



Heathrow's response to the National Connectivity Task Force

Our commitments to boost UK-wide
connections to global growth through
an expanded Heathrow

1. Executive Summary

The Airports Commission has been set the task of maintaining the UK's position as a global aviation hub. In making its recommendation to the incoming Government, it will make the choice between Heathrow and Gatwick. The evidence is clear. Only expansion at Heathrow will connect the UK to growth markets across the globe. Only expansion at Heathrow will provide the freight capacity to boost UK exporters. Crucially, only expansion at Heathrow will deliver global connectivity for all of the UK and not just London and the South East.

Heathrow has been full for over a decade. Over this time, airlines that want to grow their long haul networks have had to use landing and take-off slots previously used by their domestic network. This has meant that entire regions of the UK have been cut off from the country's only hub airport and even those regions and cities that have retained a connection have seen the quality of their connection deteriorate.

This has to change. If all of the UK is to grow then all of the UK needs to be connected to growth markets across the globe. The reliance on foreign airports and foreign airlines to connect the UK to growth is not sustainable in the long term.

Our inability to fly directly to growth markets mean we are losing out to our trading partners and our European competitors. We are therefore unable to determine our economic future and enjoy the jobs, trade and economic

growth associated with the ability to fly directly.

Responding to comments we heard from politicians and business leaders from across the country, Heathrow committed to establishing a National Connectivity Task Force. We provided funding to support an independent analysis of how Government should harness the benefits of expansion in the South East of England to enhance connectivity for all of the UK. Its report, *Air Connectivity Matters*, contained some challenging recommendations for us as a private company but they are fundamentally right in their initial premise: expansion at whichever airport must demonstrably benefit all of the United Kingdom.

This response outlines Heathrow's commitment to deliver precisely that. It is in the national interest for Heathrow to expand. It is the option that will create up to four times more jobs and twice the economic benefit than Gatwick. Crucially, Heathrow expansion will lead to a greater proportion of those benefits to flow outside London and the South East than within it. Heathrow delivers for all of the United Kingdom.

For much of the UK, improved surface transport connections will make the benefits of Heathrow more convenient to access. For others, convenient air connections to Heathrow are vital. Below is our plan to take Britain further.

- **Review our airport charges and implement any changes by 1 January 2016** to play our part in supporting the commercial attractiveness of domestic routes to airlines.
- **Commit £10m over three years to the Heathrow Route Development Fund** to provide start-up support to airlines operating new domestic routes not initially served after expansion.
- **Work in partnership with UK airports, regional governments and chambers of commerce** to jointly approach airlines to operate new or improved domestic routes at an expanded Heathrow.
- **Encourage the Government to redesignate Public Service Obligations** to Heathrow, the only airport that can connect passengers both to and through London.
- **Identify and win support for a sustainable method to guarantee access for domestic routes** to Heathrow by working with Government and stakeholders from across the UK.
- **Work with any operator of RAF Northolt** to provide the best service to passengers connecting to a flight at Heathrow.
- **Continue to campaign for the UK-wide abolition of Air Passenger Duty** alongside businesses, airlines and other UK airports.

Additional capacity and the measures outlined above will support at least 16 domestic routes from an expanded Heathrow – nine more than today.

2. Introduction: For all of the UK

Heathrow is a unique national asset

Heathrow is a hub airport, connecting to more than 80 long haul destinations. This is rare; just 5 other airports in the world serve more than 50 long haul routes. Only Heathrow is able to do this because it can fill long haul planes with passengers from across the UK and much of Northern Europe so as to make flights viable throughout the year. It is why only an expanded Heathrow can deliver the global connectivity business across the UK needed to compete in the race for global trade and investment.

Heathrow doesn't compete with other airports in the UK, we complement their role. Where local demand cannot sustain a route, people from across the UK should have the choice to fly conveniently to Heathrow and connect to a direct flight to every major city in the world.

As the share of global economic growth shifts away from Europe and towards Asia and the Americas, being able to connect conveniently to these destinations becomes increasingly important for securing inward investment, inbound tourism and export growth. Hub airports are becoming more, not less, important in securing those links. It's why countries around the world are investing in theirs. And why the UK risks losing out if it doesn't expand Heathrow.

Because expansion at Heathrow is the only option before the Airports Commission that will mean more flights to emerging markets like China and more flights to cities across the UK, it is the only option that will connect all of the UK to global growth.

This is why an expanded Heathrow is different from any other proposition currently being considered and why the impact on jobs, trade and growth is so significant.

The Airports Commission calculates the economic benefit of Heathrow expansion is up to £21bn and could create up to 180,000 new jobs. That is nearly twice the economic benefit and almost four times more jobs throughout the UK than expansion at Gatwick. Importantly, the Commission has also recognised that Heathrow expansion will deliver greater economic benefits beyond London and the South East than any other option.

The benefits of Heathrow expansion – both in terms of jobs and GDP growth – will be felt in every region of the United Kingdom (figure 1).

It is for these reasons that Heathrow enjoys support from across the United Kingdom, including more than 30 Chambers of Commerce, major trade unions and the vast majority of airlines serving the UK (figure 2).

Number of jobs created

| Area | Expanded Heathrow | Expanded Gatwick |
|------------------------|-------------------|------------------|
| London | 38,400 | 9,300 |
| South East | 33,200 | 8,000 |
| London & SE | 71,600 | 17,200 |
| North West | 15,300 | 4,800 |
| East | 12,900 | 4,100 |
| South West | 12,300 | 3,900 |
| West Midlands | 12,000 | 3,800 |
| Yorkshire & Humber | 11,200 | 3,500 |
| East Midlands | 9,800 | 3,100 |
| North East | 5,100 | 1,600 |
| Rest of England | 78,600 | 24,800 |
| Scotland | 16,100 | 4,100 |
| Wales | 8,400 | 2,200 |
| Northern Ireland | 5,000 | 1,300 |
| Rest of the UK | 29,500 | 7,600 |
| TOTAL | 179,600 | 49,600 |

figure 1



figure 2

2.1. Heathrow expansion can improve connectivity to the world for all of the UK

Heathrow has been full for over a decade. Without new slots, airlines have had to make a choice between keeping domestic routes or growing more lucrative long haul connections. This has led to a decline from 18 routes served at Heathrow in 1990 to just seven today. At the same time, Amsterdam Schiphol has increased its number of links to 25 UK airports, more than Heathrow and Gatwick's domestic connections combined, boosting the Netherlands' global connections at the expense of the UK's.

Heathrow established the National Connectivity Task Force (NCTF) following our May 2014 submission to the Airports Commission, Taking Britain Further. The Task Force was asked to investigate what measures the operator, the Government and the regulator must take to ensure the benefits of expansion are spread as widely as possible.

2.2. Why domestic air connectivity matters

By 2030, Heathrow will be more accessible to the rest of the United Kingdom by road and rail than ever before. Heathrow already sits at the intersection of two of the country's most important motorways (the M4 and M25). It is just 15 minutes by non-stop rail to central London, is the only airport connected to the London Underground and Crossrail will bring further and faster links across the capital to Heathrow from 2019.

The development of Western Rail Access – a direct rail link from Reading to the airport – will dramatically reduce journey times from South Wales and the near South West of England. The development of a High Speed station at Old Oak Common, within 12 minutes rail journey of Heathrow, will give significantly improved travel times and experience for passengers beginning or ending their journeys in the Midlands and parts of the North. Combined, these changes will mean that 75% of the UK's population will be within three hours of the UK's only hub airport.

Significantly, these major improvements in public transport accessibility to Heathrow will also mean that public transport to the UK's hub airport will become a more attractive prospect than private car journeys. This will take vehicles off the road, improve air quality at Heathrow and reduce total carbon emissions.

However, the decision not to proceed with the Heathrow spur section of the High Speed Two network means that the original objective of directly connecting cities outside of London and the South East to the UK's only hub airport via high speed rail has been abandoned. The full integration of

Ensuring all parts of the UK can take advantage of an expanded Heathrow requires two elements: first, the UK needs a hub airport that is connected to established and emerging growth markets around the world, the flexibility to continue building that network of connections and the ability to respond to demand. Second, businesses across the UK, and their goods, need to be able to access that airport as efficiently and conveniently as possible.

Heathrow expansion will enhance existing links and establish new connections from all UK regions, nations and crown dependencies (RNCs), not only to London but *through* London to growth markets across the globe. No other airport can promise or deliver this level of global connectivity.

Heathrow into the UK's high speed rail network remains a long term priority and we will continue to make the case to government to replicate in the UK what is standard in almost every other country in Europe (and increasingly, Asia). But until that ambition can be realised, the importance of growing domestic air connectivity with Heathrow expansion has an even greater significance in ensuring that all of the UK is connected to growth markets across the globe.

For many parts of the UK, surface access – private or public – will never be a viable alternative to air travel to access Heathrow. The test of whether airport expansion in the South East of England benefits the whole of the United Kingdom will be if these cities see an improvement in the frequency and breadth of air access to global markets.

With expansion, new capacity will allow airlines to grow both their domestic links and their long haul network – indeed; they will need to do both as connecting passengers from the former help make the latter viable. But we recognise the need to provide additional support to ensure existing routes are enhanced and new air links established so that every corner of the country can directly experience the benefits of an expanded Heathrow.

3. Securing domestic connections before expansion

We agree with the Task Force that it is important to make provisions in the years before a new runway is operational to promote global connectivity for UK RNCDs. We are committed

to making the necessary business decisions to ensure the continued operation of our existing domestic routes by making them as commercially appealing to airlines as possible.

3.1. Improving Heathrow's existing domestic routes

On 2 April we will be commencing a consultation on our airport charges, where Heathrow will outline how it can play its part in supporting our existing domestic routes by helping to make them a more attractive commercial prospect to our airlines than is the case today. Any changes will come into effect on 1 January 2016 and our preferred structure for landing charges will be published with the relevant consultation documents.

We expect the consultation will generate significant interest from airlines, RNCD stakeholders and those airports currently connected to Heathrow, in particular. We intend for this to be

the start of a broader collaboration on improving the connections between our existing airport partners, with the aim of being in the best possible position before new capacity becomes available to improve the quantity and quality of connections (details of which we outline in the next section).

Commitment: We will review our charging structure to play our part in improving the commercial viability of existing domestic routes and implement any changes in January 2016.

3.2. Working with the operator of RAF Northolt

Heathrow Airport is focused on operating a single site airport and, in the event Heathrow is selected for expansion will need to direct our resources on the construction of our new facilities. We would not, therefore, be well placed to provide a cost effective operation at Northolt or to transfer passengers from Northolt to Heathrow.

However, if another operator were interested in operating RAF Northolt as a complementary satellite aerodrome, and airlines were to operate domestic connections not served at Heathrow there, we would work with them to deliver the best

comparative passenger experience possible for those making onward connections at Heathrow. This could involve practical matters such as providing access to Heathrow terminals for bus operations run from Northolt, or straightforward processes at Heathrow to allow bags brought from Northolt to be placed in the Heathrow baggage system.

Commitment: We will work with any organisation that proposes to operate RAF Northolt as a satellite aerodrome for new regional routes in the interim.

3.3. Working with the industry to abolish APD

The Task Force recommends central and local Government investigate supporting connections from UK airports to overseas hubs before new capacity at Heathrow becomes available. This is a decision for the Government and other UK airports and we can understand fully why the latter believe this to be an attractive option while hub capacity in the UK is lacking.

However, we do not believe it is advisable for the UK government to subsidise routes between UK regional airports and alternative hubs overseas. This would exacerbate the export of jobs, trade and growth to our European competitors using UK taxpayer money. Moreover, it is unclear whether these routes could even be developed when other hubs are likely to be facing their own capacity

constraints, particularly at peak hours, and therefore unlikely to make such routes sustainable, even in the medium term.

It is also right to consider the environmental impact of connecting to an alternative hub rather than through Heathrow. A flight to Amsterdam and then to North America involves a greater distance of travel – and hence more carbon emissions – than a passenger connecting at Heathrow. Likewise, a passenger connecting from a UK airport to Beijing via Dubai will travel 40% greater distance than if they connected at Heathrow. A strong hub airport with both domestic and international destinations will win the UK the greatest amount of jobs, trade and growth at the least cost to the environment.

UK connectivity would be dramatically improved in the interim by abolishing Air Passenger Duty (APD) across the UK. The greatest barrier to connectivity for UK regions is the level of APD charged on flights departing airports here. The greatest boost to UK airports in the interim would be the abolition of APD on both short haul and long haul flights.

Commitment: We will continue to campaign with airlines, airports and business groups for the abolition of APD.

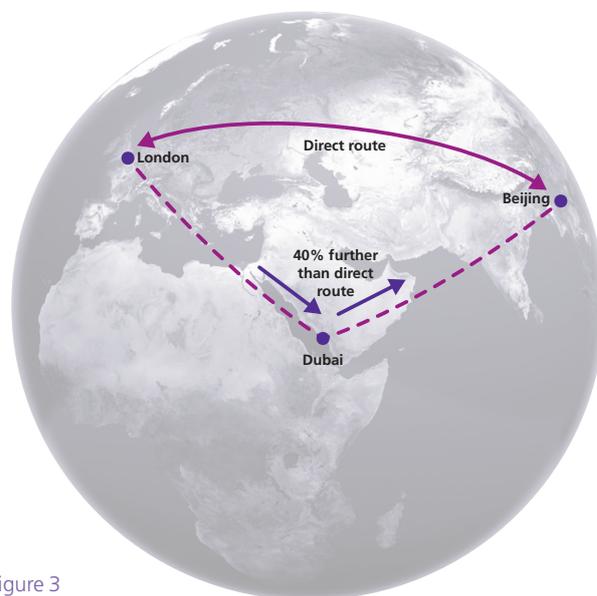


figure 3

4. Interventions to support new routes after expansion

Airports have a very limited ability to influence the cities they are connected to; it is first and foremost a decision for airlines. If a route is profitable, airlines will fly it. If there is passenger demand, airlines will supply the service, often adding valuable freight capacity in the process.

This is how the market should operate, but at Heathrow, insufficient capacity stops the market from working in this way. The airport has been effectively full for over a decade. Rather than supply being provided to meet demand, access to slots is constrained, restricting the growth of existing airlines and potential new entrants. This restriction of supply has been the biggest intervention in the market over the past decade, driving airlines to operate from competitors in France, Germany and the Netherlands.

However, through some direct actions, including changes to our pricing structure, providing seed capital for new routes and by working collaboratively with stakeholders, we are confident we can deliver the improvements in access to Heathrow that all of the UK needs to connect to growth markets in every corner of the globe.

For too long, a lack of available slots at Heathrow has forced airlines to choose between using existing slots for domestic routes or replacing them with more lucrative long-haul routes. The constraint of supply has meant that the number of domestic connections served from Heathrow has fallen from 18 in 1990 to just seven today. Moreover, the shortage of available slots has led to consolidation among airlines which has led to a reduction in frequency and competition on many of the remaining domestic routes. This is not just a consideration for UK airlines. A number of international airlines have the right to serve passengers from other UK

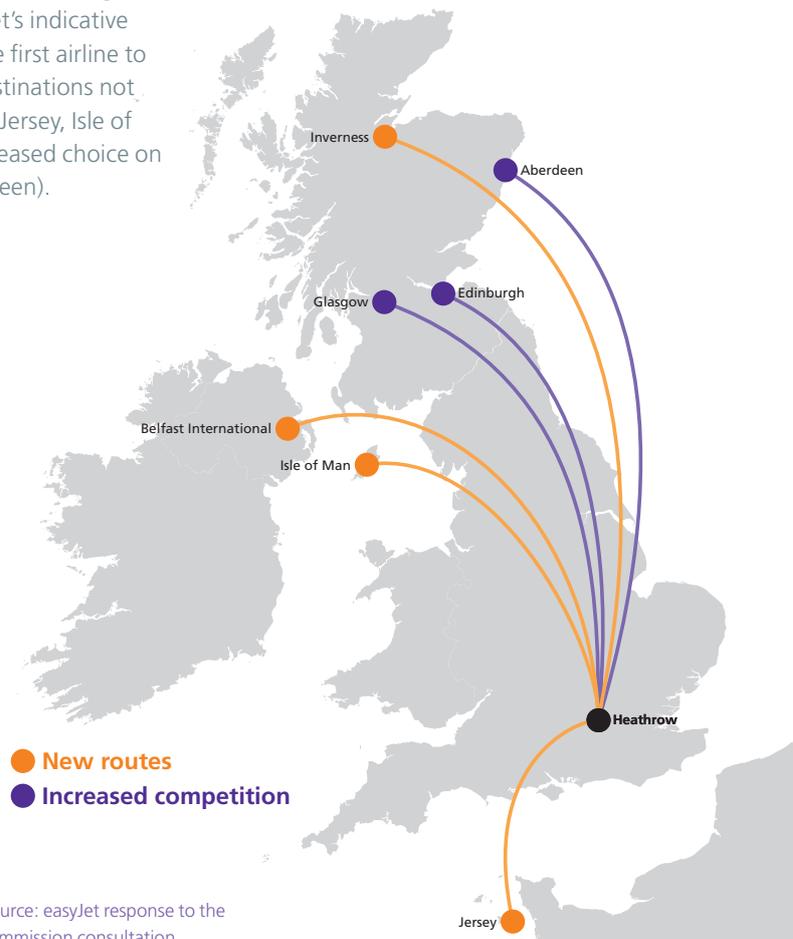
airports, via Heathrow, but have reduced their domestic services in order to grow their long-haul operations.

Some argue that the growth of connections from UK cities to other hub airports overseas is a sufficient alternative to connecting to Heathrow. The success of these flights is evidence that there is clearly underlying demand from the airports they serve to fly to a hub airport. Yet, allowing the UK's competitor hubs around Europe to build these regional links is damaging to British businesses and their ability to trade and compete for growth around the world.

These routes are too infrequent, have an uncertain future and the aircraft employed are often too small to carry any freight. Importantly, there is a clear opportunity cost to UK plc. of lost jobs, trade and growth by being the 'spoke' to someone else's hub airport. Expansion is the only way to correct this loss of connectivity, restore a truly competitive market at Heathrow and win the benefits of enhanced global connectivity for the UK, connecting through, as well as to London. Only Heathrow expansion can deliver this.

4.1. A tailored partnership between Heathrow and all of the UK

We are confident that expansion at Heathrow will lead to new domestic routes and increase the quality of existing ones. This belief has been validated by easyJet's indicative route map from an expanded Heathrow – the first airline to publish one – that includes four domestic destinations not currently connected to Heathrow (Inverness, Jersey, Isle of Man and Belfast International) as well as increased choice on three others (Glasgow, Edinburgh and Aberdeen).



There is clearly scope for even greater domestic route development: 25 UK airports are currently connected to Amsterdam Schiphol, demonstrating the demand to reach global markets through a world class hub airport. Our view has always been that if there is sufficient demand to connect to Amsterdam, there is more than sufficient demand to connect to and through Heathrow.

Our experience has taught us that the best way of developing routes is to work collaboratively to establish them. Our approach to growing long haul routes at an expanded Heathrow will be to collaborate with foreign airlines. The support from stakeholders at both ends of a route is incredibly valuable to an airline making a route decision and has influenced many of the new routes at Heathrow.

We propose the same approach to establish a greater number of domestic connections at an expanded Heathrow and improve the quality of existing domestic links. We would hope to formalise this as a partnership, involving not just the airport but the relevant local authority, chamber of commerce, LEPs and even individual businesses to establish the best possible information to shape the sharpest possible pitch to convince airlines to commence operation on a particular route (or improve the timing and number of connections on existing routes).

Some airlines, like easyJet, have already begun the process of modelling the network they would wish to operate from an expanded Heathrow. We anticipate that others will begin developing this work soon after Heathrow is recommended for expansion. We therefore would want to begin establishing our partnerships with regional stakeholders and begin approaching airlines long before new capacity becomes operational.

Commitment: We will offer to enter into a partnership with airport operators and the relevant local authority, devolved administration, chamber of commerce or LEP of each airport that currently has a service to Amsterdam Schiphol (but not to Heathrow) to collaboratively approach airlines with a view of securing a route to Heathrow once a new runway has opened. We will also extend this offer to those airports that are currently connected to Heathrow but desire more frequent and better-timed connections.

4.2. Heathrow will provide start-up funding for new domestic routes

New capacity at Heathrow will allow supply to meet demand. But we recognise there remain barriers to new routes opening. Airlines take on risk when opening a new route. They can take time to establish and induce sufficient demand to make new links profitable.

This is why if a domestic route is not operational within a specified time period after new capacity becomes available¹, airports and airlines can apply for a start-up financial package towards establishing the link, giving it the chance to develop and become independently commercially viable.

In a private scheme similar to the publicly funded Regional Air Connectivity Fund (RACF), we will commit to a total of £10m over a three year period to provide start-up support to airlines attempting to establish new domestic routes. This fund could be further augmented by contributions from either central government or public authorities local to the connected airport. Assuming the same levels of support currently employed through the RACF for routes from UK regions to other London airports, our analysis shows that a fund of £10m could support up to 5 new domestic routes over three years to establish themselves as commercially viable.

Similar to the operation of the RACF, we will invite bids from other UK airports and local authorities that will be judged transparently on how effective financial support can help the route eventually become commercially viable.

We would look to work in partnership with national and city governments to develop the qualification criteria, mindful of different interpretations of minimum standards of access contained within national and EU regulations. However, we envisage that every major UK city or catchment area that has a surface journey to Heathrow of more than 120 minutes or requires more than one interchange and is more than 45 minutes public transport journey away from a current Heathrow connected airport should qualify for start-up support to connect to Heathrow if it is not initially commercially viable.

Commitment: We will commit £10m to a Heathrow Route Development Fund to provide a start-up financial package for new domestic routes that remain unconnected after new capacity has become available to give them the chance to establish themselves and develop. The total fund could support up to 5 new domestic routes over three years.

4.3. Heathrow welcomes the appropriate use of Public Service Obligation routes

Heathrow is the UK's only hub airport and one of just six in the world to serve over 50 long haul routes. It is a national asset that connects the country to growth markets across the globe which is why the benefits of expansion must be shared with all of the UK.

Through the Regional Air Connectivity Fund, the Government has already indicated a willingness to support air access to London from regions that would otherwise lose their connection to a London airport under normal market conditions and have no convenient surface alternative. At the time of writing, links from Dundee to Stansted and Newquay to Gatwick are in receipt of such funding and therefore designated as Public Service Obligation (PSO) routes.

At present, PSOs in the United Kingdom are specified by the cities they link rather than individual airports. We agree with the Task Force that this is no longer relevant in a globalised economy. Cities and regions across the UK are rightly concerned with improving their global connectivity to attract business investment and boost exports. From our own bilateral meetings with city and regional governments across the United Kingdom we know that it is connectivity *through* as well as to London that must be considered and this warrants a connection to a hub airport. Not all airports serving London offer the same onwards connections – Heathrow connects the UK to 75 destinations not served by any other UK airport.

For all parts of the UK to grow, all parts of the UK need to be connected to global markets.

If Heathrow is expanded, we encourage the Government to investigate the use of Public Service Obligations (PSO) where aviation is vital to the economic and social development of an area but airlines would not enter the market if solely considering their own commercial interests. We believe many cities have a strategic economic need to be connected not only to London, but more pertinently to global markets through London via the hub airport.

Previous governments have avoided the use of PSOs for fear of intervening in the market and interfering with the efficiency of slot allocation. Implemented appropriately, PSOs can augment, rather than restrict, what the market will be able to provide at an expanded Heathrow.

We would urge the Department for Transport to revisit its interpretation of PSO regulations to take account of the importance of global connections in a world where Heathrow has a sufficiency, rather than a shortage, of slots. As such, we agree with the Task Force that Heathrow should be designated as a national hub and that PSOs can be assigned specifically to the national hub as opposed to any other London airport.

Commitment: We will ask the Government to secure a new approach to Public Service Obligation routes that recognises the importance of global aviation connectivity and re-designate PSOs to an expanded Heathrow.

¹ We would look to work with Government and other stakeholders to determine the appropriate time period after which the fund would apply.

4.4. Domestic routes need certainty in the long-term

With a new runway, we can meet forecast demand for the foreseeable future. But in our conversations with political and business leaders from across the United Kingdom, we know that regions and city governments want guaranteed access to Heathrow. Many believe it can be delivered through the guarantee of slots for specific routes. This is to guard against the degradation of access for domestic routes if Heathrow were to reach capacity again.

The Task Force has identified this as a legitimate concern as long term business investment decisions can be influenced by the permanence of global connectivity. It suggests that certainty could be provided by releasing runway slots paired with terminal capacity that would only be able to cater for domestic flights only (e.g. would not have facilities for passport control).

Although this method may be superficially appealing, there can be no guarantee for any particular route, only that domestic capacity would be available should airlines choose to operate a domestic service. Moreover, designing terminal capacity that can only be used for domestic flights may reduce the airport's efficiency and add to connection times for passengers. Similarly, the permanent alteration of airside infrastructure (such as modifying stand sizes, air bridges, taxiways, etc.) so that they could only be used by smaller regional aircraft would also lead to a potentially significant reduction in operational resilience and would not provide any guarantees for any particular domestic route.

The degradation of access to the UK's hub airport that has taken place over the last two decades must not be repeated again. It is not in the interests of regional airports and governments across the UK. Indeed, we believe it is not in Heathrow's interest either.

The priority for now is to a) create the capacity for the market to deliver new routes and more frequencies and b) provide the start-up funding (through the Heathrow Route Development Fund) to make possible those routes that are not initially provided by the market.

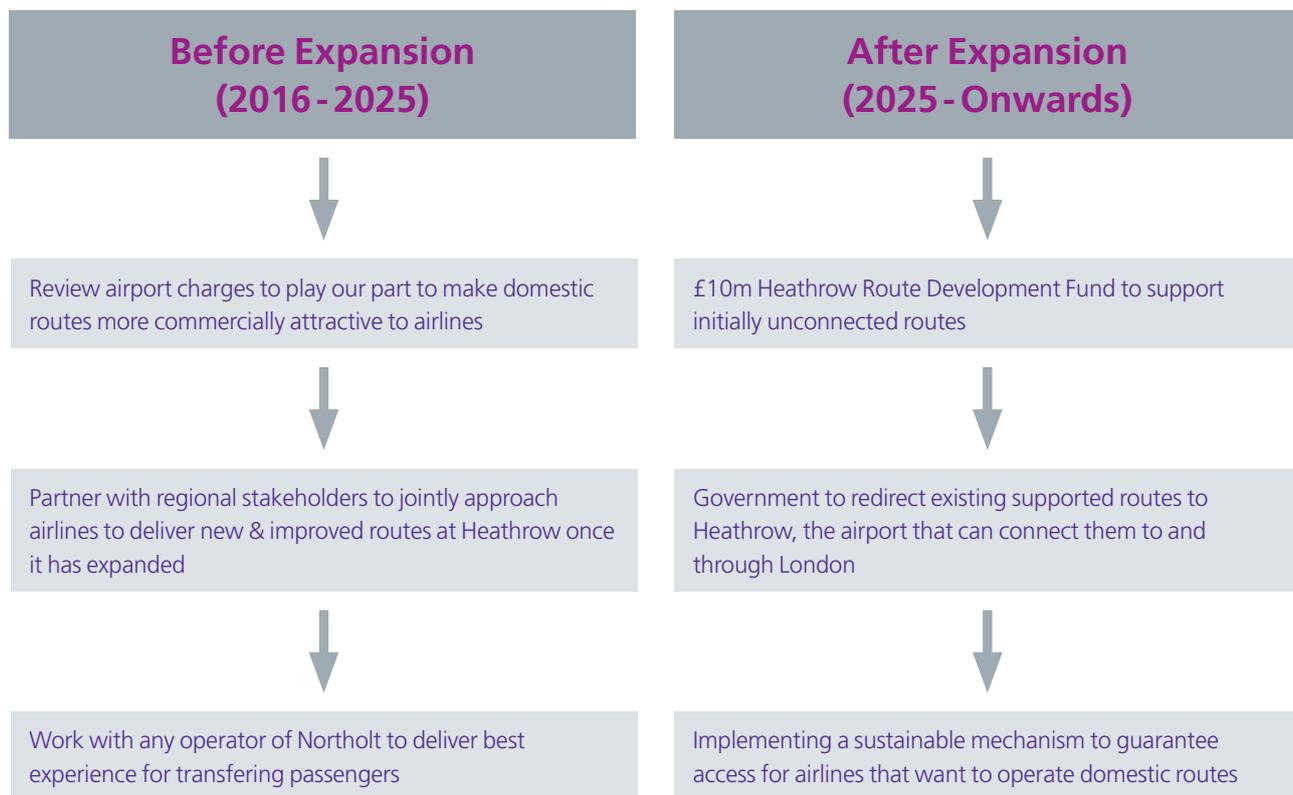
We recognise the importance of ensuring an expanded Heathrow includes a balance between domestic and international routes. We therefore commit to working with government to identify a mechanism to ensure access for specific domestic routes is safeguarded for airlines that wish to operate them and that this mechanism is sustainable, legally robust, has the broad support of airlines and does not require the airport to sacrifice operational resilience.

Commitment: Achieving long-term certainty of access may require a co-ordinated programme of legislative, policy and operational decisions by government, Heathrow and the industry. Heathrow is committed to working with government, airlines and RNCD stakeholders to identify the necessary changes required at national and/or EU level to deliver greater levels of security for domestic connections into Heathrow through a robust, transparent and appropriate mechanism.

5. Conclusion: Only Heathrow delivers for all of the UK

The Airports Commission will be recommending expansion at either Heathrow or Gatwick. Only one scheme can provide onwards connectivity to global growth markets. Only one scheme has been shown to deliver significant jobs and GDP growth in every region of the United Kingdom. And now, only

one scheme has a substantive plan to ensure that expansion delivers tangible benefits across the United Kingdom by boosting domestic air connectivity. Only Heathrow delivers for every region and nation of the United Kingdom.



5.1. A route map connecting all of the UK to global growth

From the commitments we have outlined above, we are certain that an expanded Heathrow will retain all current connections to UK airports. These routes have already shown themselves to be commercially viable. In the interim, we will investigate changes to aeronautical charges to ensure that they remain attractive to airlines to operate. Moreover, we will work collaboratively with them to approach airlines to improve the timing and frequency of their existing connections.

Our existing destinations are Aberdeen, Belfast, Edinburgh, Glasgow, Leeds Bradford, Manchester and Newcastle.

We believe every UK airport² that currently has a connection to Amsterdam Schiphol but not to Heathrow can be served by the market once new capacity is released. Where the market does not provide initially, Heathrow will step in to provide start-up support over three years to help the route establish itself and develop.

Examples of such destinations are Inverness, Liverpool and Humberside.

² With the exception of those airports within a defined surface journey length from Heathrow. We would work with Government and regional stakeholders to determine what length of journey is appropriate to qualify for an air, rather than surface, connection.

We anticipate that airports with neither a viable surface link to London nor a link to a major hub airport will be connected to Heathrow with a commercially-viable connection. Where the market does not provide initially, Heathrow provide start-up support over three years to help establish the long-term viability of the route.

Examples of such destinations are Newquay, Jersey and the Isle of Man.

Additional capacity will secure and improve our existing connections with the opportunity for greater frequencies and

competition. An airline (easyJet) has already indicated it would add four domestic destinations that are currently not connected to Heathrow and competition on a number of others. A further five could be given start-up support over three years through the £10m Heathrow Route Development Fund.

Up to 16 domestic airports could be served by an expanded Heathrow – 9 more than today.

5.2. The potential for even more through partnership with Government

Heathrow can deliver even more. There are many regions of the United Kingdom where global access – not just aviation in general – is vital to its social and economic development but an airline will not be able to make a route commercially viable – even with start-up support. We outline in this document why we believe it is right for the Government to support these routes and why it is no longer relevant to consider the connection to London but how it can connect *through* London.

If the Government agrees with our assessment, we are willing to collaborate with it and stakeholders across the United

Kingdom to ensure existing and future Public Service Obligations are connected to Heathrow, the only airport that can offer connecting to and through London to growth markets across the globe.

The Airports Commission has confirmed that we are Best for Britain. We are proud to be Backed by Britain. Now we want to deliver for Britain.

5.3. Heathrow's commitments to all of the United Kingdom

Below is a full list of commitments made in our response:

- We will offer to enter into a partnership with airport operators and the relevant local authority, devolved administration, chamber of commerce or LEP of each airport that currently has a service to Amsterdam Schiphol (but not to Heathrow) to collaboratively approach airlines with a view of securing a route to Heathrow once a new runway has opened. We will also extend this offer to those airports that are currently connected to Heathrow but desire more frequent and better-timed connections.
- We will commit £10m to a Heathrow Route Development Fund to provide a start-up financial package for new domestic routes that remain unconnected after new capacity has become available to give them the chance to establish themselves and develop. The total fund could support up to five new domestic routes over three years.
- We will ask the Government to secure a new approach to Public Service Obligation routes that recognises the importance of global aviation connectivity and re-designate PSOs to an expanded Heathrow.
- We will work with government, airlines and RNCD stakeholders to identify the necessary changes required at national and/or EU level to deliver greater levels of security for domestic connections into Heathrow through a robust, transparent and appropriate mechanism.
- We will review our charging structure to play our part in improving the commercial viability of existing domestic routes and implement any changes in January 2016.
- We will work with any organisation that proposes to operate RAF Northolt as a satellite aerodrome for new regional routes in the interim.
- We will continue to campaign with airlines, airports and business groups for the abolition of APD.