



To: [REDACTED]  
APS 1 to Min (DEST)

From: Air Vice-Marshal Baz North  
ACAS

22 Mar 13

ACAS/02/17/01

## **NORTHOLT COMMERCIAL EXPANSION COURSES OF ACTION FOLLOW UP**

### **Issue**

1. Min (DEST) requested an update on the progress with actions following the 26 Feb meeting.

### **Recommendations**

2. Min (DEST) is invited to **note** that:
  - a. **Discussions between ACAS, DfT, CAA and NATS have been positive with no concerns raised over the proposed way forward with regard to Northolt commercial expansion.**
  - b. **An increase to 12,000 movements over the next 3 financial years is feasible and, by maximising receipts with some risk, a total revenue stream of around £13.5M is achievable.**
  - c. **The draft letter from Min (DEST) to those MPs with constituencies local to RAF Northolt is at FLAG A.**

### **Timing**

3. Routine.

### **Background**

4. The meeting with Min (DEST) on 26 Feb confirmed Minister's broad agreement to the suggested course of action pending a number of factors. Minister requested that an update be provided on the outcome of the consultation with Other Government Departments (DfT, CAA and NATS); the feasibility of increasing the revenue generated through pricing restructure; maximising civilian aircraft movements to circa 12,000 per year; and the proposed public consultation engagement strategy.

### **UPDATE**

5. CAA, DfT and NATS have been engaged and apprised of the rationale behind the commercial expansion at RAF Northolt. All Departments have confirmed that they are content with the proposed way forward and have not raised any concerns.
6. Min (DEST) expressed a desire to maximise the total revenue income to come as close to the figure initially presented to PEx(A); £14M per annum. Raising the average price per movement from £900 to £1100<sup>1</sup>, while steadily increasing the number of movements over a 3-year period is likely result in a revenue stream of just over £13.5M by the third year; RAF Northolt believe that this price increase would be tolerated by the civilian customers. As always, there is risk associated with the

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<sup>1</sup> Northolt have confirmed that while this price increase presents some risk, a 10% non-uptake factor has been applied to potential revenues, thereby mitigating that risk.

level of uptake from the commercial sector however, the proposed movement profile should allow time to advertise the increased capacity at Northolt and mitigate that risk. (Financial modelling confirmed by Hd FMC Air, Air Cdre Knighton).

7: Regarding the aspect of public consultation, please find a draft letter for Minister's consideration (**FLAG A**); it informs MPs with constituencies local to RAF Northolt of the proposals, for this modest commercial expansion within extant daily movement limitations, and makes clear that the airfield will remain within its current operating hours.

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**FLAG A TO  
ACAS/02/17/01  
DATED 22 MAR 13**

**LETTER TO CONSITUENT MPs**

You will be aware that, through the Public Expenditure asset-sales sub-committee (PEX(A)), chaired by my Honourable Friend Francis Maude MP, the Cabinet have been assessing various options to exploit the commercial estate and aviation opportunities available at Royal Air Force Northolt.

The importance of Royal Air Force Northolt has never been in doubt; indeed, the last twelve months have only served to underscore both the operational and economic benefits of maintaining an active Royal Air Force Station within Greater London. The PEX(A) has fully examined the case for Northolt and has, I am pleased to say, ratified the decision by the Ministry of Defence to keep Royal Air Force Northolt as an active Military air station. In order to ensure the most cost effective use of the base I have directed that, while remaining within the current cap of 40 commercial movements per day, the Department is to increase the revenue from civilian aircraft movements through Royal Air Force Northolt. I should like to reassure you that these civilian aircraft movements will be in strict abeyance of extant arrangements; indeed the Station's current opening and closing times for commercial aircraft will remain the same.

I am well aware that previous administrations have agreed to discuss publically any amendment to the current total commercial aircraft movements through Royal Air Force Northolt. My directed changes are within already well publicised arrangements and the benefits, both to Defence and the local economy, of Royal Air Force Northolt's ongoing operation are clear. If you or your constituents have any observations or further questions please do not hesitate to raise them directly to me and I will respond accordingly.