



UK Airport Consultative Committees

Liaison Group

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BY EMAIL

Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
11 Downing Street
London, SW1A 2AA
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17 July 2020

Dear Mr Sunak,

The impact of the COVID-19 pandemic on UK airports

I wanted to bring to your attention a recent letter I have sent to the Secretary of State for Transport, Rt Hon Grant Shapps MP (letter attached), highlighting the work of UKACCs and our thoughts on the Government's COVID-19 aviation recovery strategy, including the opportunity represented by the crisis to "build back better".

You will note that amongst the range of matters we have raised with Mr Shapps is the need for continued Government support for the aviation sector. What is clear is that the aviation industry is unlikely to recover quickly from the current crisis given the on-going global public health emergency which continues to impact on the industry. UKACCs supports the Government's continuing negotiations on the possible establishment of other international travel corridors which we view as an essential component of the aviation recovery strategy and which will in turn help to ease the wider economic downturn. Re-building passenger confidence is also a major contributor to the aviation recovery strategy.

UKACCs is aware that there have been suggestions of an aviation sector specific support package but none has yet been forthcoming. There is a need therefore for the Government to continue to assess and discuss what further business support measures are needed to help airports and their regional economies through the period of recession particularly where demand for air travel remains low and in a way that ensures that as demand returns the workforce needed to support an airport's operation, including air traffic controllers, handling agents as well as UK airlines, is on hand to respond quickly.

Whilst your recently announced job retention bonus for employers who bring back furloughed staff and job placement schemes for young people are commendable, UKACCs questions whether, given the on-going restrictions on air travel, a flexible sector specific job retention scheme is needed.

UKACCs also acknowledges this week's call from the Airport Operators' Association for Government to extend the temporary business rates relief scheme to airports similar to those temporary relief schemes now in place in Scotland and Northern Ireland. Such an approach is supported provided local authorities who grant this relief can be fully reimbursed so as to preserve local authorities' own income and budgets which are already impacted by the pandemic.

We realise that any such scheme needs to be carefully managed and balanced to adjust to what the new normal would be with a timescale attached. Scottish and Northern Ireland airports are fortunate in receiving assistance via rates relief which is not the same as in the rest of the UK but there clearly needs to be recognition of the value of the UK airports as employers, key economic drivers for their region and their significant contribution to GDP generally.

However the imperative to rebuild aviation must not be at any cost and the opportunity must also be taken by Government to bring forward, as part of the national recovery strategy, revised sustainable growth measures particularly in respect of addressing the environmental and other negative impacts of an airport's operation, such as seeking faster reductions in carbon emissions, reduction in noise and reduced air pollution.

UKACCs therefore urges you and your colleagues across Government to consider a joined-up approach to support the recovery of the UK's aviation industry and to "build back better".

I look forward to hearing from you.

Yours sincerely



Colin Flack
Chair
UKACCs

Copy to:

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