



Response to CAA Consultation on CAP 3250

Review of the Traffic Distribution Rules 1991: Consultation on Draft Advice to the Secretary of State

*The Case for Retention of the 1991 Traffic Distribution Rules
at Heathrow and Gatwick*

Draft for consultation response / ministerial briefing use
Prepared for RABA for its members, airports in the RACA Group and SASIG

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Executive Summary

- I. RABA welcomes the opportunity to respond to CAP 3250. We recognise the CAA's statutory role in advising the Secretary of State and accept that the 1991 Traffic Distribution Rules should periodically be reviewed. We also recognise the importance of the Worldwide Airport Slot Guidelines (WASG), the neutrality of Airport Coordination Limited (ACL), and the need for transparent and non-discriminatory slot coordination at constrained airports. However, our view is that the CAA's advice as drafted, (i.e. to unilaterally revoke the TDRs before a new runway is built at Heathrow needs to be revisited and the recommendation changed. The principal reasons for this view is that it gives excessive weight to regulatory tidiness and formal alignment with general slot principles, while giving insufficient weight to national strategic needs and capacity planning; it also fails to recognize the opportunity cost of scarce Heathrow and Gatwick slots, the economics of bellyhold freight, the operational realities of whole-plane cargo at congested hub airports, and the proven availability of better-suited freight and business aviation capacity elsewhere in the London and UK airport systems. [1]
- II. The central weakness in CAP 3250 is its reliance on an internally inconsistent proposition: that revocation is desirable because the TDRs are rigid and inconsistent with modern slot principles, but also safe because it is unlikely to make any material difference to slot use at Heathrow or Gatwick in the short to medium term. If the CAA is right that revocation has no material practical effect, it has not established a sufficient policy benefit to justify removing a measure that has successfully protected scarce peak capacity for 35 years. If it is wrong, the downside risk is asymmetric: a small number of well-funded integrators or combination carriers could acquire, retain, swap or trade valuable slots, gradually creating grandfathered access for whole-plane cargo or other non-passenger services at precisely the airports where passenger, bellyhold, domestic and new long-haul connectivity are most constrained. That risk would be difficult to reverse once slot rights and commercial expectations had crystallised. [2]
- III. The TDRs are not a blanket anti-cargo measure. They are a targeted rule applying to whole-plane cargo and GA/BA at Heathrow and Gatwick only during declared peak periods, and subject to airport permission. They leave Heathrow's very large cargo role intact because that role is overwhelmingly bellyhold cargo carried on passenger aircraft. CAP 3250 itself records that Heathrow is the largest UK air cargo airport by volume, that most Heathrow cargo moves in bellyhold, and that Heathrow accounted for about 26 per cent of the total value of UK trade in 2025. The question is therefore not whether Heathrow should remain the UK's leading cargo gateway. It should. The question is whether scarce peak runway, stand and terminal capacity should be opened to a greater possibility of dedicated freighter and GA/BA services when passenger services with bellyhold cargo already deliver a wider combination of connectivity, trade, passenger, tourism and airport revenue benefits. [1] [3]
- IV. The CAA rightly identifies that passenger traffic has grown substantially since 1991 and that Heathrow remains close to its 480,000 movement cap. Those facts strengthen, rather than weaken, the case for retention. They demonstrate that the capacity scarcity which justified the TDRs has not disappeared; it has intensified. Heathrow has used its fixed runway capacity more productively over time through larger aircraft, higher load factors and greater long-haul deployment. That productivity gain is precisely the outcome that a strategic capacity rule should protect. Revocation would not address the principal constraints affecting the air cargo sector: lack of dedicated freight capacity in the South East, night restrictions, cargo processing pinch-points, road feeder service integration, leakage to EU hubs, and the need for a national air freight strategy linked to airport planning policy. [1] [4]

- V. CAP 3250 also overstates the normative force of the WASG. WASG is a globally important industry standard and should continue to inform UK slot policy. It is not, however, an international legal obligation requiring the United Kingdom to remove a domestic statutory traffic distribution rule. The WASG itself acknowledges that national or regional circumstances may need to influence slot matters and that such regulations take precedence over the policies and processes in the guidelines. The UK's binding framework remains domestic law, including retained Regulation 95/93 as amended, the Airports Slot Allocation Regulations and section 31 of the Airports Act 1986. The proper question is not whether the TDRs are identical to WASG's general allocation language, but whether they are transparent, objectively justified, proportionate to a legitimate capacity objective, and consistent with the sound development of civil aviation in the United Kingdom. [5] [6]
- VI. The proposed alternatives - local rules, capacity declarations, charges, secondary trading and general competition law - are not equivalent substitutes. Capacity declarations can recognise runway, apron, terminal and cargo-facility limits, but they are not designed to make national traffic distribution choices between competing uses of scarce capacity. Local rules are valuable, but they are developed within airport coordination committees and are intended to support slot coordination at a particular airport, not to deliver national infrastructure policy or regional economic balance. Airport charges are constrained by non-discrimination, price control and consultation requirements, and CAP 3250 itself raises a separate question about Condition C4 of HAL's licence. Secondary trading is a market mechanism; it is not a public interest test. It may migrate slots to high private-value users, but that is not the same as ensuring the highest national economic value where the opportunity cost includes lost hub connectivity, domestic feed, bellyhold trade capacity, and regional development. [1] [7] [8]
- VII. The case for retention is also strong for business aviation. CAP 3250 records that Heathrow and Gatwick are not significant business aviation airports, while Farnborough, Luton, Biggin Hill, Stansted, Northolt and Oxford are among the leading business jet airports. That pattern is not accidental; it reflects the sensible specialisation of the airport system. Business aviation is generally better served by specialist facilities designed around flexibility, discretion, FBO infrastructure and rapid ground processing. There is no compelling national interest in opening the door to regular GA/BA slot series at Heathrow or Gatwick when there are multiple specialist or mixed-use airports within reasonable surface access of London and the South East. [1] [4]
- VIII. RABA therefore urges the CAA to revise its final advice. The Secretary of State should not revoke the 1991 TDRs at this stage. At minimum, no revocation should be considered before a new runway at Heathrow is consented, financed, constructed, operational, and accompanied by a reformed slot allocation framework and a published national air freight strategy. The better course is to retain the TDRs, clarify their strategic purpose, keep Condition C4 separate from this review, convene a dedicated DfT/CAA/RABA/RACA/freight/business aviation working group, and use the ANPS process to develop a coherent approach to distributed freight capacity and specialist business aviation provision.

1. Introduction and Position

1.1 This response is submitted on behalf of the Regional and Business Airports Group (RABA), its sub-group of cargo airports, RACA (the Regional Air Cargo Alliance) and SASIG – the Strategic Special Interest Group of the Local Government Association, many of whose members have an interest in air freight activity at their airports. It is drafted for consideration by the by the CAA, DfT officials and Ministers, and for wider use by RABA members and stakeholders with an interest in the maintenance of the Traffic Distribution Rules 1991 (TDRs). It is also intended to assist organisations that support retention, including local authority, airport and promoter interests associated with Manston and Doncaster Sheffield Airport.

1.2 The response is respectful of the CAA's role in preparing advice to the Secretary of State and of the genuine importance of a coherent slot coordination framework. However, we are also clear and definitive about our opposition to the draft advice in CAP 3250. RABA considers that the CAA has not made out a sufficient evidential, economic or strategic case for revocation. In several respects, the evidence in CAP 3250 points in the opposite direction: Heathrow and Gatwick remain extremely constrained, Heathrow's cargo function is predominantly bellyhold, GA/BA already self-selects away from Heathrow and Gatwick, and there are multiple alternative airports better able to serve whole-plane cargo and business aviation requirements. [1]

1.3 RABA's position is that the 1991 TDRs should be retained for Heathrow and Gatwick. The TDRs are an appropriate, targeted and proportionate policy response to the current capacity limitations in the London airports system and offer clear guidance as to how less financially and economically valuable types of traffic should be prioritised in these current circumstances. The addition of material new runway capacity might be cause to review this assessment, but to remove the TDRs before that is in place would be premature.

1.4 RABA also maintains the position advanced in its January 2026 response that Government should consider whether similar protections may be required at other London airports when and where peak capacity becomes materially constrained, subject to a full and separate consultation. That wider point should not distract from the immediate issue: CAP 3250's proposal to revoke the existing rules is premature and unsupported by a proportionate assessment of risk. [4]

1.5 The TDRs should be understood as a strategic capacity-management instrument rather than a mere anomaly in the slot allocation process. Section 31 of the Airports Act 1986 expressly gives the Secretary of State the power to make rules restricting traffic types at airports serving the same area, and CAP 3250 accepts that TDRs can be used to make best use of scarce airport capacity. The question for Ministers is therefore not whether the TDRs are old, but whether they continue to perform a valid and proportionate function. In RABA's view, they do.

2. Why CAP 3250's Advice as Drafted Should be Reconsidered

2.1 CAP 3250 presents six principal reasons for revocation:

- changed regulatory context;
- alleged rigidity;
- an expectation of little or no material impact;
- availability of alternative mechanisms;
- administrative simplification; and
- compatibility with future capacity expansion.

Each point is relevant, but none either individually or cumulatively is conclusive. Even when taken together, they do not in our view overcome the continuing policy case for retaining a targeted measure that protects scarce peak capacity at the two airports where the opportunity cost of misallocation is greatest.

2.2 The changed regulatory context is real, but not material. The post-1993 slot regime and the WASG now provide a sophisticated process for allocating slots at coordinated airports. That does not mean the UK should abandon a domestic traffic distribution rule where that rule pursues a strategic objective that the general slot process is not designed to deliver. The existence of a more developed slot regime does not extinguish the Secretary of State's statutory power to make or maintain TDRs; nor does it answer whether particular traffic types should be directed to airports better suited to them within the same airport system. [1]
[5]

2.3 The CAA's characterisation of the TDRs as "hard-edged" is incomplete. The TDRs are narrower than CAP 3250's language suggests. They do not prohibit cargo from Heathrow. They do not prohibit bellyhold freight. They do not prevent all whole-plane cargo in all circumstances. They operate during declared peak periods and permit airport operator permission. In practice they protect the highest-value parts of the operating day from the conversion of scarce hub slots into dedicated freighter or GA/BA series. That is a proportionate response to a highly constrained airport system, not an arbitrary exclusion. [9]

2.4 The most important practical assertion in CAP 3250 is that revocation is unlikely to have a material impact on capacity use in the short to medium term. RABA considers this the weakest part of the case. It is not supported by a sufficiently developed scenario analysis of integrator incentives, combination-carrier strategies, slot acquisition and swap behaviour, grandfathering effects, the interaction with Condition C4, or the potential consequences of a later change in market conditions. A conclusion that "little may happen" is not a positive case for removing a safeguard; it is, at most, an argument that the safeguard is not currently causing material harm.

2.5 The CAA's alternative-mechanism argument is also overstated. Capacity declarations, local rules, charging, trading and competition law all have useful functions. None is a direct substitute for a transparent traffic distribution rule designed to reserve the most constrained peak capacity for passenger services and bellyhold cargo while encouraging whole-plane cargo and business aviation to use airports where they can be handled more efficiently and with fewer opportunity costs.

2.6 Administrative simplification is a weak public-interest justification in this context. The seasonal exercise of declaring peak periods has a cost, but that cost is very small relative to the potential economic loss associated with inefficient use of even a modest number of Heathrow or Gatwick slots. Regulatory action plans that seek to reduce administrative burdens should not be read as requiring the removal of rules that continue to prevent avoidable inefficiency in nationally significant infrastructure.

2.7 The future capacity argument points to a different conclusion from the one drawn by the CAA. If new runway capacity at Heathrow or Gatwick becomes operational, the case for the TDRs should be reviewed then, in the context of an updated ANPS, reformed slot rules, actual capacity release, and a national air RABA response to CAP 3250

freight strategy. Until then, the capacity constraint is immediate and real, while expansion remains uncertain in timing, financing, policy and planning terms. A rule should not be revoked today on the assumption that future capacity may later make it less relevant.

Table 1: Summary Response to CAP 3250's Principal Propositions

CAA proposition	RABA response
Changed regulatory context	Correct, but not determinative. The slot regime has evolved, but section 31 TDRs remain a lawful and specific tool for scarce-capacity traffic distribution.
Rigidity	The TDRs are targeted, peak-period rules with airport permission, not a blanket anti-cargo rule. Their clarity is a strength.
Little or no material impact	This is not a positive case for revocation and understates asymmetric downside risk if the CAA is wrong.
Alternative mechanisms	Local rules, capacity declarations, charges and slot trading cannot deliver a national traffic distribution policy.
Administrative simplification	Any cost saving is marginal compared with the potential opportunity cost of misallocated peak hub slots.
Future capacity expansion	A reason to review later, not to revoke before new runway capacity exists and slot reform is settled.

3. The Statutory and Policy Test: Making Best Use of Scarce Airport Capacity

3.1 CAP 3250 accepts at the outset that TDRs can be used to make best use of scarce airport capacity within a given area. That statutory purpose remains central. The CAA's advice should therefore have begun with a substantive test: do the 1991 TDRs continue to help make best use of scarce capacity at Heathrow and Gatwick, taking into account the wider development of UK civil aviation, passenger and cargo users, regional economic opportunity, environmental effects and resilience? [1]

3.2 RABA's answer is yes they do. Heathrow and Gatwick are not simply two commercial airports among many. Heathrow is the UK's primary hub and one of the most economically valuable pieces of national transport infrastructure. Gatwick is the UK's largest single-runway airport and a major part of the London and South East aviation system. Peak slots at these airports are scarce public-interest assets, even when held and traded as private rights within the slot framework. Their use should be optimised for the combination of passenger connectivity, bellyhold freight, network resilience and wider economic value.

3.3 The sound development of civil aviation throughout the UK is not synonymous with equal treatment of every traffic type at every airport. A mature airport system depends on functional specialisation: hub airports, regional passenger airports, dedicated cargo airports, express integrator airports, specialist business aviation airports, general aviation airfields and mixed-use facilities. The TDRs support that specialisation by ensuring that whole-plane cargo and GA/BA are not incentivised to seek scarce peak slots at Heathrow and Gatwick when their operational and commercial needs can be served elsewhere.

3.4 This is not anti-competitive in a public-interest sense. It is a form of capacity optimisation. Heathrow's cargo role is enhanced by passenger flights that provide bellyhold capacity to a global network. Whole-plane freighters are essential for integrator, express, outsized, high-volume and certain time-critical cargo. But they do not need to be located in the same peak slot pool as Heathrow's passenger hub, especially when dedicated or regionally distributed airports can offer longer operating windows, cargo-adjacent stands, reduced ground congestion, and more efficient direct truck-aircraft interfaces.

3.5 The CAA's framework places considerable weight on the "reasonable interests of consumers". RABA agrees that consumers include cargo owners and users of express logistics. However, consumers also include passengers; exporters using bellyhold capacity; UK regions that depend on hub connectivity; local economies around regional airports; and businesses that benefit from resilient distributed capacity. A narrow view that treats a cargo operator's desire for slot access as equivalent to the national interest in freight connectivity would be incomplete.

3.6 The proper test is therefore not whether a particular whole-plane cargo movement might, in an isolated case, generate more value than a poorly loaded short-haul passenger service. That comparison is too narrow. The relevant comparison is between a strategic regime that protects a hub passenger-and-bellyhold model while developing distributed freighter capacity, and a deregulated regime that allows private slot acquisition to determine traffic mix over time without a national freight strategy. On that test, the TDRs remain justified.

4. WASG is Important Guidance, not an Overriding Obligation to Revoke the TDRs

4.1 RABA does not minimise the importance of the WASG. Common standards for slot coordination support efficient international scheduling and reduce uncertainty. The WASG is rightly recognised as the industry standard for Level 3 slot coordination, and UK coordinators should continue to take it into account. However, CAP 3250 gives the impression that alignment with WASG principles creates a strong presumption against the TDRs. That is not correct.

4.2 The WASG is jointly published by Airports Council International, IATA and the Worldwide Airport Coordinators Group. It describes itself as an industry standard and best-practice framework. It expressly recognises that some states or regions may have regulations governing slot issues, and that in those cases those regulations take precedence over the WASG's policies, principles and processes. That statement matters. It means domestic statutory rules are not inherently illegitimate simply because they supplement or qualify the general slot coordination process. [5]

4.3 The WASG also recognises local guidelines and regulations as part of the coordination environment. Coordinators allocate slots on the basis of applicable coordination parameters and in accordance with WASG priority criteria and any local guidelines and regulations. It is therefore too simplistic to present the WASG as if it requires every traffic type to be treated identically for every purpose at every constrained airport. It requires neutrality and non-discrimination by the coordinator within the applicable framework; it does not prevent a state from defining that framework in the way it prefers providing there are for legitimate capacity reasons.

4.4 The UK has already recognised, through its post-Brexit slot reform agenda, that airport slot allocation can be tailored to UK circumstances while still respecting global scheduling practice. The DfT's 2023 airport slot reform consultation was explicitly presented as an opportunity to develop an approach that works for UK businesses and passengers. That policy context supports, rather than undermines, the case for maintaining domestic tools where they are objectively justified. [6]

4.5 The TDRs are transparent. They are published rules. They apply by traffic category and airport, not by nationality, operator identity or route. They are directed to a specific capacity issue: the risk that scarce peak slots at Heathrow and Gatwick are used by whole-plane cargo or GA/BA traffic that can be accommodated elsewhere with lower opportunity cost. That is not discrimination in the pejorative sense; it is a public traffic distribution policy made by the Secretary of State under statute.

4.6 If the CAA considers that aspects of the TDRs should be updated to improve transparency, definitions, reporting, or interaction with slot coordination, it should advise amendment rather than revocation. For example, the rules could be reviewed for modernised terminology, clearer airport-permission criteria, or a published framework for exceptional access. CAP 3250 does not adequately explore that middle course. Instead, it leaps from the fact of regulatory age to the conclusion of repeal.

4.7 The final advice should therefore correct the present emphasis. The proper statement is that the UK should continue to respect WASG principles unless and to the extent that a specific domestic rule is justified by national capacity, consumer, connectivity, environmental or resilience objectives. The TDRs meet that test. They do not undermine global slot coordination; they define the traffic categories that should not receive scarce peak capacity at two airports where the national opportunity cost is exceptional.

5. The CAA's Central "little or no impact" Premise is Unsafe

5.1 CAP 3250 repeatedly relies on the view that revocation is unlikely to materially change capacity use at Heathrow and Gatwick in the short to medium term. This proposition is intended to reassure Ministers that revocation is low risk. It should instead prompt caution. Where an existing rule has operated for 35 years and the case for removal rests on an assertion that little will change, the correct policy response is to ask why the rule should be removed at all.

5.2 The premise is unsafe for five reasons. First, it is inherently speculative. The fact that whole-plane cargo or GA/BA operators have not held regular peak series under the TDRs does not prove what they would do in their absence. A rule can shape market expectations precisely by making certain strategies unavailable. Removing the rule changes incentives, even if the effects are gradual rather than immediate.

5.3 Second, CAP 3250 does not sufficiently analyse the behaviour of large, well-capitalised integrators and overseas combination carriers. These operators may have strategic reasons to secure a presence at Heathrow that are not captured by a narrow comparison of current freight volumes. They may value a small number of slot pairs for prestige, customer confidence, network resilience, high-yield traffic, express windows, pharmaceutical or e-commerce flows, or the option value of future expansion. A small initial acquisition can become more valuable if it can be grandfathered, swapped or traded over time.

5.4 Third, the secondary market is not neutral from a public policy perspective. It allows private slot holders to monetise scarcity. If a cargo operator can purchase a slot from an incumbent, the transaction may be rational for both parties while still being sub-optimal for the national airport system. A private market price captures the private valuation of the buyer and seller, not the full opportunity cost to passengers, regional connectivity, domestic feed, competing airlines, bellyhold trade capacity, surface transport, local economies or resilience.

5.5 Fourth, the CAA's reassurance is contradicted by its fallback proposition that, if evidence emerges of significant future entry to the detriment of consumers, DfT could reform the slot framework or reintroduce TDRs. That implicitly recognises that a harmful outcome is possible. Reintroducing TDRs after slot series have been acquired, historic rights established, commercial contracts signed and investment expectations created would be politically, legally and commercially more difficult than retaining the existing safeguard now. Prevention is more proportionate than attempted restitution.

5.6 Fifth, the premise is weakest precisely at Heathrow, where the slot portfolio is most valuable. CAP 3250 acknowledges that Heathrow slots may be more attractive to whole-plane cargo operators because of bellyhold cargo volumes and the freight-forwarding ecosystem around the airport. That acknowledgement is important. It means the CAA's own analysis identifies a rational reason for freighter interest at Heathrow, while relying on other barriers to prevent that interest becoming material. [1]

5.7 The risk does not need to be large to be material. Heathrow's movement cap means that every slot has a high opportunity cost. A handful of peak-period slot pairs can make the difference between a new domestic rotation, a marginal long-haul destination, a frequency increase supporting hub connectivity, or a freighter service that could have operated from a dedicated cargo airport with road feeder integration. In a constrained system, small reallocations can have significant strategic effects.

5.8 RABA therefore submits that CAP 3250 should be revised to treat uncertainty as a reason for retention, not revocation. The existing system is known and has delivered a stable market outcome: Heathrow remains a global cargo gateway through bellyhold, whole-plane cargo is concentrated at more suitable airports such as East Midlands and Stansted, and business aviation has developed around specialist

facilities. Removing the rule before a full national freight strategy is in place would be an avoidable policy experiment.

6. Local Rules, Capacity Declarations, Charges and Slot Trading are not Substitutes for the TDRs

6.1 CAP 3250 places considerable reliance on four alternative mechanisms: airport capacity declarations, local guidelines or rules, airport charges, and secondary slot trading. Each is relevant to airport coordination. None performs the same public policy function as the TDRs.

6.2 Capacity declarations under the Slot Regulations are important. They identify the capacity available for allocation, including runway, apron, terminal, stand and facility constraints. However, a capacity declaration is not a strategic traffic distribution policy. It can state that a cargo facility has limited capacity or that stands are constrained, but it is not designed to decide that, as a matter of national policy, a peak Heathrow slot should be preserved for passenger and bellyhold operations rather than opened to whole-plane cargo series. [1]

6.3 Local rules are similarly useful but limited. They are developed through coordination processes and help address airport-specific issues. They cannot easily substitute for a clear statutory rule because they must operate within the slot coordination framework, are susceptible to contestation by affected users, and are not well suited to embedding wider regional or national objectives. CAP 3250 itself notes that local rules at Gatwick may need review if the TDRs are removed because of potential compliance concerns. That illustrates the fragility of relying on local rules to do work that is currently performed by a statutory instrument. [1]

6.4 The Heathrow Coordination Committee and comparable coordination bodies have an important advisory role, but they are not designed to make national infrastructure policy. Their membership naturally reflects incumbent users and airport operational interests. They can advise on capacity parameters, local guidelines and monitoring, but the national question - whether freighter-only and GA/BA series should be able to compete for peak slots at Heathrow and Gatwick - is a question for Government, informed by the CAA, not a matter to be left to local rule evolution. [7]

6.5 Airport charges are also an uncertain substitute. Heathrow's charges are subject to economic regulation, the Airport Charges Regulations, consultation requirements, non-discrimination principles, licence conditions and price-control incentives. CAP 3250 recognises that Condition C4 currently prevents HAL levying charges on whole-plane cargo flights higher than equivalent charges for passenger and GA/BA flights. The CAA asks whether C4 remains necessary. That question should not be used to imply that charging can replace the TDRs. On the contrary, the existence of Condition C4 and wider price controls shows that charging is a constrained and contested tool. [8] [10]

6.6 Even if charges could be restructured, they would remain a blunt instrument. A charge designed to reflect cargo opportunity cost might also affect bellyhold cargo if applied by weight. A charge high enough to deter freighter use of scarce slots might be challenged as discriminatory or excessive. A charge low enough to be legally robust might not alter behaviour for high-value cargo. Moreover, charges would not address the wider public interest in distributed capacity and regional economic development.

6.7 Secondary slot trading is the least appropriate substitute. It can improve the private productivity of slot use, and CAP 3250 points to evidence of up-gauging and longer-haul deployment at Heathrow. However, that market has operated alongside the TDRs. It does not prove that the market should be allowed to allocate peak slots to whole-plane cargo and GA/BA. It proves that, within a passenger-focused framework, scarce slots have tended to migrate towards higher passenger productivity. Removing the TDRs would alter the boundary conditions within which the market operates. [1]

6.8 A public policy rule is particularly justified where market prices do not capture external effects. Whole-plane freighters may impose different opportunity costs through stand use, cargo shed interfaces, long

ground times, older/noisier fleets, night preferences, wake separation effects, and reduced passenger and bellyhold connectivity. Some of these costs fall on other airport users or the wider economy, not on the slot seller or buyer. A secondary market transaction is not a full social-cost appraisal.

6.9 The CAA's advice should therefore distinguish between tools that manage the allocation of declared capacity and tools that define the public policy purpose of that capacity. The TDRs are in the second category. If Government wishes to change that policy purpose, it should do so only following a full strategic appraisal, not as a by-product of slot-regime simplification.

7. Heathrow and Gatwick: economic and operational opportunity cost

7.1 The CAA accepts that, in most circumstances, commercial passenger services may be a better use of capacity at large, congested London airports. RABA agrees, but would put the point more strongly. At Heathrow, a long-haul passenger movement with bellyhold cargo is normally the highest-value use of scarce capacity because it combines passenger connectivity, business travel, inbound tourism, airport revenue, bellyhold trade, freight-forwarding network effects and hub connectivity. CAP 3250's occasional comparison with "marginal" low-load short-haul services is too narrow to support revocation. [1] [3]

7.2 RABA's supporting economic evidence paper shows that, when economic value is assessed by movement rather than by cargo tonne alone, passenger and bellyhold services dominate in constrained hub conditions. Indicative estimates in that paper rank long-haul widebody passenger services with bellyhold above long-haul freighter-only operations, with estimated GVA per ATM and trade value per ATM reflecting the combined passenger and cargo function of those services. The paper also highlights Heathrow's total employment intensity and trade role, while recognising that dedicated freight can be valuable at airports where capacity is available. [3]

7.3 The Heathrow-specific supporting note also indicates that a 777 passenger aircraft can generate materially greater (up to 5 times) total airport-related revenue than a 777F freighter, once passenger charges and non-aeronautical passenger revenues are considered. The estimates are necessarily indicative and depend on aircraft type, load, timing, noise certification and commercial arrangements; nevertheless, they illustrate the central point: a freighter uses comparable runway and stand infrastructure but does not generate the same passenger-related revenue stream, while a passenger aircraft may also carry substantial bellyhold cargo. [7]

7.4 Operational considerations reinforce the economic case. Whole-plane cargo aircraft are often widebody heavies. They may be older and noisier than passenger aircraft, as CAP 3250 itself records. Their preferred operating windows often sit around early morning and late night peaks driven by integrator networks. They require cargo-adjacent stands, cargo shed access, customs/storage processes, specialist handling equipment and efficient truck-aircraft interfaces. Where those facilities are not adjacent or are constrained, cargo must move across the airfield and through congested landside/airside interfaces, adding time, cost and operational complexity. [1] [2]

7.5 Heathrow is a spatially compressed, highly congested and heavily utilised hub. Its peak capacity problem is not just runway slots. It is also stands, taxiway resilience, terminal interfaces, ground-handling capacity, cargo shed access, environmental constraints and network knock-on effects. The CAA's framework does not give sufficient weight to the significance of those combined effects. It discusses capacity declarations and local rules, but it does not present a full operational appraisal of the consequences of adding regular freighter-only slot series to the Heathrow peak environment.

7.6 Wake separation and sequencing issues should not be overstated, because Heathrow and NATS operate sophisticated time-based and recategorised separation processes. However, the operational mix matters. Adding heavy freighters into constrained peaks, especially where the alternative is a narrower passenger operation that also supports connectivity, can reduce flexibility and resilience. Even where the theoretical hourly impact is modest (say 0.5-1.0 slot), the effects could be material because resilience at Heathrow depends on such small-scale buffer margins. The relevant test, therefore, is not whether a single freighter can be accommodated, but whether regular freighter access is an efficient use of the airport's most constrained peak capacity.

7.7 Gatwick presents a different but equally relevant case. CAP 3250 notes that Gatwick has had little, if any, scheduled whole-plane cargo activity for around two decades, and that infrastructure and other barriers may make it less attractive for integrator cargo. That evidence does not support revocation. It suggests that

removal of the TDRs is unnecessary at Gatwick and that the cargo market is better served by airports with suitable freight infrastructure and operating windows. [1]

7.8 The CAA's "marginal cargo service" argument also lacks a limiting principle. If a particular high-value cargo service might be more valuable than a low-load passenger service, the appropriate response is not to abolish the TDRs. It is to define a transparent exceptional-permission route, or to consider specific time-limited dispensations where an airport operator and Government agree that the public interest is served. A targeted exception is more proportionate than general revocation.

7.9 RABA therefore submits that the economic and operational opportunity cost at Heathrow and Gatwick remains the core reason for retaining the TDRs. The rules protect the airport system from a series of small private decisions that might cumulatively weaken hub efficiency, passenger connectivity and the bellyhold freight model. They also send a clear market signal that freighter-only and specialist business aviation requirements should be met through airports designed or capable of being developed for those roles.

8. Air Freight: the Right Remedy is a Distributed UK Freight Strategy, not Revocation

8.1 RABA recognises that the UK air freight sector faces real challenges. These include leakage to EU hubs, limited dedicated freighter capacity in the South East, night flight restrictions, shortage of optimised cargo infrastructure, and the need for better integration between air cargo, customs, road feeder services and regional economic policy. Revoking the TDRs would not solve these problems. It would merely allow a small number of cargo operators to pursue access to the most constrained slots in the system.

8.2 CAP 3250 records that UK air cargo tonnage has been broadly flat since 2000, that cargo is mostly transported in passenger bellyhold, and that whole-plane cargo movements are concentrated at East Midlands and Stansted. It also records that East Midlands may offer value for next-working-day delivery models and that Manston may provide an alternative if reopened. Those observations support a distributed freight strategy, not the removal of the rule that helps preserve Heathrow's passenger and bellyhold role. [1]

8.3 RABA's January response and RiverOak's response both advanced the case for a networked freight model in which Heathrow remains the primary bellyhold and forwarding hub, while dedicated freighter operations are channelled to airports with runway length, land, operating windows and development potential. Candidate airports include East Midlands, Stansted where appropriate, Manston, Doncaster Sheffield, Bournemouth, Cardiff and Prestwick. These airports can provide capacity that Heathrow cannot efficiently provide in its peak periods. [4] [11]

8.4 The strategic prize is not to push cargo away from Heathrow. It is to define the cargo that belongs at Heathrow and the cargo that belongs elsewhere. High-value goods moving on global passenger networks, especially where connectivity depends on bellyhold, should remain central to Heathrow's role. Dedicated freighter operations that require larger payloads, integrator sorting, long ground times, night operations, cargo-adjacent stands or direct truck-aircraft interfaces should be encouraged towards airports where those requirements can be met more efficiently.

8.5 Road feeder services are central to this model. Airline-coded trucks already form part of the air cargo system. A national strategy could integrate regional freight airports with Heathrow's forwarding community, allowing freight to be consolidated, cleared, trucked and flown through the most efficient combination of airport and road leg. This is likely to be more resilient and lower risk than attempting to force dedicated freighter growth into Heathrow's scarce peak slot portfolio.

8.6 Regional economic opportunity should be given greater weight. Whole-plane cargo can support jobs, investment, logistics parks, customs facilities, MRO activity, freight forwarders and wider supply-chain ecosystems at airports with capacity headroom. The TDRs help create the policy certainty needed for such airports to attract investment. Revocation would weaken that signal by implying that the long-term policy goal is to allow freighters to compete for Heathrow and Gatwick peak slots instead.

8.7 The CAA's advice treats regional alternatives largely as market facts that may limit the effect of revocation. RABA submits that they should instead be treated as strategic assets. If the UK wishes to reduce leakage, improve freight resilience and support regional growth, it should designate and develop a distributed freight capacity network rather than dilute the passenger and bellyhold function of the most constrained airports.

8.8 The forthcoming aviation policy and ANPS work provide a better vehicle for this than CAP 3250. Government should use that process to set out a national air freight strategy, including the role of Heathrow bellyhold, the role of dedicated freighter airports, the treatment of night flights, customs and border arrangements, road feeder services, planning policy, safeguarding, decarbonisation and resilience. The TDRs should be retained until that strategy exists.

9. Business Aviation: The Case for Retention is Equally Strong

9.1 CAP 3250 treats GA/BA as unlikely to secure regular slots because business aviation demand is variable and often ad hoc. RABA agrees that regular peak series at Heathrow and Gatwick are unlikely to be central to most business aviation models. However, that conclusion again does not justify revocation. It shows that the TDRs are not causing significant harm to the sector, because the sector is already served by more appropriate airports. [1]

9.2 CAP 3250's own data show that Farnborough, Luton, Biggin Hill, Stansted, Northolt and Oxford were among the top UK business jet departure airports in 2025, while Heathrow and Gatwick recorded only 122 and 131 business jet departures respectively. This is powerful evidence of airport-system specialisation. Business aviation users generally value flexibility, FBO quality, rapid processing, privacy, parking, hangarage and access to London or regional business centres. Specialist airports are better configured for those needs than Heathrow and Gatwick peak slot pools. [1]

9.3 There are readily available specialist business aviation alternatives within reasonable surface access of London, including Farnborough, Biggin Hill and Oxford, with Luton, Stansted and Northolt also playing roles in the wider system. The public policy case for allocating scarce Heathrow or Gatwick peak capacity to GA/BA is therefore weak. Such capacity is much more valuable in passenger and bellyhold use, while business aviation receives a better product from specialist facilities.

9.4 RABA is supportive of a strong UK business aviation sector. Retaining the TDRs is consistent with that objective because it protects the market position of specialist business aviation airports and avoids drawing activity into congested passenger hubs where it would face operational friction and public acceptability issues. The policy should be to support business aviation where it can operate efficiently, not to open a pathway to the least suitable peak slots in the system.

9.5 If Ministers are concerned that the TDRs are too blunt for exceptional GA/BA cases, the solution is again refinement rather than repeal. Airport permission, ad hoc access and defined public-interest exceptions can deal with exceptional flights. The general rule should remain that regular peak series at Heathrow and Gatwick are not appropriate for GA/BA.

10. Future Capacity Expansion and Timing

10.1 CAP 3250 argues that the TDRs would become less relevant if significant new runway capacity becomes available at Heathrow or Gatwick. RABA accepts that the case should be reviewed when new capacity is real. It does not accept that speculative future capacity justifies present revocation.

10.2 Heathrow expansion remains subject to policy, planning, environmental, financing, airline, regulatory and delivery uncertainty. Even if a scheme proceeds, additional capacity will not be available in the short term and will need to be released in a managed way. It would be perverse to revoke a scarce-capacity protection now because capacity might later become less scarce.

10.3 New runway capacity, if delivered, would also create new questions. Should new slots prioritise domestic connectivity, new long-haul routes, competition, lower fares, freight resilience, regional access, night restrictions, decarbonisation or surface access? Those questions require a reformed slot framework and a national airport capacity strategy. They should not be pre-empted by removing the existing TDRs ahead of time.

10.4 The correct trigger for reconsideration is therefore clear: retention now, review after any additional Heathrow runway is operational and after Government has settled the slot framework and national air freight strategy that will govern new capacity. Until that point, the TDRs remain a rational insurance policy against inefficient use of scarce peak capacity.

11. Process and Evidential Concerns

11.1 RABA is concerned that CAP 3250 gives disproportionate weight to the views of ACL and cargo operators while insufficiently engaging with the strategic arguments advanced by RABA, RiverOak and other retention-supporting stakeholders. CAP 3250 summarises views, but the draft advice does not fully test the evidence on wider economic value, airport revenue, regional capacity, road feeder services, leakage, business aviation alternatives or the cost of reversal if revocation later proves harmful.

11.2 The split of responses was not one-sided. CAP 3250 identifies 23 respondents. Support for revocation came from ACL, cargo operators and certain airlines or trade bodies; support for retention came from Heathrow, Gatwick, IAG, Virgin Atlantic, TUI, Ryanair, AirportsUK, RABA 45 airports including RiverOak, with some conditional or mixed positions. The CAA should not treat the issue as a simple case of modernisation opposed only by incumbents. Stakeholders supporting retention include airports, airlines, regional interests and cargo airport promoters with direct knowledge of alternative capacity. [1]

11.3 It is also important that RABA, RACA, SASIG and affected regional airports have the opportunity to discuss the evidence with the CAA and DfT before final advice is settled. The TDRs are not merely an operational rule for ACL; they affect the economic prospects of regional airports, local authorities, freight investors, business aviation airports and airport policy more generally. A narrow consultation process risks missing the very system effects that section 31 TDRs are designed to address.

11.4 RABA recommends that the CAA's final advice include an explicit evidential annex addressing: comparative airport revenue per movement; comparative GVA and employment per slot; operational stand and cargo facility constraints; scope for exceptional cargo permissions; regional cargo airport capacity; business aviation alternatives; leakage and road feeder services; and the legal effect of WASG relative to domestic legislation. Without that work, Ministers would not have a balanced evidential basis for revocation.

11.5 The final advice should also avoid presenting "modernisation" as synonymous with deregulation. Modern regulation is not necessarily less regulation. It is regulation that is targeted, evidence-based and proportionate. The TDRs are exactly such a tool if their purpose is clearly stated: to preserve scarce Heathrow and Gatwick peak capacity for passenger and bellyhold operations while supporting a distributed freight and specialist business aviation airport system.

12. Condition C4 of HAL's Licence

12.1 CAP 3250 invites views on whether Condition C4 of HAL's licence remains necessary. RABA's primary submission is that the C4 issue should remain separate from the decision on the TDRs. The CAA should not use the possible review of C4 as part of the rationale for revocation, nor should it present charges as a substitute for a traffic distribution rule. [8]

12.2 Condition C4 currently prevents HAL from levying charges on whole-plane cargo flights that are higher than equivalent charges for passenger and GA/BA flights. The CAA suggests this may limit HAL's ability to reflect differences in cost drivers, infrastructure use and opportunity cost. RABA understands that point, but it illustrates the limits of relying on charges. If C4 remains, charges cannot readily deter inefficient freighter use. If C4 is removed or modified, any replacement would require careful consultation and would still need to comply with non-discrimination, transparency and price-control constraints. [1]

12.3 The CAA should therefore advise Ministers that C4 is not a reason to revoke the TDRs. If the TDRs are retained, the urgency of using charges to manage whole-plane cargo access is reduced. If the CAA wishes to review C4, it should do so through the Civil Aviation Act 2012 process, based on a separate assessment of cargo users, passenger users, bellyhold cargo, airport costs and price-control effects.

12.4 RABA also cautions against any approach that would burden bellyhold cargo in order to manage whole-plane cargo. A weight-based cargo charge could affect passenger airlines carrying bellyhold cargo, thereby weakening the very freight model that the TDRs help protect. Charging reform must therefore be designed with care and should not proceed as an indirect substitute for a clear capacity policy.

13. Recommendations

13.1 RABA recommends that the CAA revise its draft advice and that the Secretary of State should not revoke the 1991 TDRs at this stage.

13.2 The final advice should instead recommend the following:

- a. Retain the 1991 TDRs for Heathrow and Gatwick during declared peak periods.
- b. Clarify in the final advice that the TDRs are a strategic scarce-capacity and traffic-distribution measure, not an anti-cargo or anti-business aviation rule.
- c. Recognise that WASG is important guidance, but that domestic statutory rules may legitimately supplement slot allocation when justified by national capacity objectives.
- d. Reject the proposition that local rules, capacity declarations, charges, secondary trading and competition law are equivalent substitutes for a statutory traffic distribution rule.
- e. Undertake or commission a fuller comparative assessment of passenger, bellyhold and whole-plane cargo slot value at Heathrow and Gatwick.
- f. Develop, with DfT, a national air freight strategy that identifies Heathrow's bellyhold role and the role of distributed dedicated freighter airports such as East Midlands, Manston, Doncaster Sheffield, Bournemouth, Cardiff and Prestwick.
- g. Confirm that business aviation is better served by specialist airports and that there is no policy case for regular GA/BA peak slot series at Heathrow or Gatwick.
- h. Keep any review of Condition C4 separate from the TDR decision and avoid treating charging reform as a substitute for capacity policy.
- i. Convene a working group with RABA/RACA, SASIG, regional airports, freight operators, passenger airlines, ACL, HAL, GAL and DfT to examine the role of TDRs within a wider airport capacity and freight strategy.
- j. Revisit the TDRs only when additional Heathrow runway capacity is operational and a reformed slot framework and national freight strategy are in place.

13.3 In summary, the TDRs have worked. Heathrow remains the UK's leading cargo gateway through bellyhold; whole-plane cargo has developed at airports better suited to the task; business aviation has developed around specialist airports; and the most constrained peak slots at Heathrow and Gatwick have remained available for passenger services and their associated bellyhold freight. The CAA has not demonstrated that this settlement is broken. It should not advise Ministers to fix it by removing the rule that helps sustain it.

Appendix A: Cross-reference to Supporting Evidence

This appendix identifies the principal supporting documents and how they should be used in the final submission and any accompanying ministerial brief.

Document	Relevance	How to use in final response
CAP 3250	CAA draft advice and evidence base	Use for precise paragraph references: draft revocation advice, Heathrow peak-period coverage, Heathrow 480,000 movement cap, cargo tonnage, whole-plane cargo movements, BA/GA data and stakeholder summaries.
RABA January 2026 response	Original RABA position	Use to show that RABA's strategic, regional, bellyhold and specialist-airport arguments were already before the CAA and have not been fully answered.
RiverOak January 2026 response	Manston and dedicated cargo airport case	Use for regional freight capacity, Manston-specific arguments, leakage and road feeder service narrative.
Comparative Economic Value evidence paper	Economic value of freighter-only vs passenger/bellyhold movements	Use for jobs per ATM, indicative GVA per ATM, Heathrow trade profile, and opportunity-cost analysis.
Heathrow - Comparing Freight vs Passenger Usage	Airport revenue, local rules and operational comparisons	Use for 777F vs 777 passenger revenue comparison, local rule limitations, turnaround, stand and sequencing considerations.
Key Arguments note	Core rebuttal logic	Use for the central argument that regulatory tidiness is outweighed by strategic capacity efficiency; also use for WASG, local rules and asymmetric risk points.
Briefing reviewing CAP 3250	Digest of CAA case	Use to ensure the response directly addresses each CAA proposition and evidence category.
Briefing Note CAP3250 TDR Review	Structured summary of CAA recommendation	Use for short ministerial summary and point-by-point rebuttal headings.
WASG Edition 4	Slot coordination framework	Use to show WASG status as best practice and its recognition that domestic regulations can take precedence.
HAL licence / C4 and Heathrow charges documents	Charging and price-control context	Use to show why charges are not a simple substitute for the TDRs and why C4 should be treated separately.

Appendix B: Point-by-point Response to CAP 3250 Propositions

CAP 3250 proposition	RABA rebuttal / qualification
The 1991 TDRs were introduced in a different regulatory and market context.	True but incomplete. Capacity scarcity has intensified at Heathrow and the rationale for strategic traffic distribution remains. The modern slot regime does not remove the need for national capacity policy.
The TDRs cut across the modern slot allocation framework.	They supplement that framework by defining a permitted traffic distribution outcome under domestic law. WASG itself recognises local/national regulations.
The TDRs are disproportionately rigid.	They are targeted by airport, traffic category and peak period, with airport permission available. Clear rules can be more proportionate than uncertain local workarounds.
Revocation is unlikely to materially affect Heathrow or Gatwick.	If true, no material benefit is shown. If false, the downside risk is significant and difficult to reverse once historic slot rights are created.
Some cargo services may exceed the value of marginal passenger services.	This may justify exceptional permissions or a specific policy route, not general revocation. The proper comparison is system-wide slot value, including bellyhold and connectivity.
Capacity declarations can manage cargo facility constraints.	They manage physical limits; they do not decide the national economic priority between passenger/bellyhold and freighter-only use of peak slots.
Local rules can manage airport-specific issues.	Local rules are not a substitute for statutory policy and may themselves be contested as discriminatory if asked to replicate TDR effects.
Airport charges can incentivise efficient use.	Charging is constrained by price control, non-discrimination and Condition C4; cargo charging changes could harm bellyhold if poorly designed.
Secondary trading improves productivity.	Trading reflects private valuations, not the full public opportunity cost of slot use at a national hub.
Revocation reduces administrative burden.	The burden is marginal compared with the potential national economic cost of misallocating scarce peak slots.
Future expansion makes TDRs less relevant.	Future capacity is a trigger to review later, not a reason to remove existing safeguards now.

Appendix C: Sources and references

The following sources are referenced in the response. They should be supplemented with any final RABA/RACA, SASIG, RiverOak or Fly Doncaster approval letters and any confidential data annexes before submission.

- [1] CAA, CAP 3250, Review of the Traffic Distribution Rules 1991: Consultation on Draft Advice to the Secretary of State, May 2026.
- [2] RABA note, Key Arguments and Points to Make Against CAA Views on TDRs as set out in CAP 3250, June 2026.
- [3] RABA evidence paper, Appraising the Comparative Economic Value of Freight Only vs Passenger Air Transport Movements, June 2026.
- [4] RABA, Response to CAA Call for Inputs on Review of the 1991 Traffic Distribution Rules at Heathrow and Gatwick, 23 January 2026.
- [5] Worldwide Airport Slot Guidelines, Edition 4 (effective 1 August 2025), Preface and sections 2.1 and 5.5.1.
- [6] DfT, Airport slot allocation reform consultation materials and government announcement, December 2023.
- [7] RABA supporting note, Heathrow - Comparing Freight vs Passenger Usage, June 2026.
- [8] CAA, Heathrow licence and monitoring page and HAL licence (January 2026), including Condition C4.
- [9] Traffic Distribution Rules 1991 for Airports Serving the London Area.
- [10] Heathrow Airport Limited, Conditions of Use / Airport Charges Decision 2026 and regulated charges page.
- [11] RiverOak Strategic Partners, Enhanced Response to CAA Consultation on Review of the Traffic Distribution Rules 1991, 23 January 2026.

CAA traffic distribution rules webpage: <https://www.caa.co.uk/commercial-industry/economic-regulation-and-competition-policy/competition/traffic-distribution-rules/>

IATA Worldwide Airport Slot Guidelines page: <https://www.iata.org/en/programs/ops-infra/slots/slot-guidelines/>

WASG Edition 4 PDF (public copy):

<https://www.infrastructure.gov.au/sites/default/files/documents/worldwide-airport-slot-guidelines-wasg-2025-pdf.pdf>

DfT airport slot reform announcement: <https://www.gov.uk/government/news/uk-aviation-shaping-its-own-destiny-as-airport-slot-reform-consultation-launched>

CAA Heathrow licence and monitoring page: <https://www.caa.co.uk/commercial-industry/economic-regulation-and-competition-policy/heathrow-airport/heathrow-licence-and-monitoring/>

Heathrow regulated charges page: <https://www.heathrow.com/company/doing-business-with-heathrow/regulated-charges>

CAA H8 Initial Proposals news release: <https://www.caa.co.uk/newsroom/news/aviation-regulator-publishes-initial-proposals-for-heathrow-h8-price-cap/>