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Liverpool John Lennon Airport's Response to UK Airspace Design Service (UKADS) Consultation

Liverpool John Lennon Airport (LJLA) welcomes the opportunity to respond to the consultation on the UK Airspace Design Service (UKADS); including UKADS1 with proposed licence modifications for NATS En Route Limited (NERL) and UKADS2 with the establishment of an end-state operating model. LJLA is uniquely positioned as a key regional airport with a critical role in supporting economic growth, connecting communities, and ensuring efficient airspace operations in the UK's Northwest. Our response outlines our alignment with the proposed approach, areas for concern or improvement, and recommendations to reflect the specific needs and challenges of stakeholders outside of London and its surrounding airspace.

Today, the UK operates a complex model for airspace change where airports and ANSPs each individually sponsor and fund airspace change proposals (ACPs), often with interdependent designs with neighbouring sponsors. ACP interdependencies have already had a significant and negative impact on LJLA, with delays and CAP1616 stage revisits resulting in the loss of financial and social capital. A UKADS deployment delivering more disbenefits to LJLA and other airports outside of the Southeast, specifically in terms of funding, would be anticompetitive and further exacerbate the north-south divide.

Liverpool's Unique Situation

LJLA was ready to begin its ACP in mid-2017, however, the CAA requested LJLA delay its start to align with the new CAP1616 guidance. Therefore, LJLA officially began its Future Airspace Implementation North (FASI-N) ACP in February 2018. This gives LJLA a unique perspective on the process, including the inflated costs over the last 7 years; as well as the evolution of strategies, civil aviation publications, and processes associated with airspace change. LJLA's ACP was based on letterbox joins to the network, identified during NERL simulations, where viable options for LJLA were considered with or without other sponsors participating, and the CAA approved of this approach.

Under CAP1616, LJLA successfully progressed through stage gateways 1, 2 and 3. Public consultation was completed, and the subsequent analysis was submitted and accepted by the CAA, allowing immediate progression to Stage 4. However, in autumn 2020, LJLA was instructed by the CAA to pause its ACP due to other sponsors. At about the same time, the Airspace Change Organising Group (ACOG) was established with their initial focus on the Southeast of England.

When other Manchester Terminal Manoeuvring Area (MTMA) sponsors resumed their ACPs, ACOG's focus turned nationwide, and the first iterations of the Airspace Change Masterplan were published. However, the Masterplan initially focussed on ACPs at stages 1 and 2, excluding LJLA who were already at stage 4. Upon restarting its ACP, LJLA was required – under pressure from ACOG and with CAA support – to revert to stage 2 of CAP1616 to align with the new Masterplan and enable co-sponsors within the MTMA to progress together in a synchronised manner. At the time, LJLA was told by ACOG that there would be funding available to revisit previously completed stages due to the significant time and resource investment to that point.

Nationally, a considerable disparity exists in financial resources, staffing, and influence among ACP sponsors, and it's pleasing to see that UKADS1 addresses this for sponsors within the London Terminal Manoeuvring Area (LTMA). However, the same disparity exists within the MTMA. It is therefore disappointing that UKADS1 does not address ACPs in this region, and UKADS2 is likely to be implemented too late for FASI-N ACP sponsors to benefit. While some MTMA sponsors have substantial resource to deliver airspace change, other sponsors - like LJLA - cannot match this; especially after having already completed much of the process already.

If the CAA and DfT are committed to synchronised, cluster-based progression through the CAP1616 process, then progression should be at the pace of the slowest sponsor. However, if the aims of UKADS are to create a single guiding entity responsible for future airspace design, and for this to be delivered at scale and pace, then special consideration should be given to LJLA's situation.

The consultation highlights that the CAA and DfT may widen the scope of UKADS1, subject to capability and capacity, while CAP2541 clearly presents the principles for the prioritisation of ACPs. Rightly, priority 1 ACPs are urgently needed for safety and/or urgent national security. But priority 2 ACPs are ACPs where there are interdependencies between one or more ACPs which requires them to be considered in similar timeframes. If other sponsors within the MTMA can influence airspace timescales across their cluster, or portions thereof, then neighbouring and interconnected ACPs must be afforded priority, and funding to keep pace.

NERL Licence Modification Proposal

LJLA supports the overall approach to modifying NERL's licence to deliver the UKADS. We agree that the proposed framework aligns with the AMS. The emphasis on transparency and advisory board engagement is commendable, particularly given the complexities inherent in modernising UK airspace.

The modifications' clear purpose - to enable NERL to support AMS while adhering to the Civil Aviation Authority's (CAA) statutory duties - is critical. These statutory duties, which include ensuring safety, advancing consumer interests, promoting economy and efficiency, and maintaining NERL's finance-ability, are essential for a sustainable airspace modernisation process. For regional airports like LJLA, where operational efficiency directly impacts local economic activity, it is vital that these principles remain central to the UKADS framework.

While we appreciate the flexibility incorporated into the licence modifications during the early stages of UKADS implementation, LJLA reiterates the importance of complementing this flexibility with clear, high-level obligations. Guidance from the CAA or the Secretary of State should provide actionable directions to ensure alignment with statutory duties and the AMS. This is particularly important for airports like LJLA, which require predictability to plan and allocate resources effectively.

Transparency, Impartiality, and Accountability

Transparency, impartiality, and accountability are essential to UKADS' success. For LJLA, a regional airport reliant on effective airspace coordination, these elements ensure that stakeholders can trust the process and outcomes of airspace design initiatives. While our working relationship with NERL has always been positive, LJLA has concerns that its best interests might not be fully considered with UKADS delivered by NERL, particularly when neighbouring airport's ANSP is NATS Services Ltd (NSL).

How do smaller regional airports, outside of NATS, truly ensure that they are not being disadvantaged due to conflicts of interest? Is there an appeals process? Who provides mediation and arbitration when required? Additional measures such as these, as well as increased CAA oversight and creation of a feedback-loop might provide a higher level of reassurance than the proposal currently provides.

Stakeholder Confidence

To build and maintain confidence among stakeholders, NERL's strategic delivery plan must include:

- **Effective Engagement:** Clear and meaningful engagement between UKADS and co-sponsors, ensuring that all voices, including those of regional airports, are heard.
- **Timely Delivery:** Adherence to delivery timelines to avoid disruptions and maintain momentum in airspace modernisation.
- **Robust CAA Oversight:** Mechanisms to ensure rigorous reporting, assurance, and transparent decision-making.

Conflicting Interests

We have concerns about conflicting interests regarding NERL's responsibilities, particularly in relation to airspace design decisions and cumulative analysis framework (CAF) when payoffs must be presented, analysed, and agreed. These ambiguities could undermine stakeholder confidence if not addressed. Clear mechanisms for co-sponsors to communicate concerns at every stage is essential. Our main concern is that NERL could have vested interests in any number of interactions and how the governance and oversight will work in practice.

The Advisory Board implementation will be a strong barrier for any conflict-of-interest issues, but the consultation is unclear on what role the Board will fulfil and how members will be selected. Will the Board change periodically to provide fresh perspectives and ideas? Will Board members

be selected from other ACP clusters to provide additional distance between those delivering oversight and those receiving benefits? How will NATS/NERL relationships be managed when selecting Board members?

LJLA strongly supports the establishment of an Advisory Board to oversee UKADS' strategy. However, we recommend that the CAA, rather than NERL, establish this Board. This would enhance the Board's independence and credibility while ensuring transparency.

Financial Uncertainty and Inequity

Cost management and recovery are critical aspects of UKADS implementation. For LJLA, which operates within tight financial constraints, ensuring fairness and transparency in cost allocation is paramount. Definitions of large and small airports would be useful to understand where the proposed thresholds are.

LJLA does not own airspace; we only operate the procedures, which are publicly available. The airspace holds no capital value, yet we are expected to invest substantial amounts into it with no financial return. As an independent regional airport, LJLA lacks the influence and resources of larger airport groups, and we feel disadvantaged by a larger competitor's financial and market power, which could be used to undermine any benefit we might gain from the ACP process.

The disparity in proposed funding models adds to the layers of complexity and uncertainty. UKADS1, proposes funding support for airspace changes within the LTMA, but not for the MTMA. Airports outside of the London cluster, such as LJLA, are expected to self-fund their FASI participation. This difference in approach places LJLA at a significant disadvantage compared to airports within the LTMA cluster.

The business case for revisiting Stage 3 of LJLA's ACP remains challenging due to rising costs and limited funding support. While potential reforms to ACP funding outside the LTMA and proposals through UKADS 2 suggest a more equitable funding model across the UK in future, these are unlikely to be implemented in time to address LJLA's immediate needs. We believe there is an opportunity to address this disparity by establishing equitable funding mechanisms for ACPs across all regions, particularly for airports with more limited financial resources.

UKADS1 deployment must not be allowed to discriminate based solely on region, specific situations such as LJLA's must be considered to more evenly distribute benefits. Furthermore, UKADS1 must be resourced to ensure that their capability and capacity can meet the full FASI scope. A consistent approach to funding of airspace change must be introduced through UKADS1, it is not right, fair, or equitable to expect non-LTMA based airports to deliver and fund their airspace changes purely because of their geographical location while southern airports receive full support, funding and associated benefits.

UKADS Cost Structure

Without clearer cost structures, there is the potential for significant variability based on airport size and operational complexity. For regional airports like LJLA, this variability underscores the need for equitable funding mechanisms that do not disproportionately burden smaller

stakeholders. Flexibility in funding eligibility criteria is essential to support regional airports in advancing ACPs and geographic location should not prevent stakeholders from equal funding opportunities.

The proposal to assign NERL the role of fund administrator is reasonable, provided that the underlying cost risks are borne by airspace users through a dedicated airspace design charge. This ensures that smaller airports like LJLA are not unfairly impacted by cost uncertainties.

Conclusion

LJLA supports the overall direction of the UKADS initiative and the proposed licence modifications. By addressing the specific concerns outlined above, the framework can better reflect the needs of smaller regional airports and ensure an equitable, transparent, and fair airspace modernisation process. We look forward to continued engagement with the CAA, DfT, ACOG, NERL, and other stakeholders to achieve these shared goals.

Yours Faithfully,

John Irving
Chief Executive Officer