



**Meeting of the Airports Commission
9th April 2015 - 10:00am to 13:45pm
Rm 6.02 Sanctuary Buildings**

Attendees:

Commission members:

Howard Davies - Chair
John Armitt
Ricky Burdett
Vivienne Cox
Julia King

Secretariat (agenda items):

Roy Calcutt



Expert Advisory Panel (EAP) member (agenda items 5 to 9):
Callum Thomas – Manchester Metropolitan University

1. Welcome

The Chair welcomed attendees to the meeting and declared an update to his Register of Interests. There were no other updates to Registers of Interests. The Chair notified the meeting that he would have to leave at 12:45, but he had been briefed by the Secretariat on the topics of discussion.

2. Note of Last Meeting

The note of last meeting was circulated on the previous day, and the Commissioners were invited to make any comments by email. The note is to be agreed at the next meeting (20 April).

ACTION: Commission to review the note of last meeting (30 March) and send comments to Secretariat by 20 April.

3. Round up of stakeholder meetings

There had been no stakeholder meetings since the last Commission Meeting (30 March).

4. Update on analysis and any current concerns

The Chair introduced the meeting agenda, setting out the Delivery and Community theme and the context of the agenda items. Based on discussions today, the Commission should take in principle decisions subject to final confirmation on the possible packages forming around the different short-listed options and how the schemes could be delivered.

The Secretariat gave an update on the work done since the close of the consultation covering headline outputs from the NATS Fast-Time Simulation work and Jacobs local roads assessment, emerging results from carbon capped economic appraisal and market participant opinions as revealed through the funding and financing interview programme.

5. Final report narrative

The Secretariat gave an overview on where the meeting's discussions around delivery and community sit in the Final Report structure.

The Secretariat invited any early comments from the Commission on the first draft of the Final Report narrative. The Commission emphasised that the report's descriptions of the schemes should be balanced and the individual parts forming the report should be objective. These should lead into a decision based on the evidence presented. More emphasis was needed on the growth of the low cost sector, and on the implications of private ownership of airports in the UK compared to international comparators. The deadline for final comments from the Commission was confirmed as 17 April.

ACTION: Commissioners to e-mail the Secretariat their final comments on the first draft of the Final Report narrative by Friday 17 April.

The Secretariat gave a short introduction on previous work done on delivery and community issues, including terminology and background. It was noted that Heathrow Hub Ltd (HHL) had not submitted a detailed compensation package for their scheme, and the Secretariat's working assumption was that, should this scheme be recommended by the Commission, Heathrow Airport Ltd (HAL) would deliver the scheme and apply something similar to its published compensation proposal but that this was not a certainty.

6. Compensation

The Secretariat gave a presentation on key points raised in consultation and wider issues around compensation. The issues discussed concentrated on the compensation packages as proposed by the scheme promoters, current compensation expenditure at international airports and sources of money to realise the proposed compensation packages. A proposal for a noise levy was discussed as

a possible means to raise money, and the Commission asked the Secretariat to take forward further work on this issue as a priority.

Callum Thomas, a member of the Expert Advisory Panel (EAP) joined the discussion on the importance of the airports building trust with the communities that surround the site, and how the airport operator should engage genuinely with the communities, identifying issues the airport can help the communities with.

In conclusion, the Commission agreed in principle and subject to final confirmation that the Final Report should highlight:

- the need for a world class level compensation package as a demonstration of the airport's commitment;
- the importance of insulation for schools particularly;
- the role of local communities in determining the exact details of compensation packages and the need for the airport to move quickly in establishing blight schemes for those most affected.

The Commission agreed that the Secretariat should do further work on sources of funding for compensation for local communities, focusing in particular on how a new noise levy might be structured in the event of expansion at Heathrow. The Commission agreed that a noise levy would be unlikely to be the most proportionate and effective means of achieving the desired objective in the event of Gatwick expansion and that other means should be explored. The Secretariat should also consider the use of APD and business rates.

7. Night flights

The Secretariat gave an overview of night flights, including definitions and the current schedule at both Heathrow and Gatwick. The Commission discussed the potential negative and positive effects that a night flight ban during the core night period or the wider 8-hour period could bring, and any possible reactions. Consultation responses highlighted significant support for a ban or greater restriction on night flights. It was also made clear that the aviation industry, freight users, and particularly incumbent airlines would strongly oppose such measures.

In conclusion the Commission agreed in principle and subject to final confirmation that the Final Report should:

- Recommend that in the event of expansion at Heathrow, core night flights (11.30pm to 6am) should be banned; OR
- Recommend that in the event of expansion at Gatwick night flights should be kept under review as the airport's business model develops with the potential for greater restriction in time;
- Highlight the importance of night flights within the current capacity constrained system and recommend their continuation if there is no expansion; and
- Recommend no restriction between 6am and 7am but discuss potential operational change during this time that could have noise benefits e.g. displaced landing thresholds.

8. Community Engagement

The Secretariat gave a presentation of a dedicated community engagement group that could be formed at the recommended airport as part of improved engagement with the

surrounding communities. The presentation included a case study into a similar group at Frankfurt, its roles and responsibilities and how this could be implemented in the UK. It was discussed how the new engagement group would interline with the existing bodies, such as Airport Consultative Committees and possible future bodies, such as an Independent Aviation Noise Authority (IANA). It was agreed in principle and subject to final approval that the Commission should recommend the creation of a dedicated engagement group at the recommended airport. The Final Report should focus on the purpose of the group and not make detailed recommendations on its exact responsibilities and membership. It was agreed that the group should be established soon.

Howard Davies left the meeting at this point

9. Independent Aviation Noise Authority

The Commission recommended the formation of an Independent Aviation Noise Authority in its Interim Report, but the Government has not responded in detail to the recommendation. The Final Report is an opportunity to strongly re-emphasise the need to establish the body. The Secretariat presented possible models for such an authority, including what powers it could have and how it would work together with other statutory and regulatory bodies. The Commission discussed the need to ensure the noise authority had real presence and power to carry out its duties. The Commission agreed that the Secretariat should do further work on how an engagement forum and independent noise authority could fit together in the light of its steers.

10. Legal reassurance

The Commission had a discussion on whether the Final Report should provide legal reassurance regarding a range of issues including future developments at the chosen site. It was noted that any reassurances would necessarily be dependent on the Government of the day's policies but could still have some benefit. Recommendations regarding future developments should be underpinned by a clear rationale across a number of factors. The Commission agreed that in the event of recommending a third runway at Heathrow, there would be a rationale for seeking to rule out a subsequent fourth.

11. Delivery Road Map

The Secretariat gave a short presentation of a draft delivery road map, setting out the steps required to deliver a new runway in the 2020s. The following discussion emphasised the importance of the Government taking quick actions and bringing in the right skills quickly to set up the governance structures required. There was subsequent discussion on the possible ways of securing consent for the recommendation in Parliament, including the pros and cons of each route. It was agreed that the Secretariat would develop a narrative for final report based on the pros and cons of each approach. The Commission would determine whether it would be beneficial for it to adopt a firm recommendation in favour of either option through its subsequent work.