

GATWICK AIRPORT CONSULTATIVE COMMITTEE
GENERAL PURPOSES SUB-COMMITTEE

Minutes of the Sub-Committee meeting held on 11th January, 2007 at Gatwick Airport.

Present: Mr. P.W. Bryant (Chairman)

Mr. Acraman, Mr. Barclay, Dr. Ellis, Dr. Godfrey, Mrs. Kitchen, Mr. Maltby, Mrs. Sewill and Mr. Taylor.

Also present:

Mrs. Ross-Tomlin – Reigate and Bansted Borough Council
Mr. L. Hibbs – Reigate and Bansted Borough Council
Mr. I. Tucker – Reigate and Bansted Borough Council
Mr. T. Lockwood – Head of Corporate Responsibility, BAA Gatwick
Mr. R. Norman – Environmental Strategy and Stakeholder Manager, BAA Gatwick
Ms. S. Howells – Government and Economic Relations Manager, BAA Gatwick
Mr. B. Ashley – Transport Strategy Manager, BAA Gatwick
Mrs. R. Howell – Technical Adviser
Mrs. P. Street – Assistant Secretary.

Apologies for absence were received from: Mrs. Hammond, Mr. Hobbs and Ms. Knox.

MINUTES OF THE MEETING HELD ON 21ST SEPTEMBER, 2006

43. Resolved – That the minutes of the Sub-Committee meeting held on 21st September, 2006 be approved as a correct record and that they be signed by the Chairman.

Ground Run Pen

44. Reference was made to minute no. 29 and Mr. Lockwood advised that a briefing note providing an update on the proposed ground run pen was now available and would be circulated to members of the Committee.

Aviation and Climate Change

45. Mrs. Howell reported that in the light of the recent publication of the Stern Report and the DFT's Progress Report, as well as other developments in respect of research undertaken on global warming, her paper on aviation and climate change had been deferred until the next meeting of the Sub-Committee. The Chairman asked however that Mrs Howell circulates her paper to members as soon as possible.

Airport Landing Charges

46. Mr. Lockwood referred to minute no. 33 and advised that the hours covered by peak hour charges were 0600 hours – 1159 hours and 1700 hours – 1900 hours GMT 1st April to 31st October.

DRAFT CONSULTATIVE COMMITTEE MINUTES – 19TH OCTOBER, 2006

47. The Sub-Committee noted the draft minutes of the meeting of the Consultative Committee held on 19th October, 2006 (copy attached to the signed minutes).

LOCAL AIR QUALITY MONITORING

48. The Sub-Committee considered a joint report by Reigate and Banstead Borough Council and BAA Gatwick on the proposed future format of routine local air quality monitoring (copy attached to the signed minutes). Mrs. Ross-Tomlin advised that it was important for the Consultative Committee to take into account the impact on local air quality when decisions were being made in respect of Gatwick's investment and future airport development. She was also pleased to report that BAA Gatwick's financial contribution to local air quality monitoring with the Borough Council had now been agreed and was most welcome.

49. Mr. Hibbs explained that the first part of the report set out the principles of air quality monitoring and highlighted the key points that the Committee needed to bear in mind when considering local air quality issues and the nature of information that could be reported in the routine monitoring report. An example of the proposed format of the air quality monitoring report was appended at the end of the principles report. It was explained that this had been prepared using the data collected during 2005. The Sub-Committee noted that the annual average concentration of nitrogen dioxide at present was the pollutant of both current and future concern in the vicinity of Gatwick. As regards PM₁₀ and benzene levels, these were also monitored in and around the airport and data from this work would be included in the routine report to the Sub-Committee.

50. It was also explained that one of main objectives behind reporting on an annual basis was to establish a pattern that allows for analysis of trends preferably over a three year rolling cycle. The Sub-Committee supported this approach.

51. Members noted that it was proposed to report annually on the results of local air quality monitoring at the June meeting of the Sub-Committee. It was emphasised however that if it became evident at any time that there was a material worsening of air pollution then an additional report would be presented to the Sub-Committee for consideration. Members also noted that as BAA Gatwick's Local Air Quality Action Plan was due to be published in June 2007, it was proposed that a brief report on the progress made on implementing the action plan would also be presented annually to the June meeting of the Sub-Committee so that it could be considered alongside the routine air quality monitoring report. The Sub-Committee would therefore receive two reports each year at its June meeting.

52. The Sub-Committee fully supported the proposed reporting format and frequency and was pleased that the Reigate and Banstead Borough Council and BAA Gatwick had come together on the future monitoring and reporting regime.

53. Mrs. Sewill referred to the local air quality impact on the parish of Charlwood and Hookwood and asked whether there would be value in monitoring the air quality impact in that area bearing in mind the split of westerly/easterly runway operations. Mr. Hibbs advised that Mole Valley District Council undertook monitoring in that area and the results of its data were considered by Reigate and Banstead Borough Council. He assured members that air pollutants were generally very low in the Hookwood area and that the monitoring currently undertaken would highlight any significant changes in pollutants. He also explained that Reigate and Banstead Borough Council worked in close collaboration with the other local authorities around Gatwick on local air quality issues.

54. The Sub-Committee congratulated Reigate and Banstead Borough Council and BAA Gatwick on the progress that had been made in developing an understandable means of reporting and looked forward to receiving the first report at its June 2007 meeting.

FUTURE OF AIR TRANSPORT WHITE PAPER – DfT PROGRESS REPORT

55. The Sub-Committee considered a report by the Honorary Secretary highlighting the key points of the DfT's Progress Report and suggestions on the areas of policy development that the Consultative Committee will need to take into consideration (copy attached to the signed minutes). Members noted that the DfT had set out an updated programme of action, to be taken forward over the coming years, across a number of areas. Of particular interest was the invitation to airport operators to publish an environmental statement setting out targets for recycling, reducing carbon emissions and improving the energy efficiency with the aim of achieving carbon neutrality as quickly as possible. These statements were expected to sit alongside airport master plans. Mr. Lockwood advised that BAA Corporate Office would first need to understand the status of the environmental statement and how it would sit in relation to planning legislation. Once clarification had been sought from the DfT, and internal decisions had been made as to how to take forward this action, BAA Gatwick would advise the Consultative Committee on the process and timetable for the publication of the environmental statement.

56. Members also noted that as part of the publication of the Progress Report, the DfT had announced a new mechanism to help inform decisions on major increases in aviation capacity. The Emissions Cost Assessment would consider whether the aviation sector was meeting its external climate change costs. The Government was expected to consult on the development of this assessment in the first half of 2007.

57. The Sub-Committee also considered the Government's recommendation that Airport Consultative Committees monitor how well the new powers of the Civil Aviation Act were being implemented by airports. It was noted that in respect of Gatwick the only provision of the Act that needed to be addressed by the airport was in relation to the penalties for track keeping infringements. Members asked however if BAA Gatwick could provide information on the measures and mechanisms it already has in place to deal with aircraft noise and emissions so that further consideration could be given to the way in which the Consultative Committee undertakes its monitoring.

58. The Sub-Committee generally welcomed the publication of the progress report and felt the Consultative Committee should note its content. The emphasis being placed on addressing climate change was considered a significant step forward and there were already signs that the industry was addressing the issue. In respect of progress made on surface access to airports, the Sub-Committee was particularly disappointed that the DfT had not addressed the difficulties faced by airport operators in bringing forward surface access schemes with the various transport infrastructure providers. It was agreed, therefore, that the Consultative Committee continue to emphasise the need for a more joined up approach by the government, transport infrastructure providers and airport operators in securing improvements to the transport network.

59. In respect of the progress made on the European Emissions Trading Scheme, the Sub-Committee noted the concerns of the airline industry about the Government's recent increase in the air passenger duty. The airline community felt that the Government's strategy for addressing climate change had been weakened by this increase in taxation.

60. Resolved – That it be recommended to the Consultative Committee:

- (1) That the Consultative Committee welcomes the publication of the progress report and notes its content;

- (2) That the Honorary Secretary writes to the DfT to express disappointment about the lack of progress made in positively addressing surface access to airports and to urge the Government to adopt a more joined up approach in bringing forward surface access schemes;
- (3) That the BAA Gatwick's Noise and Track Monitoring Advisory Group be asked to consider ways to further improve track keeping at Gatwick and how the requirements of the Civil Aviation Act can be met and to report back at a future meeting;
- (4) That BAA Gatwick be asked to provide details of the mechanisms and measures currently in place at Gatwick for dealing with aircraft noise and emissions and the charges that it sets;
- (5) That the General Purposes Sub-Committee give further consideration as to how best to monitor the various measures and mechanisms in place at Gatwick in controlling aircraft noise and emissions; and
- (6) That BAA Gatwick be asked to inform the Consultative Committee on the timetable for the publication of the Environmental Statement, and to provide an opportunity for the Consultative Committee to consider the proposed targets.

BAA GATWICK INTERIM AIRPORT MASTER PLAN

61. The Sub-Committee considered a paper by BAA Gatwick highlighting the key changes from the outline airport master plan consultation document (copy attached to the signed minutes). Mr. Lockwood advised members of the factors influencing the Master Plan and the reasons why it was currently an Interim document, such as the outcome of the Project for the Sustainable Development of Heathrow. Members noted that BAA Gatwick anticipated making changes to the document in approximately 18 months time. In the meantime, it was also noted that discussions continued with the Gatwick local authorities on the Sustainable Development commitments that will sit alongside the airport master plan document.

62. Particular reference was made to the noise climate around Gatwick and members commented that it appeared that there were unlikely to be any more significant improvements to the current noise climate. Mr. Lockwood advised that whilst the noise contours would not materially alter, improvements would occur further afield, for example as a consequence of continuous descent approach. Gatwick would continue to work with NATS, the airlines and key stakeholders in developing initiatives to encourage best flying practice.

GATWICK AIRPORT TRANSPORT STRATEGY

63. The Sub-Committee received a paper by BAA Gatwick providing an update on the revision to the Transport Strategy which would be published as a daughter document to the Gatwick Airport Interim Master Plan (copy attached to the signed minutes). Mr. Ashley advised that there had been ongoing discussion with West Sussex County Council and Crawley Borough Council on agreeing a revised list of commitments relating to surface access which would form part of the overall list of commitments to sit alongside the airport master plan.

64. The Sub-Committee was also informed that BAA Gatwick planned to launch the revised Transport Strategy at a Transport Forum event to be held during May 2007. Stakeholder consultation would in the meantime continue, including a consultation on the development of the draft car parking strategy, which it expected to share with local authorities during March 2007.

65. Members noted the key messages that were likely to feature in the revised Strategy, particularly the primary focus on climate change, the revision upwards of corridor modal split targets and the development of individual action plans aligned to surface access commitments. Mr. Ashley would provide a further update at the next meeting of the Sub-Committee.

66. The Sub-Committee thanked Mr. Ashley for his update but expressed disappointment that the Consultative Committee had not been given the opportunity to input to or influence the development of the revised Transport Strategy. Mr. Ashley advised that the consultation process was conducted through the Transport Forum's Steering Group, who had received a working draft of the forthcoming strategy in September 2006.

67. Members asked in particular about the progress made on developing the Transport Interchange project. Mr. Ashley advised that as part of the Interchange project, Network Rail was also developing options for the redevelopment of Gatwick Station. The Chairman reported that a presentation by Network Rail would be given to the next meeting of the Consultative Committee.

DRAFT LIST OF COMMITMENTS TO SIT ALONGSIDE INTERIM AIRPORT MASTER PLAN

68. Mrs. Howell reported that a draft list of commitments was currently being prepared for consideration by the Gatwick Joint Local Authorities' meeting the following week. A copy of the paper presented to that meeting would be circulated to members as soon as possible. Mrs. Howell assured members that the Consultative Committee would be given the opportunity to feedback on the draft list as it was still very much work in progress. Mr. Lockwood added that the timetable for agreeing the list of commitments was flexible as it was important to ensure that the areas to be covered and the proposed targets were appropriate for all concerned.

GATWICK AIRPORT SUSTAINABLE DEVELOPMENT STRATEGY AND LEGAL AGREEMENT

VERIFIED ANNUAL MONITORING REPORT 2005/06

69. The Sub-Committee considered a report by the Technical Adviser summarising the outcome of the verification process for the annual monitoring report (copy attached to the signed minutes). Mrs. Howell advised that of the 25 commitments/ obligations audited by the independent environmental consultant, 16 were found to be on track to be achieved within the timeframe stipulated. Four of the commitments audited were not however on track to be achieved within the timeframe stipulated. Members noted the verifiers' opinion, statement of progress and recommendations (37 recommendations in total).

70. The Sub-Committee highlighted the importance of the monitoring and verification process particularly as BAA Gatwick was now under new ownership. Members also felt that where the verifiers had made recommendations it was important that the Consultative Committee monitored the ways in which BAA Gatwick acted upon the recommendations particularly at the time of considering items for verification in the following monitoring year.

71. Particular reference was made to the progress made on Commitment TS21 – Project Plans and Programme for the Improvement of Gatwick Rail Station - in particular the updated position concerning BAA Gatwick's consideration of investment in passenger facilities on platforms 1 and 2 at the station. Mr. Lockwood advised that further progress was dependent on the decision on the Brighton Main Line Route Utilisation Strategy options and the development of plans by Network Rail. Members sought reassurance

that BAA would look at how it could contribute finance and resources in taking forward a project.

72. Reference was also made to the indicators for energy consumption and carbon dioxide emissions given in the summary of the energy and climate change section of the Monitoring Report. It was questioned how the Consultative Committee could establish whether the consumption and emission annual figures were improving or getting worse. Mr. Lockwood advised that BAA Gatwick's Corporate Responsibility Report also addressed these issues and set targets for improvement. He acknowledged however the need for information sources and reporting streams to come together. Members suggested that this could be addressed in the negotiations for new commitments to be taken forward to sit alongside the airport master plan.

73. Resolved – That it be recommended to the Consultative Committee:

- (1) That it notes the outcome of the monitoring process and urges BAA Gatwick, West Sussex County Council and Crawley Borough Council to take forward the measures recommended by Bureau Veritas; and
- (2) That West Sussex County Council and Crawley Borough Council be asked to keep the Consultative Committee informed of the outcome of their decisions with BAA Gatwick on the identified areas of concern set out in paragraph 4.3 of the Technical Adviser's report.

OFFICE OF FAIR TRADING: REPORT ON THE MARKET STUDY OF UK AIRPORTS

74. The Sub-Committee considered a report by the Honorary Secretary summarising the outcome of the Office of Fair Trading's Market Study of UK airports (copy attached to the signed minutes). Members noted the next steps and the suggested approach for the Consultative Committee. Mr. Lockwood added that BAA welcomed the review and that its ownership of the three largest airports in the UK was subject to regular public scrutiny. He also advised that BAA was in the process of considering its form of response to the OFT's current consultation.

75. The Chairman referred members to paragraph 1.16 of the OFT Summary and expressed concern that the OFT's study did not take into account the impact of airport expansion and increased air traffic on the local and global environment, and the OFT felt that there was no inherent conflict between tackling environmental problems and developing more competition in airport services. Members therefore emphasised the importance of any further review encompassing these important issues and agreed that this should be reflected more strongly in the recommendations to the Consultative Committee.

76. Members also noted that as part of the current consultation by the OFT, BAA had the opportunity to offer undertakings to the OFT in lieu of a reference to the Competition Commission. It was not known at this stage whether BAA wished to take advantage of this. The Sub-Committee therefore agreed that should BAA propose a package of measures, the OFT should first undertake a consultation with interested parties before it makes its final decision.

77. Resolved – That it be recommended to the Consultative Committee:

- (1) That the current position be noted and that the OFT be advised that in the event of BAA offering undertakings in lieu of a reference to the Competition Commission, the proposed package should first be subject to consultation with interested parties; and

- (2) That, in the event of a reference being made to the Competition Commission, the Committee advises the Commission that it would expect its review to address the wider implications of the possible break up of the BAA London Airports particularly in respect of addressing the impact of airport expansion and increased air traffic on the local and global environment and how environmental concerns could be addressed in developing more competition in airport services.

AIRPORTS PRICE CONTROL REVIEW – CAA CONSULTATION ON THE INITIAL PROPOSALS FOR THE THREE BAA LONDON AIRPORTS

78. The Sub-Committee considered a report by the Honorary Secretary summarising the CAA's initial proposals for the review of the price controls at the three BAA London Airports (copy attached to the signed minutes). Mrs. Street explained that this was a complex issue but the key points to note were that the CAA had proposed an indicative price cap for Gatwick for an RPI -2 to +2% each year, compared to the current rate of growth of RPI plus 0%. She also explained that the CAA was proposing to continue with the single till approach and separate price caps for each of the three London Airports.

79. Mrs Street also advised that in respect of service quality, the CAA had concluded that the current service quality rebate scheme (SQR) should continue in its current form over the next quinquennium but had asked the airlines and BAA Gatwick, through the constructive engagement process, to consider the inclusion and removal of certain areas from the scheme. The Sub-Committee therefore stressed the importance of involving the Passenger Services Sub-Committee in further considering these issues.

80. The Sub-Committee fully supported the process of constructive engagement at Gatwick and congratulated BAA Gatwick on the success to date. It was recognised however that there were and would continue to be areas of disagreement between the airlines and BAA Gatwick. Members felt however that an area that should feature more prominently in the constructive engagement discussions was the investment needed to mitigate the airport's operation on surrounding communities and the local environment particularly in respect of surface access projects and the understanding of the priorities from the local communities' perspective.

81. Members also commented, that while it was not in a position to advise on the level at which the price cap should be set, the Committee was anxious that Gatwick was able to deliver its substantial programme of asset renewal and refurbishment and was given flexibility so that BAA's investment could match the changing needs and demands of airline users. It was suggested therefore that the wording in paragraph 6.3 of the Honorary Secretary's report should be revised to reflect this view.

82. Resolved – That, subject to the revision of the wording in paragraph 6.3 of the Honorary Secretary's report, the comments set out in the report be endorsed and included in the suggested response to the CAA for the Consultative Committee to consider.

IMPLEMENTATION OF THE BRIGHTON MAINLINE ROUTE UTILISATION STRATEGY (RUS)

83. The Sub-Committee noted that following consultation with all members of the Committee and the Passenger Services Sub-Committee, the officer response to the consultation on the options for the implementation of the Brighton Mainline RUS had been submitted to the DfT. The Sub-Committee endorsed the response submitted (copy attached to the signed minutes).

BAA GATWICK NOISE INSULATION SCHEME FOR HOMES – PROPOSED SCHEME

84. The Committee considered a report by the Honorary Secretary giving details of BAA Gatwick's proposed noise insulation scheme for homes and suggested response to BAA Gatwick (copy attached to the signed minutes). Members welcomed the opportunity to comment on the proposed scheme and, in particular, welcomed the inclusion of a ground noise contour. Members agreed that there were many positive aspects to the scheme but sought clarification as to whether properties which had benefited from previous noise insulation schemes would now qualify for the new scheme. Mr. Lockwood advised that any work carried out under previous schemes would not have any bearing on the eligibility of the new scheme as it was possible that there were higher specifications of glazing that could further reduce noise impacts.

85. An area of concern to the Sub-Committee was however the way in which the boundary of option b for ground noise had been drawn. Although BAA's attempts to include whole streets was supported, the way in which the boundary had been drawn meant that some affected properties would be excluded from the scheme. Members therefore agreed that the most important consideration was the need to address the health issue and urged BAA Gatwick to draw the boundary of the scheme more generously so as not to prejudice those deserving of a grant.

86. Resolved – That it be recommended to the Consultative Committee:

- (1) That the publication of the proposed scheme be welcomed; and
- (2) That the comments set out in paragraph 3.1 to 3.4 of the Honorary Secretary's report be submitted to BAA Gatwick for consideration.

AIR NOISE AND TRACK KEEPING ISSUES

Minutes of the Noise and Track Monitoring Advisory Group (NATMAG)

87. The Sub-Committee received the draft minutes of the meeting of NATMAG held on 14th December, 2006 (copy attached to the signed minutes).

88. Members were pleased to note that the new noise and track system (ANOMS) was progressing and that phase 1 of the scheme would go live at the end of January 2007. It was hoped that the second phase of the scheme, that would enable members of the public to access the system via the website, would go live later in the year.

Night Movements Summary

89. The Sub-Committee considered the summary of night movements for the summer season (copy attached to the signed minutes). It was noted that 97.5% of the permitted movements were used and 86.1% of the noise quota allocation. It was also noted that there was a major reduction in the number of QC4 movements during the summer which is mainly due to the service operated by DAS Air Cargo being withdrawn during the summer season.

Complaints Analysis

90. The Sub-Committee received the analysis of noise complaints for the period July to September, 2006 (copy attached to the signed minutes).

GROUND NOISE

91. The Sub-Committee received the draft minutes of the recent meeting of the Ground Noise Committee held on 14th December, 2006 (copy attached to the signed

minutes). Members were pleased to note that representatives from Virgin Atlantic had attended the meeting and wished to be involved in the future.

92. Reference was made to the "starting grid" trial being undertaken by Virgin. Members were advised that a dummy trial had been conducted with an unloaded aircraft and as this had proved successful. A live trial had also been conducted with an aircraft full of passengers. It was noted that data from these trials would be analysed before further information became available. Mr. Norman would keep the Consultative Committee informed of progress.

DATE OF NEXT MEETING

93. The Sub-Committee noted that its next meeting would take place on Thursday, 22nd March, 2007 at 10.00 a.m.

Chairman