



Department  
for Transport

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From the Secretary of State  
**The Rt. Hon. Chris Grayling MP**

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Dear Lucy,

Thank you for your letter of 22 June.

I agree expansion of Heathrow Airport is a once in a generation opportunity to strengthen the UK's only hub airport so that it continues to provide both the domestic and international connections this country so desperately needs.

Your support for the upcoming debate and vote in the House of Commons on 25 June is welcome, and I am encouraged that colleagues across the House see this as an issue of national importance.

As you rightly set out, expansion cannot come at any cost and that is why the proposed Airports National Policy Statement contains stringent requirements to ensure that the UK continues to meet its climate change obligations and that expansion is delivered within air quality legal limits. I was therefore pleased to see the former MP for Barnsley East, Michael Dugher confirm that the 'four tests' he set out as Shadow Secretary of State for Transport in 2014 have been met.

Expansion at Heathrow must benefit the whole of the UK. Capacity constraints at Heathrow have seen domestic services decline in recent years. Since 1990, 11 UK airports have lost direct flights to Heathrow. That is why Government is committed to about 15% of new slots being used for domestic routes, safeguarding existing domestic routes and creating at least six new routes. Heathrow has been providing a £15 discount for domestic passengers, to the benefit of passengers using the popular Manchester to Heathrow route.

Whilst I expect the majority of domestic routes will be commercially viable, for the first time, the Government is committed to introducing airport to airport Public Service Obligations. This will mean that slots can be ring-fenced and routes exempted from Airport Passenger Duty, thereby saving passengers £26 on a domestic return journey.

Lastly, I am pleased to note that Manchester's inward investment agency (MIDAS), is coordinating with Heathrow on potential logistic hub sites in Bolton and Rochdale, Salford, and near Manchester Airport. Heathrow has estimated that expansion will create thousands of new jobs and careers in the North West should it proceed, and if a logistics hub were to be located in the region, this would boost opportunities even further.

### **A National Aviation Strategy**

Manchester's network of both short and long-haul routes means it is well placed to continue playing a key role in connecting the North of England with the world. I welcome the investment the airport is making in redeveloping its terminals, which has helped to attract airlines to start new flights later this year to Mumbai and Addis Ababa.

Alongside an expanded Heathrow, I want to see the aviation sector across the UK grow in a sustainable manner which is why my Department announced that a new Aviation Strategy will be published in the first half of 2019. I also recognise that any new runway at Heathrow is still years away and Manchester, like other airports, continues to grow. That is why, when laying the proposed Airports National Policy Statement, I announced that this Government wants to see airports across the UK – including Manchester – fulfil their potential by making best use of their existing runways, provided environmental concerns are addressed.

### **Rail services and our commitment to investment in the North**

I am committed to transport investment being at the heart of the Northern Powerhouse as I know the benefits of transport in unlocking new business, employment and education opportunities, as well as supporting our ambitions for housing. That's why this Government secured record investment for Northern transport as the economy started to recover after 2010.

Overall, the Department for Transport will be investing £831 per head on road and rail upgrades in the North East, North West and Yorkshire and the

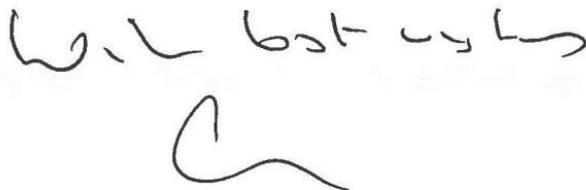
Humber – more than £30 more per head than in London and the South at £799.

We're spending almost £3bn on road improvements, including on crucial road schemes, including the A1 and A66, and developing the M1 and M62 into smart motorways. Between 2015 and 2020, we are spending over £13bn on Northern transport – the largest in Government history. The A6 Manchester Airport Relief Road which is currently under construction will also make it easier for passengers to get to and from flights.

The Government and I are committed to Northern Powerhouse Rail and so far we have given Transport for the North £60 million to develop proposals for the scheme, alongside investing £300 million to ensure HS2 can accommodate future Northern Powerhouse Rail services.

I agree with you that given this scale of investment and the transformational nature of these schemes we must have a joined up approach in order that we maximise benefits for passengers, businesses and the region as a whole. That is why my Department continues to work closely with Transport for the North, the UK's first statutory sub-national transport body, and the Mayors. Furthermore, I would strongly encourage you and other relevant bodies, including Manchester Airport Group, to engage closely with the proposed Aviation Green Paper consultation later this year.

I would be happy to meet with you to discuss these important matters further. My private office will be in contact to agree arrangements.

A handwritten signature in black ink, appearing to read 'W. L. Best' followed by a stylized flourish.

**Rt Hon Chris Grayling MP**

**SECRETARY OF STATE FOR TRANSPORT**