annum, although we recognise that the seats for sale limit currently restricts the full usage of these and changes to it could allow for more flights. However, if airlines do use this as an opportunity to increase the number of flights it is important that they adhere to the permitted hours of landing and work to minimise, if not eliminate, the number of late flights arriving after the curfew.

Conclusion

The Council supports in principle the application from Belfast City Airport to increase the number of seats for sale, as it is clear that the aviation market has changed from the time when the original figure was agreed, with the growth of the no-frills business model and the increase in the average size of aeroplanes to make routes sustainable.

It is important that any decisions taken regarding aviation development in Northern Ireland are balanced and do not negatively impact on airlines developing their business, the choice and flexibility of travel options for consumers, residents living nearby or to the environment.

In relation to Belfast City Airport, it is possible that in the longer term requests could be made to review other elements of the planning agreement e.g. permitted hours of landing. However, the Council believes that the best framework for making decisions on the overall future development of the airport, as well as Belfast International and City of Derry, is in the development of an aviation strategy for Northern Ireland that will consider all views and establish a sustainable strategy that will benefit the region as a whole.