

LONDON CITY AIRPORT

2015 SECTION 106 ANNUAL PERFORMANCE REPORT

APPENDIX 1 LBN CORRESPONDENCE

28 July 2016

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Ask for: Dave Whittaker
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28th July 2016

Dear Tim

Town and Country Planning Act 1990 (as amended)

London City Airport:

Planning Permission 07/0510/VAR (under Section 73 of the Town and Country Planning Act 1990) to vary conditions 13 and 15 of the outline planning permission N/82/104 dated 23rd May 1985 (as previously varied), to allow up to 120,000 total aircraft movements per annum (number of total movements in 2006 was 79,616) with related modifications to the daily and other limits including noise-factored movements. Dated 9th July 2009.

London City Airport 2015 Annual Performance Report

1.0 Introduction

- 1.1 In terms of the main purpose of the Annual Performance Report (APR), the Council can confirm that the vast majority of planning controls - conditions and the S106 Agreement - that were due to be monitored in 2015 have been complied with by the Airport. Further details can be found below.

1.2 Please note:

- 1) The term 'The Airport' is used throughout to refer to London City Airport Limited.
- 2) I have tried to avoid repetition of information that has been included in the APR, but in some cases I have found this to be helpful.

1.3 I note that the S106 Agreement defines the Annual Performance Report as:

'An annual report to be submitted to the Council by 1 July in each calendar year which shall (to the extent required by the obligations in this Deed) report on the performance of and compliance with the terms of this Deed in the preceding calendar year and shall include all the annual reporting requirements contained in this Deed or as agreed with the Council from time to time.'

2.0 Purpose of This Letter

2.1 It has been customary for the Council to comment formally on the APR by letter, to be included as an Appendix. This is not a requirement of the S106 Agreement, but both the Airport and the Council have found that it is a useful exercise in assisting monitoring and compliance.

2.2 I note that the Council has had the opportunity to make comment on factual issues on informal drafts of the APR prior to formal submission by the Airport.

3.0 Structure of This Letter

3.1 The remainder of this letter comprises four main parts:

Section 4.0 - Compliance With Planning Controls - Airport

Section 5.0 - Compliance - Council

Section 6.0 - Discharge of S106 Agreement Obligations

Section 7.0 - Other Comments on the APR

4.0 Compliance With Planning Controls - Airport

4.1 Although the S106 Agreement only requires the London City Airport Companies to report on compliance with that document, the S106 Agreement is complemented as a means of control by a number of planning conditions, which the Council also monitors. The Council notes, however, that for the avoidance of doubt, this letter therefore comprises an assessment of both, although recognises that some matters are covered by both condition and Agreement.

4.2 Although the period covered by the APR is 2015, the Council recognises that in the interests of continuity the Airport has covered progress on various issues into 2016; this letter does the same.

Overall Compliance

4.3 As mentioned above, the Council confirms that the vast majority of planning controls - conditions and the S106 Agreement - that were due to be monitored in 2015 have been complied with. The number of breaches recorded by the Council is relatively small – these are summarised below.

Breaches of Planning Control

4.4 In each case, the breach has been judged as a minor one, and for each, agreement has been reached with the Council regarding actions required to achieve compliance. In summary:

1) Breaches recorded prior to 2015: compliance in progress, but not yet complete:

- a) AVRO RJ100 aircraft – noise levels in excess of Category A designation (Planning Condition 7; S106 Agreement: Second Schedule – Paragraph 7)

The number of aircraft operating and the number of flights have been reduced; the noise levels of the remaining aircraft have been reduced; the aircraft is to be replaced by the operator.

- b) Sound Insulation Scheme vent design – change to technical specification (S106 Agreement: Ninth Schedule – Part 5 – Paragraph 7)

This is an improvement on the original design. It was approved in principle by LBN officers but required a Deed of Variation to the S106 Agreement, which was subject to discussion between the Council and the Airport.

NB – 1a) and 1b) have been recorded as single breaches rather than recurring.

2) Breaches recorded in 2015: compliance complete in 2015:

- a) aircraft departure outside designated time slot: August. (Planning Condition 10 - S106 Agreement: Second Schedule – Paragraph 10)

- b) aircraft departure outside designated time slot: October.

(Planning Condition 10 - S106 Agreement: Second Schedule – Paragraph 10)

The Airport has put into place a number of measures to try to minimise the chances of this type of breach recurring, as detailed in the 2015 APR. I note that similar issues have occurred in previous years; however, the current measures appear to be sufficient, and at the time of writing the problem has not recurred.

- 3) Breach occurring in 2015 but not reported and recorded until 2016: compliance complete in 2016:

Dornier 328J aircraft – noise levels in excess of Category 'A' designation.
(Planning Condition 7; S106 Agreement: Second Schedule – Paragraph 7)

A means for reducing noise levels was agreed with the Airport. This has been successful and the D328J has returned to its designated category.

- 4) Breach recorded in 2016 but also affecting 2015: compliance in progress:

Noise Management Scheme (NMS): Penalties and Credits: non-inclusion of financial penalties.
(S106 Agreement: Definitions and Fourth Schedule – Part 7 – Paragraph 4)

The NMS has been operating at the Airport for a number of years, following approval by the Council. The Scheme includes a system of incentives and penalties for the airline companies that are, along with the other parts of the NMS, designed to minimise aircraft noise levels. The S106 Agreement includes a requirement to use financial penalties alongside others; as the APR explains, the Airport were not able to introduce these, and a revised and improved system of Incentives and Penalties is under discussion with the Council.

5.0 Compliance - Council

5.1 The S106 Agreement places certain obligations on the Council, including the Eighth Schedule – Council's Covenants. The Council considers that it complied with all relevant provisions in 2015. The obligations include:

5.2 Part 6 – Community Projects Contribution (CPC) - this requires the Council to report to the Airport and Consultative Committee, if requested, on the uses to which this has been put. To confirm the relevant section of the APR, the Council has allocated the £1M CPC towards:

- 1) the St. John's Green Pavilion project
- 2) Beckton Community Centre renovation project.

Both these projects are underway and are being progressed at the time of writing. Further details are available from the Council if required.

5.3 Part 7 – Airport Monitoring Officer (AMO) – paragraph a) requires that the AMO attends and reports to the Airport Consultative Committee (ACC). Under the Terms of Reference of the ACC, however, the AMO cannot speak at the meetings unless invited. In terms of attendance:

- 1) 13/1/15 – AMO in attendance
- 2) 7/4/15 – AMO not in attendance (post vacant) – no other LBN officer present
- 3) 7/7/15 – AMO in attendance
- 4) 6/10/15 – AMO not in attendance as Secretary omitted from circulation list – other LBN officer present.

6.0 Discharge of S106 Agreement Obligations

6.1 The S106 Agreement requires that the Airport seeks approval from the Council for various matters. The Council can confirm that the following were carried out:

- 1) submission by the Airport to the Council:
 - a) a permanent noise category – ‘A’ – for the Bombardier Global 6000 aircraft (through the 2014 APR).
- 2) approval by the Council of the following submissions from the Airport:
 - a) Value Compensation Scheme (submitted prior to 2015)
 - b) Noise Insulation Payment Scheme (submitted prior to 2015)
 - c) a permanent noise category – ‘A’ – for the Bombardier Global 6000 aircraft (through the 2014 APR).
- 3) discussions took place on:
 - a) the Aircraft Categorisation Review
 - b) the review of the Air Quality Action Plan.
- 4) submission of financial contributions by the Airport on 1st July 2015:
 - a) £81,075.95 – Annual Monitoring Payment
 - b) £40,537.97 – Parking Contribution

6.2 In the interests of continuity, during 2016 up to the time of writing:

- 1) the Airport submitted the following to the Council:
 - a) an amendment to the approved Biodiversity Strategy

- b) an application for a provisional noise category for the Embraer Legacy 500 aircraft.
- 2) the Council approved the following submissions from the Airport:
 - a) an amendment to the approved Biodiversity Strategy
 - b) a provisional noise category – 'A' - for the Embraer Legacy 500 aircraft.
 - c) a permanent noise category – 'A' - for the Embraer Phenom aircraft (through the 2015 APR).
- 3) discussions took place on:
 - a) the review of the Air Quality Action Plan (continuing)
 - b) the Aircraft Categorisation Review (continuing)
 - c) the Noise Monitoring and Mitigation Strategy.
- 4) Submission of financial contributions from the Airport on 1st July 2016 :
 - a) £81,157.03 – Annual Monitoring Payment
 - b) £40,578.51 – Parking Contribution

6.3 In relation to submissions for permanent categorisation, for clarity, in future there should be reference in the main body of the APR and a separate letter submitted to the Council, in order that these can be published on the Council's website alongside the applications for provisional categorisation. As agreed, you will be submitting the letters for the Global and Phenom aircraft shortly.

7.0 Other Comments on the APR

7.1 Although not compliance issues, there are a number of other comments the Council would like to make on the APR:

Education, Employment, and Training

7.2 The Council confirms that the Airport has complied with the S106 Agreement insofar as it has used 'reasonable endeavours' to meet the set targets for employment of Newham and Local residents. As explained in the APR, the Council and the Airport are working together to identify methods to significantly improve employment outcomes for Newham residents.

Action Plans and Strategies

7.3 The APR reports on progress on four Strategies and Action Plans. Of the large number of actions – 130 - under consideration, the Council agrees with the assessment of all but eight, where the evidence of progress could be improved, and where it will be working closely with the Airport to address this.

Environmental Complaints/Enquiries

7.4 For information, the Council received six complaints directly, all relating to Airport noise levels, and all of which were notified to the Airport. One of these complaints related to the operation of the AVRO RJ100 aircraft, already recorded as a breach of planning control.

I trust that this is helpful. Please let me know if you need anything more at this stage.

Finally, given yesterday's decision by the Secretaries of State, the Council very much looks forward to working with the Airport on the new monitoring arrangements.

Yours sincerely

A handwritten signature in black ink that reads "Dave Whittaker".

Dave Whittaker
Airport Monitoring Officer for
Deirdra Armsby
Director of Regeneration and Planning