

THIS Memorandum of Understanding

is made the

12th

day of

January

2008/9

B E T W E E N:

- (1) WEST SUSSEX COUNTY COUNCIL of County Hall West Street
Chichester West Sussex PO19 1RQ ("West Sussex")
- (2) CRAWLEY BROUGH COUNCIL of Town Hall The Boulevard Crawley
West Sussex RH10 1UZ ("Crawley")
- (3) SURREY COUNTY COUNCIL of County Hall Kingston upon Thames
Surrey KT1 2DY ("Surrey")
- (4) MOLE VALLEY DISTRICT COUNCIL of Pippbrook Dorking Surrey RH4
1SJ ("Mole Valley")
- (5) REIGATE & BANSTEAD BOROUGH COUNCIL of Town Hall Reigate
Surrey RH2 0SH ("Reigate and Banstead")
- (6) TANDRIDGE DISTRICT COUNCIL of Council Offices Station Road
East Oxted Surrey RH8 0BT ("Tandridge")
- (7) HORSHAM DISTRICT COUNCIL of Park House North Street Horsham
West Sussex RH12 1RL ("Horsham")
- (8) MID SUSSEX DISTRICT COUNCIL of Oaklands Oaklands Road
Haywards Heath West Sussex RH16 1SS ("Mid Sussex")

and

- (9) EAST SUSSEX COUNTY COUNCIL of Pelham House St Andrews
Lewes East Sussex BN7 1UN (East Sussex)

RECITALS:

- (a) Words and phrases used in this Memorandum are defined in Clause 1 below
- (b) Crawley is a local planning authority for the area in which the Airport is situated and the relevant authority for environmental health matters in that area
- (c) West Sussex is a local planning authority and highway authority for the area in which the Airport is situated
- (d) Surrey Mole Valley Reigate and Banstead Tandridge Horsham Mid Sussex and East Sussex include areas which are significantly affected by the activities of the Airport and Mole Valley Reigate and Banstead

Tandridge Horsham and Mid Sussex have responsibilities for environmental health matters within their administrative areas

(e) The Company has published the Gatwick Airport Interim Master Plan (in accordance with the 2003 Aviation White Paper), the Gatwick Airport Surface Access Strategy (2007) and the Gatwick Airport Limited New Commitments.

(f) Crawley has adopted Supplementary Planning Document which recognises the Company's objectives to facilitate the potential growth in the number of passengers using the Airport in accordance with the 2015 scenario in the Gatwick Airport Interim Master Plan.

(g) West Sussex and Crawley have entered into the Agreement with the Company in order to secure as covenants binding on the Company and as planning obligations binding on the Airport Land within their area environmental protection and mitigation measures in accordance with the Company's New Commitments (date/version tba).

(h) The parties to this Memorandum recognise that the approach to the growth, development and operation of the Airport comprised in (e) (f) and (g) above and wish to co-operate with each other in order to:

- (i) facilitate the growth, development, and operation of the Airport while:
 - bringing about benefits to the wider public and businesses, communities, and residents in the areas of the parties to this Memorandum;
 - preventing or minimising impacts on the environment and where practicable enhancing the environment
- (ii) ensure the interests of adjoining authorities are fully taken into account by Crawley and West Sussex when determining planning applications relating to the Airport.
- (iii) facilitate liaison and consultation with local communities
- (iv) monitor targets commitments and Obligations within the Agreement and the Company's New Commitments.
- (v) secure transport and highway improvements in accordance with the Gatwick Airport Surface Access Strategy.
- (vi) maintain and enhance appropriate liaison arrangements for development control at the Airport and for airport related activity off-Airport including enforcement
- (vii) ensure that appropriate arrangements for considering the impact of increased employment and housing demand

associated with the growth of airport activities are put in place

- (viii) ensure that there is effective liaison in considering the need for action plans addressing environmental issues and other action where the environment is materially affected by activities at the Airport

DECLARATION

For the avoidance of doubt, this Memorandum shall not fetter the discretion of any local authority in the determination of any planning application or in the exercise of any of its statutory powers and duties.

DEFINITIONS:

1. In this Memorandum the expressions shall have the same meaning as in the Agreement (defined below) the following additional expressions (arranged in alphabetical order) shall have the following meanings:

"the Agreement"

means an agreement entered/proposed to be entered into between the Company Crawley and West Sussex pursuant inter alia to section 106 of the Town and Country Planning Act 1990 a copy of which agreement is annexed at Appendix 1

"the Company"

means Gatwick Airport Limited or such other entity/ies as shall from time to time own the Airport or any part thereof

"DfT"

means the Department for Transport

"Gatwick Airport Surface Access Strategy"

means a the document published by the Company in October 2007 and as amended and replaced

"Gatwick Officers Group"

means a meeting of the nominated officer representatives of each of the parties to this agreement together with such other officers as may be invited from time to time to include planning and environmental health officers

"Gatwick Joint Local Authorities"

means a meeting of the parties to this Memorandum at which two member representatives of each authority will be invited to attend along with appropriate officer support

"Major Development"

means major development as defined in article 8(7) of the General Development Procedure Order 1995 (wording to be confirmed)

“Memorandum”

means this Memorandum of Understanding

“the other Gatwick Authorities”

means the parties to this agreement other than Crawley and West Sussex

“the Protocol”

means the protocol annexed hereto at Appendix 2 which sets out the approach to liaison and consultation to be adopted by West Sussex and Crawley arising from this Memorandum

LOCAL AUTHORITY LIAISON

2. Crawley will:

2.1 Arrange a minimum of two meetings per year of the Gatwick Joint Local Authorities or as otherwise agreed by the parties to this Memorandum

2.2 Continue officer liaison through the Gatwick Officers Group meeting at least four times per year or as otherwise agreed by the parties to this Memorandum

DEVELOPMENT CONTROL

3. Crawley will:

3.1 Ensure that applications for development at or associated with the Airport are determined in accordance with the Development Plan for the Airport with particular regard to the Supplementary Planning Document for the Airport unless material considerations indicate otherwise. The annual report on monitoring of the Company's planning obligations and commitments is regarded as a material consideration in respect of all Major Developments

3.2 Give consideration to the relevant policies and plans of the other Gatwick Authorities where cross boundary issues have been identified by the other Gatwick Authority when responding to consultation on the application.

3.3 Advertise and Consult with West Sussex and the other Gatwick Authorities on planning applications and other planning proposals relating to the Airport which have an impact beyond the Airport boundary in accordance with the Protocol

3.4 Consult the other Gatwick Authorities on all proposals to develop or revise the approved Supplementary Planning Document in accordance with the Protocol

3.5 Where expedient enforce the obligations undertaken by the Company in the Agreement where the intended objectives can only be met by this course

4. Surrey, Mole Valley, Reigate & Banstead, Tandridge, Horsham, Mid Sussex and East Sussex will assist Crawley to facilitate liaison and consultation with the local community when Crawley is requested to liaise beyond the Borough boundary on planning applications and other planning proposals and other initiatives which relate to the Airport

MONITORING

5. West Sussex and Crawley will:

5.1 Use all reasonable endeavours to ensure that the monitoring arrangements referred to in Obligation 9.1 of the Agreement are effectively implemented

5.2 Notify the other Gatwick Authorities of the proposed shortlist of Environmental Consultants for appointment to the auditing and role and give proper consideration to any other practices which may be advanced by any other authority

5.3 Notify the Environmental Consultant of the contact names and addresses of appropriate officers of other Gatwick Authorities as shall be relevant to the topics selected by the Environmental Consultant for audit

5.4 In the event that the Company proposes remedial action as referred to in Obligation 9.2.4 to work with the other Gatwick Authorities through the Gatwick Officers Group to assess the appropriateness of the same in securing the intended objectives (where the objectives continue to be relevant) and to communicate the outcome to the Company for consideration by it along with the Environmental Consultant's comments

6. Surrey, Mole Valley, Reigate & Banstead, Tandridge, Horsham Mid Sussex and East Sussex will (without prejudice to the detailed undertakings elsewhere in this Memorandum) participate in monitoring in accordance with the monitoring and reporting arrangements contained or referred to in Schedule 9 of the Agreement and in this Memorandum.

SURFACE ACCESS

7. West Sussex and Crawley will ensure that applications for development of highways and transport infrastructure at or associated with the Airport are determined in accordance with the Development Plan including the approved Supplementary Planning Document and with the surface access obligations in the Agreement unless material considerations indicate otherwise

8. West Sussex will:

8.1 Use all reasonable endeavours to ensure that traffic counts and travel surveys are undertaken as required to support the Gatwick Airport Surface Access Strategy initiatives in the Local Transport Plan for West Sussex and will make available to Surrey and the Gatwick Area Transport Forum the results of such surveys

8.2 Explore opportunities to extend Fastway to adjoining areas in consultation with other Gatwick Authorities the Gatwick Area Transport Forum and the Company

8.3 Not approve the use of Povey Cross access to the Airport by any proposed new public service bus service pursuant to Obligation 5.5 and Appendix 2 (iii) to the Agreement without prior consultation with Surrey

8.4 Ensure that Surrey County Council is a participating party to the discussions to be undertaken within the Highways Strategy Task Group between GAL the Highways Agency and WSCC with the objective that by the 31st December 2009 agreement will have been reached on the improvements required to the highway access to the Airport associated with its operation and growth, and have access to any relevant data and information that might be contributed by any member of the Highways Strategy Task Group to enable the work of that group.

9. Surrey will:

9.1 Support the implementation of the Gatwick Airport Surface Access Strategy

9.2 Explore opportunities to extend Fastway to adjoining areas in consultation with other Gatwick Authorities the Gatwick Area Transport Forum and the Company

9.3 Seek appropriate developer contributions towards the implementation or extension of Fastway in Surrey

9.4 Use all reasonable endeavours to ensure that the results of traffic counts and travel surveys required to support the initiatives in the Local Transport Plan for Surrey are made available to West Sussex Crawley and the Gatwick Area Transport Forum

10. Crawley West Sussex and appropriate other Gatwick Authorities will:

10.1 press DfT to introduce noise amelioration measures along M23 at the earliest opportunity to mitigate the impact upon residents in Surrey and West Sussex of noise from road traffic.

10.2 work together in liaison with the Company to address issues related to unauthorised car parking in residential areas where this is associated with activities at the Airport

AIR QUALITY

11. Crawley and West Sussex will:

11.1 Work with Reigate & Banstead Tandridge and Mole Valley as required in liaison with the Company in respect of Air Quality Action Plan(s) to be produced by the Company under Obligation 8.1

11.2 Make available to the other Gatwick Authorities the results of monitoring of air quality received from the Company.

12. Reigate & Banstead Tandridge and Mole Valley (as appropriate) in accordance with the arrangements set out in the action plan(s) referred to in 11.1 above will:

12.1 Monitor air quality

12.2 Report the results of the monitoring to Crawley and the Company

13 Reigate & Banstead will:

13.1 Act as the lead authority on matters relating to Air Quality within the vicinity of the Airport and champion the interests of the parties hereto and their residents in respect of Air Quality.

13.2 In exercising their role as defined above Reigate & Banstead will:

13.2.1 monitor air quality around the Airport as part of a comprehensive approach, subject to adequate funding;

13.2.2 provide technical information and advice to the Gatwick Joint Local Authorities and on their behalf to other organisations in the field of air quality; and

13.2.3 discuss detailed matters relating to air quality with the Company and report back to the Gatwick Joint Local Authorities.

FLOODING

14 Reigate & Banstead will:

14.1 Act as the lead authority on all matters relating to Flooding within the vicinity of the Airport and champion the interests of the parties hereto and their residents in respect of Flooding.

14.2 In exercising their role as defined above Reigate & Banstead will:

14.2.1 provide technical information and advice to the Gatwick Joint Local Authorities and on their behalf to other organisations in the field of Flooding; and

14.2.2 discuss detailed matters relating to Flooding with the Company and report back to the Gatwick Joint Local Authorities.

NOISE

15. Crawley and West Sussex will liaise and consult with the other Gatwick Authorities on progress towards the implementation by the Company in agreeing and implementing the mitigation measures agreed in accordance with obligation 4.4 to mitigate the nuisance caused by engine testing

16. Crawley West Sussex and the other Gatwick Authorities will co-ordinate their efforts in liaison with the Company to put pressure on the DfT to introduce at the earliest date measures to improve the noise climate for residents in areas affected by the activities of the airport and to improve detection rates for the monitoring of noise levels on departure

CLIMATE CHANGE

17. Crawley and West Sussex will liaise and consult with the other Gatwick Authorities on:

17.1 the report on Climate Change to be published by the Company pursuant to Schedule 2 to the Agreement

17.2 landscaping and light pollution issues in relation to the general appearance and visual impact of the Airport

17.3 the development by the Company of bio-diversity enhancement and management plans

COMMUNITY TRUST:

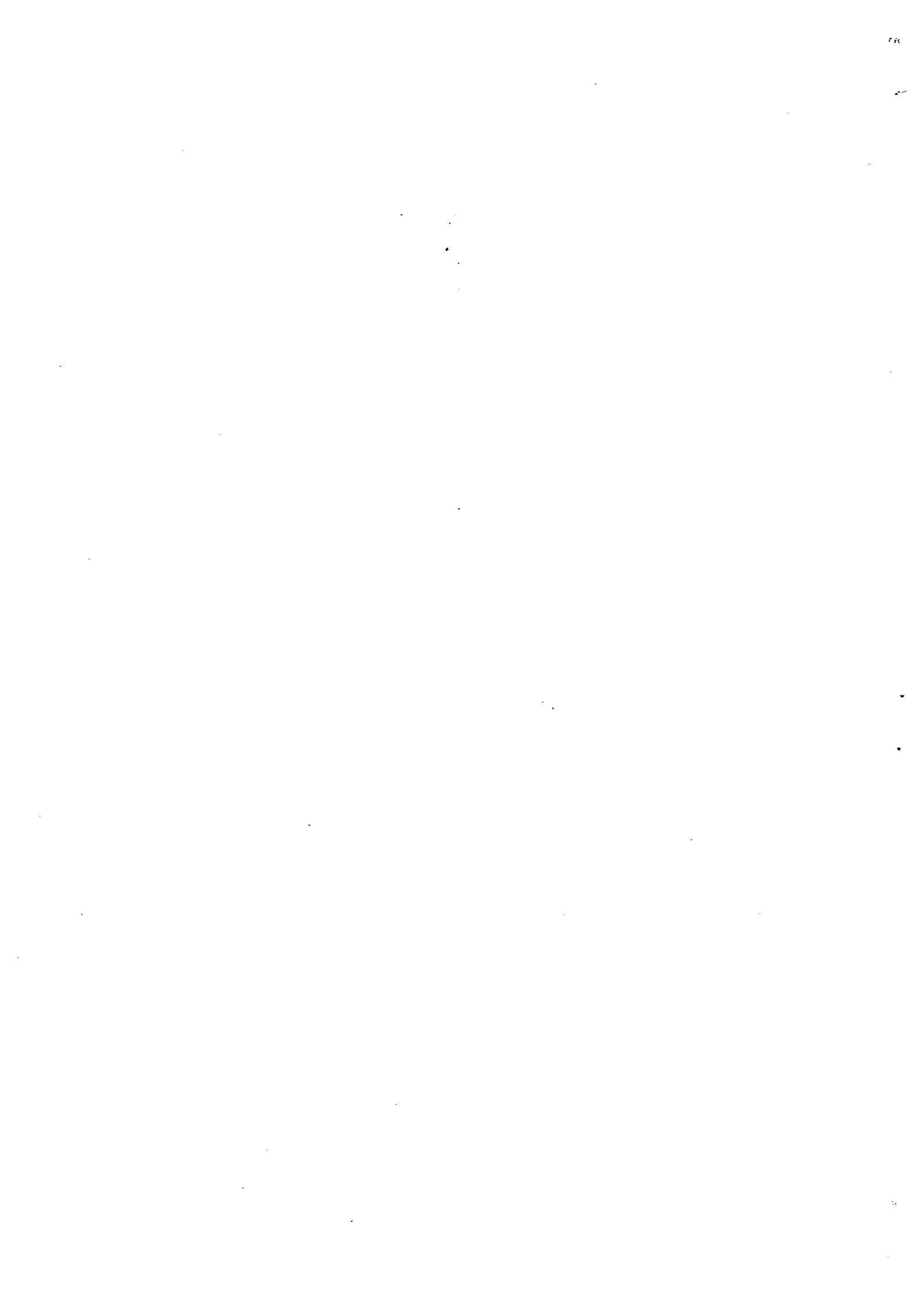
18. Surrey and West Sussex will within (six) weeks of being requested to do so put forward nominees for appointment as trustees in accordance with appointment provisions of the Community Trust having first consulted with the other Gatwick Authorities within their administrative areas and with East Sussex.

19 Surrey will liaise with Mole Valley Reigate and Banstead and Tandridge on proposed nominees for the appointment as trustees of the Community Trust in accordance with the appointment provisions in order to co-ordinate agreement and notify nominations within six weeks of being requested to do so

20 West Sussex will liaise with Crawley Horsham Mid Sussex and East Sussex on proposed nominees for appointment as trustees of the Community Trust in accordance with the appointment provisions in order to co-ordinate agreement and notify nominations within six weeks of being requested to do so

HEADINGS

21 The headings in this Memorandum are for convenience only and shall not be taken into account in the construction and/or interpretation of this Memorandum



SIGNED BY

A Rowland

for WEST SUSSEX COUNTY COUNCIL

252/213/4/5/6/7/8/9/08

SIGNED BY

K.P. COO

for CRAWLEY BOROUGH COUNCIL

SIGNED BY

David Muro

for SURREY COUNTY COUNCIL

SIGNED BY

JA Pearson

for MOLE VALLEY DISTRICT COUNCIL

SIGNED BY

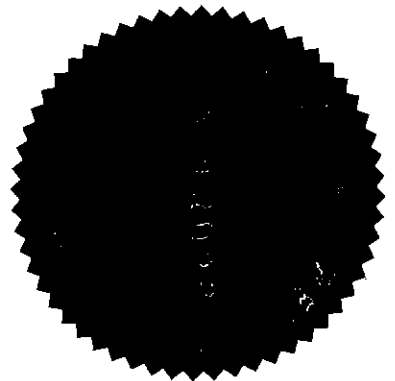
Nigel Clifford

for REIGATE AND BANSTEAD BOROUGH COUNCIL

SIGNED BY

for Evans

for TANDRIDGE DISTRICT COUNCIL



134/08

SIGNED BY



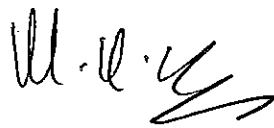
for HORSHAM DISTRICT COUNCIL

SIGNED BY



for MID SUSSEX DISTRICT COUNCIL

SIGNED BY



for EAST SUSSEX COUNTY COUNCIL

Appendix 1

"The Agreement"

Version: FINAL

Date: 13.11.08

THIS AGREEMENT is made the day of 2008

BETWEEN:

- (1) **GATWICK AIRPORT LIMITED** whose registered office is at 130 Wilton Road London SW1V 1LQ ("the Company");
- (2) **WEST SUSSEX COUNTY COUNCIL** of County Hall West Street Chichester West Sussex po19 1RQ ("the County Council"); and
- (3) **CRAWLEY BOROUGH COUNCIL** of Town Hall The Boulevard Crawley West Sussex RH10 1UZ ("the Borough Council")

RECITALS:

- A. The Company operates the Airport and is the freehold owner of the Land;
- B. The County Council is: the Highway Authority within the meaning of Section 1(2) of the Highways Act 1980 for the area in which the Land is situated; a Local Planning Authority within the meaning of Section 1 of the Act; a local authority for the purposes of Section 111 of the Local Government Act 1972; and a local authority for the purposes of Section 2 of the Local Government Act 2000
- C. The Borough Council: is the Local Planning Authority for the area in which the Land is situated; is a Local Planning Authority within the meaning of Section 1 of the Act; is a local authority for the purposes of Section 111 of the Local Government Act 1972; is a local authority for the purposes of Section 2 of the Local Government Act 2000; and has planning and other policies which relate to the Land and its use as an airport;
- D. On the 13th August 1979 the British Airports Authority and the County Council entered into an agreement under section 52 of the Town and Country Planning Act 1971 ("the 1979 Agreement") whereunder the British Airports Authority covenanted inter alia for a period of 40 years from the said date not to construct a second operational runway at or in the vicinity of Gatwick Airport. No part of that agreement is altered limited extended or affected in any way by this Agreement;
- E. On the 5th February 2001 the parties hereto entered into an agreement pursuant inter alia to section 106 of the Act ("the 2001 Agreement") which has been subsequently amended and which the parties intend should be replaced by this Agreement;
- F. On the 5th February 2001 a Memorandum of Understanding ("the 2001 MOU") was entered into between the County Council the Borough Council and the Adjoining Authorities and it is intended that a new Memorandum of Understanding in substantially the form attached as Appendix 1 will be entered into to replace the 2001 MOU to ensure that the interests of the Adjoining Authorities continue to be taken fully into account;
- G. The Government on 16th December 2003 published the White Paper "The Future of Air Transport" which contained inter alia its conclusions in relation to the Airport;
- H. The Company on the 16th day of October 2006 published an Interim master plan which replaced the Sustainable Development Strategy and principally explained the expected character and implications of the Airport's growth as a single runway airport over the period to 2015 and forecast to serve up to 40 million passengers in that year and secondly considered two scenarios for 2030 one relating to a continuing single runway operation and the other showing the addition of a second runway;
- I. The Civil Aviation Authority (the Company's price regulator) on 11 March 2008 published its price control decision in respect of the Airport for the five year period commencing 1 April 2008 based inter alia on a projected capital expenditure of £874 million at 2007/08 prices
- J. In support of its Interim Master Plan and supplementing its Obligations in Schedules 2 to 9 hereto the Company will by the 31st December 2008 publish a Commitments Document that provides stakeholders with various additional assurances as to the manner in which it will manage the Airport's operation and development.
- K. The parties hereto are agreed that there are three Principal Objectives that drive the terms of this Agreement which are:

- The desire to see the Airport continue to grow within the timeframe of this Agreement to the annual throughput of 40 Million passengers forecast in the Interim Master Plan on a one runway two terminal configuration;
- The need to ensure that as the Airport grows measures are in place to minimise so far as possible its short and longer term environmental impacts;
- The importance of maintaining and enhancing the ways in which the parties to this Agreement share information and work together and with other stakeholders to bring significant benefits to the Airport and the communities it serves and affects.

1. DEFINITIONS and INTERPRETATION

1.1 In this Agreement the following expressions (arranged in alphabetical order) shall unless the context otherwise requires have the following meaning:

“Act” means the Town and Country Planning Act 1990 as amended

“Adjoining Authorities” means the following Local Authorities:

- (a) SURREY COUNTY COUNCIL of County Hall Kingston upon Thames Surrey KT1 2DY (“Surrey”);
- (b) MOLE VALLEY DISTRICT COUNCIL of Pippbrook Dorking Surrey RH4 1SJ (“Mole Valley”);
- (c) REIGATE & BANSTEAD BOROUGH COUNCIL of Town Hall Reigate Surrey RH2 0SH (“Reigate & Banstead”);
- (d) TANDRIDGE DISTRICT COUNCIL of Council Offices Station Road East Oxted Surrey RH8 0BT (“Tandridge”);
- (e) HORSHAM DISTRICT COUNCIL of Park House North Street Horsham West Sussex RH12 1RL (“Horsham”);
- (f) MID SUSSEX DISTRICT COUNCIL of Oaklands Oaklands Road Haywards Heath West Sussex RH16 1SS (“Mid Sussex”); and
- (g) EAST SUSSEX COUNTY COUNCIL of Pelham House St Andrews Lane Lewes East Sussex BN7 1UN (East Sussex)

“Action Plans” means those plans to be produced by the company pursuant to this Agreement

“Air Noise” means noise attributable to aircraft in flight to and from the Airport including that occurring on the runway during their landing and take off

“Aircraft Stand” means an area on Airport provided for the stationing of aircraft for the embarkation and disembarkation of passengers the loading and unloading of cargo and for parking which for the avoidance of doubt (i) does not preclude the simultaneous use of a large (“MARS”) Aircraft Stand by two aircraft of smaller size than the large aircraft types for which the Aircraft Stand is principally configured and (ii) does not include apron areas leased to airlines or located within maintenance zones

“Airport” means that land defined in Schedule 1 hereto

“Airport Surface Access Strategy” means a document produced in June 2007 consistent with the Transport Act 2000 and DfT guidance on airport transport forums and airport surface access strategies that sets out challenging short and long term surface access targets a strategy for achieving those targets and includes a monitoring system and processes to enable the strategy to be reviewed

“Auxiliary Power Unit” means an auxiliary engine on an aircraft used to provide electrical energy to the aircraft whilst the aircraft is on stand (used for air-conditioning the aircraft while on stand for supplying electrical power and other aircraft services and for engine start-up)

“BAA Limited” means the Company’s owner

“Borough Council’s Obligations” means those Obligations named as such in Schedule 10

“Bus Operator” means an individual or undertaking providing stage express or contract road passenger carriage services as defined in the Public Passenger Vehicles Act 1981 and the Transport Act 1985

“Commitments” means those additional assurances, supplementing its Obligations in Schedules 2-9 inclusive hereto, that the Company will give in the Commitments Document

“Commitments Document” means the document to be published by the Company in accordance with the time frame referred to in Recital J

“Community Trust” means the Trust to be supported in accordance with Schedule 7 hereto

"Company's Car Parking Strategy" means the car parking strategy to be published by the Company by the 31st December 2008 following consultation with the Councils

"Company's Objective/s" means those Objectives named as such in Part 1 of Schedules 2 – 9 inclusive which set the context for the Company's Obligations which appear in part 2 of the Schedules

"Company's Obligation/s" means those Obligations named as such in Part 2 of Schedules 2 – 9 inclusive

"Councils" means the County Council and the Borough Council acting together

"County Council's Obligations" means those Obligations named as such in Schedule 11

"Development" shall have the meaning ascribed to it in Section 55 of the Act

"Development Plan" shall have the meaning ascribed to it by section 38 of the Planning and Compulsory Purchase Act 2004

"Engine Testing" means the testing of an aircraft engine at any power above ground idle

"Environmental Consultant" means an independent environmental consultant or consultants appointed jointly by the Company the County Council and the Borough Council

"Fastway" means a branded dedicated bus service currently operating in the Crawley/Gatwick/Horley area including segregation from other road traffic with sections of bus priority and guided trackway

"Fixed Electrical Ground Power" means a system by which electrical power is provided to an aircraft whilst the aircraft is on stand to be distinguished from Auxiliary Power Units and Ground Power Units

"Fixed Noise Monitoring Locations" means those locations defined in the Civil Aviation Authority Document UK AIP (1 Jan 98) AD 2-EGKK-1-13. The OS co-ordinates being TQ2227 3923; TQ 2166 3878; TQ 2170 3939; TQ 3180 4140; TQ 3176 4177

"Flight Operations Performance Committee" means the Committee established by the Company with Gatwick airlines NATS and the Department of Transport to ensure the development of best practice in flight operations by all airlines using the Airport in order to minimise the effect on the local community and maximise capacity opportunities whilst ensuring that safety continues to be given the highest priority at all times

"Gatwick Area Transport Forum" means a forum of airport and local interests set up under the Transport Act 2000 and Government guidelines to draw up targets for decreasing the proportion of private car journeys to the airport to devise a strategy to achieve the targets and to oversee its implementation

"Gatwick Diamond" means the economic sub-region around the Airport

"Ground Noise" means noise generated by operations at the Airport (other than by aircraft in flight taking off or landing but including Ground Noise Caused by Aircraft Operations)

"Ground Power Unit" means mobile equipment used to provide electrical power to aircraft on stand

"Highway Authority" means a highway authority as defined in section 1 of the Highways Act 1980

"Interim Master Plan" means the airport master plan adopted by the Company in October 2006 with the objective of guiding the future commercial development of the Airport for the period to 31st December 2015 and to meet the requirements of the Aviation White Paper published in December 2003.

"Land" means that land described in Schedule 1 hereto

"Local Authority" means a Local Authority as defined in section 1 of the Act and section 1 of the Local Government Act 2000

"NATS" means National Air Traffic Services Limited

"Network Rail" means the company currently owning the railway station serving the Airport

"Noise Supplements" means supplements to the charges normally paid by aircraft operators for the landing taking-off and parking of aircraft to which operators may be subject in respect of aircraft departures which infringe noise thresholds measured by the noise monitoring system

"Obligations" those various matters described as such in Part 2 to Schedules 2 -9 inclusive hereto and in Schedules 10 and 11 hereto

"Off-Airport parking" means parking provided primarily for airport users other than on the Airport

"Plan 1" means the plan attached hereto and referred to in Schedule 1

"Povey Cross" means the point at which road access to the Airport is gained from Povey Cross Bridge

"Sites RG1, RG2 and RG3" are the identities given to three permanent air quality monitoring sites, the first two in the Horley Gardens Estate and the third to the south of the Airport

"South East Regional Planning Authority" means the body as shall from time to time be responsible for the preparation of the South East Spatial Plan

"South Terminal" means the terminal designated as such by the Company at the Airport

"Staff" means persons whose employment is based at the Airport

"Staff Car Park Pass Holder" means a person authorised to use one or more of the staff car parks at the Airport for their personal use when required to be at the Airport on duty at or from the Airport and at no other time

"Supplementary Planning Document" means the Supplementary Planning Document entitled Development of Gatwick Airport to 2015 prepared in accordance with Planning Policy Statement 12 and adopted by the Borough Council on or before the date hereof

reference to any Act includes a reference to any Act for the time being in force amending or replacing the same; and

reference to the Company shall include reference to its successors in title and reference to the County Council and the Borough Council shall include their respective successors to their statutory duties and powers

1.2 If any of the definitions of the words and phrases in Clause 1.1 above is rendered obsolete prior to the determination of this Agreement replacement definitions may be substituted by agreement between the parties evidenced in writing and signed by the Company the County Council and the Borough Council and in that event a copy thereof shall be placed with the Agreement and shall be recorded by the Borough Council in the Land Charges register

1.3 References herein to the singular include the plural and vice versa

1.4 The headings in this Agreement are for convenience only and shall not be taken into account in the construction and/or the interpretation of this Agreement

2. DECLARATION

2.1 For the avoidance of doubt nothing contained in this Agreement shall remove or limit any legal requirement for the Company to obtain planning permission or any other necessary consents or approvals for any development proposed on the Land or in connection with the Airport AND nor shall it fetter the exercise by any Local Authority of its discretion in relation to any matter relating to the Land or the Airport.

2.2 The parties hereto hereby agree and declare that with effect from the completion of this Agreement the 2001 Agreement as amended shall determine and shall cease to have any force and effect SAVE as to any antecedent breach thereof.

3. OPERATIVE PROVISIONS

3.1 This Deed is made pursuant to section 106 of the Act section 111 of the Local Government Act 1972 and section 2 of the Local Government Act 2000 and any obligations contained herein falling within the provisions of section 106 of the Act are planning obligations for the purposes of that section

3.2 This Agreement is enforceable by both the Borough Council and the County Council as local planning authorities for the area in which the Land is situated

3.3 The Company shall not be liable for breach of any Obligation provision requirement condition or other burden (hereinafter collectively referred to as 'the Obligations') contained in this Agreement after it shall have parted with any interest in the Land or the part in respect of which such breach occurs but without prejudice to liability for any subsisting breach prior to parting with such interest

3.4 Recognising the enforceability of the Obligations (or any of them) against a person deriving title from the Company the Company shall prior to the sale of the Company the Airport or any part thereof ensure that the purchaser of such interest is notified in writing of the existence and content of this Agreement and the 1979 Agreement

3.5 Obligations contained in this Agreement shall be discharged on and no party to this Agreement shall be bound by any Obligation contained herein after:

- (i) 31st December 2015; or
- (ii) if earlier the expiry of three months from the date on which the Company serves written notice on the Borough Council and the County Council (or if the Borough Council and the County Council are served such notice on different dates the expiry of three months from the later of the two dates) stating that in the Company's opinion the Borough Council and/or (as appropriate) the County Council and /or the South East Regional Planning Authority (as appropriate) have/has adopted any

policy (or policies) in a Development Plan or in further Supplementary Planning Documents which affects (or affect) either directly or indirectly the potential for the number of passengers using the Airport to grow to 40 Million per year by 2015 (based on a single runway) and which is (or are) materially different in form and/or effect to those contained in the Supplementary Planning Document and that any such policy (or policies) has (or have) not been adopted to accord with the requirements of Government regulations and/or Policy and/or EU Directives; Save that that the parties to this Agreement shall not be discharged by reason of the operation of this sub-clause if before the expiry of the above three month period the Borough Council and/or the County Council shall serve a written counter-notice on the Company stating that in its opinion no such policy (or policies) has (or have) been adopted or that any such policy (or policies) as has (or have) been adopted accord with Government regulations and/or Policy and/or EU Directives whereupon the matter may be referred to arbitration in accordance with the provisions of clause 5.2 5.3 5.4 and 5.5

3.6 When annual passenger traffic at the airport reaches 38 million or in any event not later than the 31st day of December 2013 the parties hereto shall in good faith commence a process of negotiation with the aim of extending the life of this Agreement beyond the 31st December 2015 save that the provisions of this deed shall be subject to prior review:

- if the Interim Master Plan relating to the single runway airport is materially altered;
- if the regulatory regime controlling the operations at the Airport (in particular the method of calculation and the level of charges) is changed or varied so as to render the Company's Obligations incapable of performance or only at an unreasonable cost or commercial risk; or
- in the event of the sale of BAA Limited's interest in the Airport, at the request of the successor(s) in title.

3.7 This Agreement is a land charge and shall be registered by the Borough Council as such

4. COVENANTS

4.1 The Company hereby covenants to comply with the Company's Obligations set out in Part 2 to Schedules 2 3 4 5 6 7 8 and 9 hereto

4.2 The Borough Council hereby covenants to comply with the Borough Council's Obligations set out in Schedule 10 hereto

4.3 The County Council hereby covenants to comply with the County Council's Obligations set out in Schedule 11 hereto

5. RESOLUTION OF DISPUTES

5.1 In the event of any dispute between the parties to this Agreement which cannot be resolved at senior management level as to any of the provisions of this Agreement any of the parties may refer such dispute to arbitration whereupon Clauses 5.3 and 5.4 shall apply

5.2 In the event that a counter-notice is served under Clause 3.5(ii) above the question of whether the Borough Council and/or (as appropriate) the County Council have/has adopted any policy (or policies) in a development plan or in further Supplementary Planning Document which affects (or affect) either directly or indirectly the potential for the number of passengers using the Airport to grow to 40 Million per year by 2015 (based on a single runway) and which is (or are) materially different in form and/or effect to those contained in the Supplementary Planning Document ('the Question') may be referred to arbitration by any of the parties to this Agreement whereupon clauses 5.3 5.4 and 5.5 below shall apply

5.3 Such dispute as is mentioned in Clause 5.1 and 5.2 above shall only be referred to some independent and fit person holding appropriate professional qualifications to be appointed (in the absence of agreement between the parties to this Agreement) by the President (or equivalent person) for the time being of the professional body chiefly relevant in England to such qualifications and such person shall act as an expert and his decision shall be final and binding on the parties to this Agreement as to the dispute and his costs shall be payable by the parties to this Agreement in such proportion as he shall determine (or failing such determination in equal shares)

5.4 In the absence of agreement between the parties to this Agreement as to the appropriate professional qualifications of the person to whom the dispute is to be referred or as to the appropriate professional body then the question of the appropriate professional qualifications or professional body shall be referred to a solicitor to be appointed by the President (or equivalent person) for the time being of the Law Society of England and Wales on the application of any of the parties to the Agreement and the decision of the solicitor as to the professional qualifications or the appropriate professional body shall be final and binding on the parties to the Agreement and his costs shall be payable by the parties to the Agreement in such proportion as he shall determine (or failing such determination in equal shares)

5.5 If in the opinion of the person to whom the Question is referred the Borough Council and/or (as appropriate) the County Council have/has adopted any policy (or policies) in a development plan or in further Supplementary Planning Guidance other than to accord with the requirements of Government Regulations and/or Policy and/or EU Directives which affects (or affect) either directly or indirectly the potential for the number of passengers using the Airport to grow to 40 Million per year by 2015 (based on a single runway) and which is (or are) materially different in form or effect to those contained in the Supplementary Planning Document no party to this Agreement shall be bound by any obligation contained herein from the date of the Arbitrator's decision and the obligations contained in this Agreement shall be discharged on that date. For the avoidance of doubt if the appointed person is not of the above opinion this Agreement shall continue in force as if a notice under paragraph 3.5(ii) above had not been served

IN WITNESS of which the parties have duly executed this Deed which is delivered on the date first before written

SCHEDULE 1

Note: New Plan required (GAL to supply)

All that land which is edged red for identification purposes only on Plan 1 annexed hereto and which for the avoidance of doubt does not include any land not in the Borough of Crawley, but does not include the freehold area not owned by the Company coloured red and crossed hatched red.

SCHEDULE 2

CLIMATE CHANGE

Part 1

The Company's Objectives:

- To reduce the Company's climate impact and help to reduce the impacts of the aviation industry as a whole.
- To manage the Company's assets and activities to mitigate the Airport's impact on the water environment

Part 2

The Company's Obligation:

Obligation 2:

The Company will:

- 2.1 by 30th June 2009 prepare and publish a report on the Airport and climate change; and
- 2.2 thereafter continue an ongoing dialogue on climate change initiatives with local authorities and other key stakeholders; and
- 2.3 update the report not less frequently than every 3 years

SCHEDULE 3

TO AIR QUALITY

Part 1

The Company's Objective:

In operating and growing the Airport to take reasonable steps to manage emissions to air from airport activities, driving compliance with prevailing air quality standards and seeking where practicable to improve on those standards

Part 2

The Company's Obligations:

Obligation 3.1


3.1.1 To provide a Fixed Electrical Ground Power supply to any new Aircraft Stand

3.1.2 Not allow the use of Ground Power Units at any Aircraft Stand unless:

- 3.1.2.1 there is no Fixed Electrical Ground Power installed at the Aircraft Stand;
- 3.1.2.2 the Fixed Electrical Ground Power which has been installed at the Aircraft Stand is temporarily out of service; or
- 3.1.2.3 the relevant aircraft is incapable of utilising Fixed Electrical Ground Power by reason of its design or a technical malfunction or the power so supplied is insufficient for the aircraft

Obligation 3.2

To undertake the Company's fire training exercises in a manner that uses a greater quantity of liquid petroleum gas than kerosene and use reasonable endeavours to undertake as few fire training exercises using kerosene as possible



BAA

 British Airports Authority

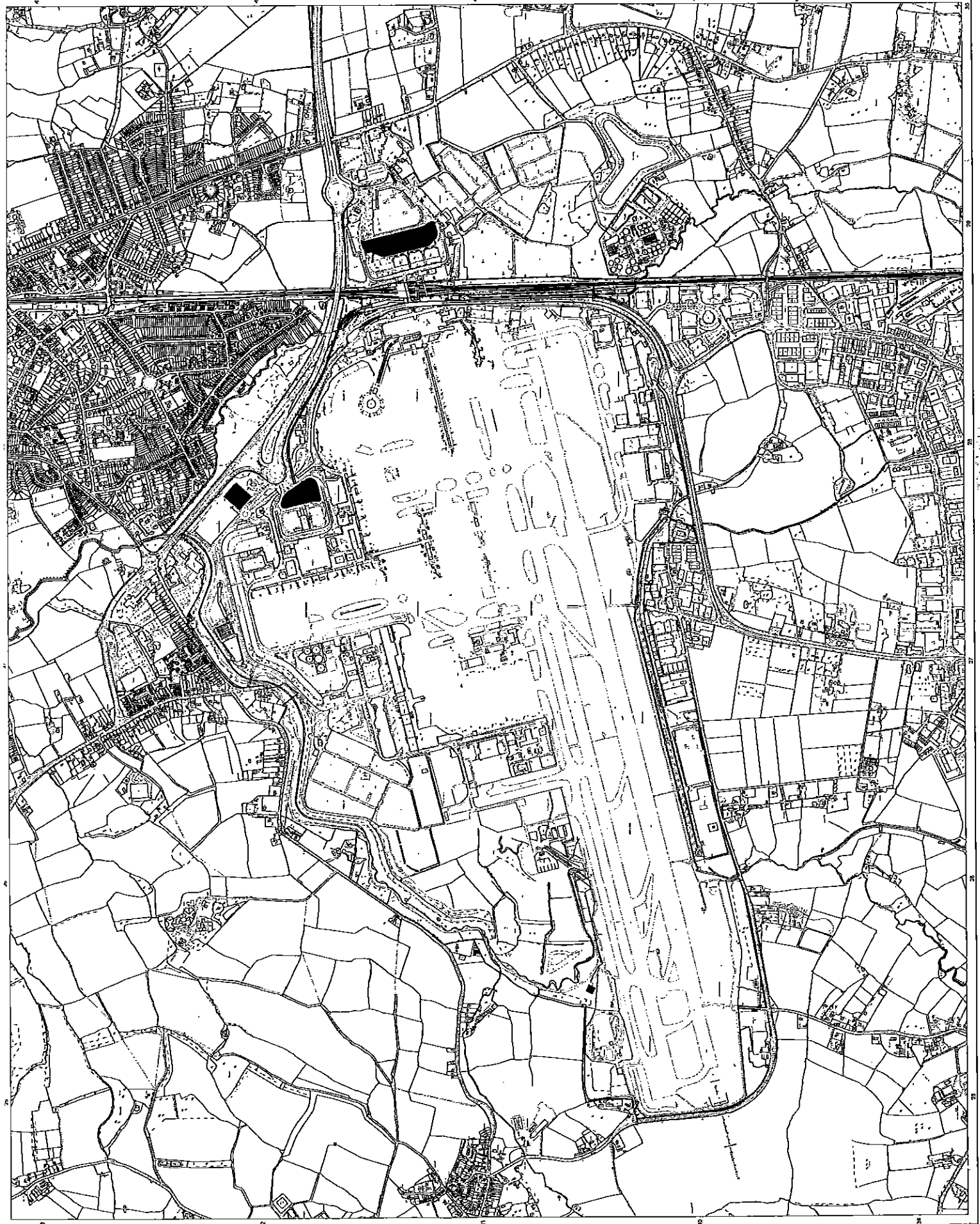
Airport boundary

 Land not owned by the Company

Scale	1:50,000
Projection	WGS 84 UTM
Map Datum	WGS 84
Map Scale	1:50,000
Map Date	2000
Map Revision	1.0



Sheet No.	10
Scale	1:50,000
Projection	WGS 84 UTM
Map Datum	WGS 84
Map Scale	1:50,000
Map Date	2000
Map Revision	1.0



Obligation 3.3

To participate actively with the County Council, Borough Council and Adjoining Authorities:

- 3.3.1 to avoid breaching the EU Limit value for NO₂;
- 3.3.2 to ensure that all other relevant air quality standards continue to be met; and
- 3.3.3 to develop and implement any Local Air Quality Management Area action plan that may be required to address air quality in the vicinity of the Airport where that air quality is materially affected by airport derived emissions including those from airport operations fixed plant and surface access

Obligation 3.4

The Company will during the period of this Agreement provide Reigate and Banstead with the following financial support for their activities relating to air quality in the vicinity of the Airport:

- 3.4.1. a payment of Sixty five thousand pounds (£65,000) on or before 30th April in each calendar year 2009 to 2015 inclusive
- 3.4.2. purchasing in accordance with a specification and programme set by Reigate and Banstead and thereafter leasing to Reigate and Banstead at nominal cost such equipment as is needed to be replaced in order to maintain the current programme of air quality monitoring on three permanent sites, the cost and periodic replacement of the existing equipment being anticipated as:
 - £46,000 in 2010 for site RG1
 - £21,000 in 2010 for site RG2
 - £40,000 in 2015 for site RG3
- 3.4.3 the Company will also arrange twice-yearly meetings the first to be held in January 2009 with Reigate and Banstead to discuss progress with air quality monitoring the results thereof and any further initiatives that may be deemed appropriate as well as the Company's progress with implementing its Air Quality Action Plan

Obligation 3.5

The Company will undertake a programme of studies of NO_x/NO₂, PM₁₀ and PM_{2.5}: attributable to activity at the Airport as detailed in the Air Quality Action Plan

SCHEDULE 4

NOISE

Part 1

The Company's Objective:

To employ all reasonably practicable means of minimising the aircraft noise impacts associated with maximum use of Gatwick Airport's runway capacity, within the framework established by Government

Part 2

The Company's Obligations:

Obligation 4.1

With the aim of providing a continuing incentive to airline operators to reduce the noise impact of departing aircraft at the Fixed Noise Monitoring Locations and subject to any requirements imposed by the Company's appropriate regulator to give due consideration when preparing and reviewing the Noise Action Plan to the retention and possible increase of the Noise Supplements payable by such operators on account of infringement by their aircraft of noise thresholds on departure

Obligation 4.2

Maintain differentials in the charges on aircraft movements at the Airport, subject to any requirements of the Company's appropriate regulator so as to encourage airlines to use quieter and cleaner aircraft types.

Obligation 4.3

With the aim of managing the impact of air noise and restricting so far as is reasonably practicable the extent of the air noise contours associated with full use of the Airport's runway to engage with airlines NATS and other relevant parties through the Flight Operations Performance Committee and or by other appropriate means and use all reasonable endeavours to secure the benefits to be derived from existing or future regulations procedures and codes of practice applicable to aircraft in flight.

Obligation 4.4

With the aim of mitigating the possible impact of future growth in aircraft engine testing at the Airport:

4.4.1 If the annual number of ground run engine tests occurring within any rolling 6 month period reaches 250 and remains at or in excess of that number for six successive months or if such a situation is forecast in consequence of confirmed airline plans to undertake additional aircraft maintenance at the Airport the Company shall within the following nine months undertake and conclude a process of discussion and consultation with the Councils with the objective of:

4.4.1.1 assessing the impact of such testing on local communities;

4.4.1.2 evaluating the feasibility and benefits of alternative means of managing or mitigating any material impact including:

- increased restrictions on the times of day when tests would be permitted;
- changes to the locations favoured for engine tests;
- the construction and operation of a ground run pen; and

4.4.1.3 identifying the preferred means of managing or mitigating any material impact

4.4.2 The Company will subsequently and if reasonably practicable within six months in accordance with a programme to be agreed with the Councils introduce such measures as may be agreed with the Councils as appropriate to manage or mitigate the impact of ground noise arising from engine testing saving that:

4.4.3 In the event of the construction of a ground run pen being the agreed means of mitigation the Company will within six months of agreeing the mitigation programme with the Councils seek and following permission implement the planning permission for a ground run pen as soon as is reasonably practicable and thereafter maintain it in use

SCHEDULE 5

SURFACE ACCESS TO THE AIRPORT

Part 1

The Company's Objective:

To ensure that the Airport's passengers and employees have access to a range of travel options that meet their particular needs and in so doing to:

- Reduce the rate of growth of trips by private car and taxi to and from the airport by encouraging greater use of public transport;
- Ease congestion by better traffic management and implementing strategic road improvements; and
- Manage on-site traffic emissions

Part 2

The Company's Obligations:

Obligation 5.1

Hold an annual meeting of the Gatwick Area Transport Forum and meetings of the Transport Forum Steering Group at quarterly intervals unless agreed otherwise.

Obligation 5.2

To maintain an Airport Surface Access Strategy and:

- 5.2.1 By 31st December 2008 to publish the Supplemental Report on Commitments referred to in the Airport Surface Access Strategy; and
- 5.2.2 Review update and publish the Strategy by 31st December 2012 or to coincide with and support any material review of the Interim Master Plan, if that is sooner.

Obligation 5.3

- 5.3.1 The Company will support initiatives (such initiatives to be the subject of consultation with the Gatwick Area Transport Forum the County Council and the Borough Council) which promote in accordance with the Airport Surface Access Strategy the use by passengers and staff travelling overland to and from the Airport of modes of transport other than the private car and with regard to staff travel the encouragement and promotion of car sharing.
- 5.3.2 The funds provided for such initiatives in each calendar year from 2009 to 2015 will be based on the sum of:
- 5.3.2.1 a monthly charge amounting to £10 per annum for each pass validated for entry to a staff car park operated by or on behalf of the Company
- 5.3.2.2 a levy on the total supply of spaces in public car parks operated or available for operation by or on behalf of the Company on 30 September in the preceding year at the rate per space of:
- £23.50 in 2009
 - £24.25 in 2010
 - £25.00 in 2011
 - £25.75 in 2012
 - £26.50 in 2013
 - £27.25 in 2014
 - £28.00 in 2015
- 5.3.3 Unless otherwise agreed with the County Council and the Borough Council the Company shall:
- 5.3.3.1 each year invest in the chosen initiatives no less than 50% of the funds provided that year and of those carried over from the preceding year; and
- 5.3.3.2 by the end of the period of seven years have used no less than 50% of total funds to support the introduction or operation or use of bus services that promise to facilitate a material increase in the proportion of airport staff or air passengers choosing to use public transport for their surface journeys between the Airport and neighbouring communities

Obligation 5.4

- 5.4.1 To work with Network Rail and other stakeholders to assist the planning and implementation of a project to redevelop the railway station serving the Airport in a manner which in conjunction with the Company's proposals for South Terminal and its landside infrastructure including that serving Fastway and other local bus services provides the Airport with an efficient transport interchange suiting the needs of all users.
- 5.4.2 In the event of Network Rail not committing to funding the development of a new railway station and concourse in accordance with the infrastructure investment plan agreed with the Office of Rail Regulator (ORR) as part of Network Rail's outputs for the Control Period 4 (2009 -2014) the Company whilst engaging with airlines shall devise and by March 2013 implement appropriate plans to enhance the South Terminal's forecourt area with particular emphasis on:
- its interface with the South Terminal;
 - the provision of waiting facilities for coach passengers; and
 - the accessibility of facilities serving local buses

Obligation 5.5

Restrict the use of the Airport entrance/exit at Povey Cross to buses, emergency service vehicles, Airport operational users and a maximum of 675 staff car park pass holders, subject to these users satisfying the criteria specified in Appendix 2 to this Agreement and to report annually on the number of passes issued to staff and readily available data on vehicular use of the entrance/exit;

Obligation 5.6

Having regard to the Company's Car Parking Strategy:

- 5.6.1 Provide sufficient but no more on-Airport public car parking spaces than necessary to achieve a combined on and off airport supply that is proportionate to 40% of non-transfer passengers choosing to use public transport for their journeys to and from the airport when annual passenger numbers reach 40 million.
- 5.6.2 Provide sufficient but no more Company managed on-airport staff car parking spaces than is consistent with the mode share targets detailed in the Airport Surface Access Strategy 2007 and subject to working with stakeholders to revise the local bus target in line with agreed service enhancements

Obligation 5.7

5.7.1 The Company will actively engage with the Local Highway Authorities with the objective that by the 30th September 2009 they will have:

5.7.1.1 reached agreement on the location and characteristics of such improvements to the highway access to the Airport as may be justified by growth in the volume of Airport related traffic since 2001 and on the anticipated timeframe for their implementation; and

5.7.1.2 subject to there being reliable estimates of the costs of the said improvements, have agreed the financial contributions that the Company is to make towards the cost of the agreed works

5.7.2 The Company agrees that prior to the commencement of the calendar year in which the works are to be carried out it will use reasonable endeavours to enter into appropriate agreements with the relevant Local Highway Authority for the works concerned

SCHEDULE 6

DEVELOPMENT

Part 1

The Company's Objective:

To develop the Airport in a manner that achieves efficiencies in the use of land and resources whilst seeking to minimise adverse visual and environmental impacts

Part 2

The Company's Obligation:

Obligation 6:

In devising and bringing forward proposals for Airport development, the Company will:

- 6.1 have due regard to relevant national and local planning policies and guidance;
 - 6.2 attend to the visual impact of the development in terms of its urban design, landscaping and relationship with its surroundings;
 - 6.3 support its proposals with information about the management of any particularly significant ongoing impacts that would be attributable to the development in question, e.g. ground noise, light pollution, flood risk, energy consumption; and
 - 6.4 replace or otherwise compensate for any loss of trees as a consequence of the development
-

SCHEDULE 7

COMMUNITY AND THE ECONOMY

Part 1

The Company's Objective:

To make a positive contribution to the economy and quality of life in and beyond the Gatwick Diamond area.

Part 2

The Company's Obligations:

Obligation 7.1

7.1.1 To nominate (in accordance with the terms of the Gatwick Community Trust deed) two persons to be considered for appointment as trustees by the board of the Community Trust;

7.1.2 To pay to the Community Trust all revenue received by the Company as a result of infringements by aircraft of departure noise thresholds imposed by the Government

7.1.3 To pay to the Community Trust no later than 30th April in the year 2009 and no later than 31st January in the years 2010 to 2015 inclusive:

- £130,000 in 2009
- £170,000 in 2010
- £176,000 in 2011
- £182,000 in 2012
- £188,000 in 2013
- £194,000 in 2014
- £200,000 in 2015

Obligation 7.2

In each calendar year up to and including 2015 to support the Greenspace Partnership either financially or in value terms to a figure that is the lesser of:

7.2.1 20% of the total sums paid to the said Partnership for the purposes of its activities in the twelve months ending 31st March in the year in question by local authorities; and

7.2.2 Twelve thousand five hundred pounds (£12,500)

SAVE that this Obligation shall determine absolutely if annual local authority support should reduce to a sum less than Twenty five thousand pounds (£25,000)

SCHEDULE 8

ACTION PLANNING

Part 1

The Company's Objectives:

To secure the appropriate and timely compilation scrutiny and implementation of the Company's proposed Action Plans

Part 2

The Company's Obligation:

Obligation 8

8.1 The Company will no less frequently than every three years and in the first instance no later than 31 December 2008 produce Action Plans specifying its prioritised programme of activities to address the following issues:

- Air quality
- Noise
- Water quality and drainage

- Waste management and
- Utility management

8.2 The County Council and the Borough Council will be consulted on drafts of the Action Plans.

8.3 The Company in consultation with the Transport Forum Steering Group will by 31 December 2009 and as and when it subsequently publishes an updated Surface Access Strategy produce a Surface Access Action Plan containing a prioritised programme of activities pursuant to such Strategy

8.4 The Environmental Consultant appointed to review the Monitoring Report referred to in Obligation 9.2 in accordance with Obligation 9 shall coincident with that review separately scrutinise any new or materially altered Action Plan produced in the preceding calendar year in accordance with paragraphs 8.1 and 8.3 above but not one altered pursuant to paragraph 8.5 below and shall submit to the Company and the Councils a report containing its views on:

8.4.1 whether the Action plan is fit for purpose, and

8.4.2 whether and in what manner and to what end the Company should consider revisions to the Action Plan

8.5 The Company shall consider the Environmental Consultant's report and consult the Councils on its intended response to the Environmental Consultants report and shall make such changes as are reasonably appropriate.

8.6 The cost of the Environmental Consultant shall be paid in the following proportions:

- 50% by the Company
- 25% by the County Council
- 25% by the Borough Council

SCHEDULE 9

MONITORING AND REPORTING

Part 1

The Company's Objective:

To ensure appropriate monitoring and reporting of the Company's activities in relation to its Obligations and Commitments

Part 2

The Company's Obligation:

Obligation 9.

9.1 To monitor compliance with the Obligations of the Company contained in this Agreement and the Commitments contained in the Commitments Document and to report the results to the County Council and the Borough Council annually in accordance with the following provisions

9.2 The report ("the Monitoring Report") shall list:

9.2.1 each Obligation and Commitment;

9.2.2 the Company's assessment of whether the Obligation or Commitment has been met or the progress made towards the Obligation or Commitment including any remedial action proposed in the Monitoring Report for the preceding year; and

9.2.3 as a minimum the following environmental indicators:

- the results of both its continuous and random monitoring of the air quality impact of the operation of the Airport with regard to the levels of carbon monoxide PM₁₀, oxides of nitrogen/nitrogen dioxide and periodic monitoring of benzene, 1,3-butadiene and other hydro-

carbons

- the availability and serviceability of Fixed Electrical Ground Power
- engine testing (including time place duration and need)
- complaints related to the impact of ground noise
- waste collected by the Company's contractor and the proportions recovered and disposed to landfill
- the number of reports made by the Environment Agency on non-compliance by the Company with discharge consents
- the average biological oxygen demand discharged at the Outfall
- the energy consumption of infrastructure within the Company's control
- carbon dioxide emissions attributable to that use of energy
- the proportion of LPG and kerosene used during the Company's fire training exercises; and

9.2.4 any proposed remedial action where the Obligation or Commitment has not been met together with an appropriate timescale or where no remedial action is proposed the reasons why the Company considers remedial action is not appropriate

9.3 The Monitoring Report shall be prepared by the Company for each Calendar year 2008 to 2015 and shall be issued to the County Council the Borough Council and the Environmental Consultant by 31 March in the year next following

9.4 The County Council and the Borough Council shall each produce in a format similar to that of the Company a Monitoring Report relating to their Obligations

9.5 The Monitoring Reports shall be reviewed by the Environmental Consultant who subject to the provisions of paragraph 9.6 will select a sample of ten of the Company's Obligations and Commitments and one of the County Council's Obligations and one of the Borough Council's Obligations

9.6 In selecting those of the Company's Obligations and commitments for review the Environmental Consultant shall:

9.6.1 each year include no fewer than two relating to each of:

- surface access
- aircraft noise and
- air quality

9.6.2 in any two year period include at least one relating to each of:

- climate change and utility management
- community and economy
- land use development and biodiversity
- water quality and drainage; and
- waste management

9.7 In reviewing and reporting on the selected Obligations and Commitments the Environmental Consultant shall:

9.7.1 Seek to verify the accuracy of the information included in the Monitoring Report; and

9.7.2 Comment on the adequacy of the work undertaken pursuant to the Commitment or Obligation and in the case of remedial actions the adequacy of the work that they propose

9.8 The Company will compile into the Monitoring Report the Environmental Consultant's recommendations and conclusions and its own response to such recommendations and issue the combined document to the County Council and the Borough Council by 31st August in the year following the year being reported

9.9 The cost of the Environmental Consultant shall be paid in the following proportions:

- 50% by the Company
 - 25% by the County Council
 - 25% by the Borough Council
-

SCHEDULE 10

THE BOROUGH COUNCIL

The Borough Council's Obligations:

Obligation 10.1

To meet with the Company, the County Council and the Adjoining Authorities on at least two occasions a year in order to discuss issues relating to long term Airport parking both on and off Airport in order to minimise the level of unauthorised parking.

Obligation 10.2

To meet with the Company on at least two occasions a year in order to provide feedback on issues being raised through the Gatwick Joint Local Authorities meetings and Gatwick Officers Group and to consider:-

- any emerging planning, transport or environmental policies or issues of relevance to the operation and development of the Airport;
- employment trends and other matters bearing on the economy of the sub-region; and
- progress on the implementation of Commitments and Obligations

Obligation 10.3

To run a Gatwick Officers Group comprising officers from the Borough Council, the County Council and the Adjoining Authorities, charged with discussing and considering amongst other things:-

- Implementation of the Gatwick Master Plan, S106 Agreement, GAL commitments and Action Plans, and the Gatwick Supplementary Planning Document;
- Current and emerging issues related to the operation, growth and development of the Airport including future forecasts and topics;
- To invite the Company as appropriate to discuss the above
- Preparing reports and issues to be discussed by Councillors at the Gatwick Joint Local Authorities meeting.

Obligation 10.4

To maintain appropriate mechanisms to consult with the County Council and Adjoining Authorities on any proposals for Development at the Airport

Obligation 10.5

To consult the Company on any future Council proposals for road user charges that would apply to staff or passengers travelling to or from the Airport and to give fair consideration to the Company's response on the appropriateness and use of such charges.

Obligation 10.6

To hold an annual meeting with other relevant local authorities and the Company on issues relating to air quality impact of operations at the Airport and to exchange all relevant data/information at the time

Obligation 10.7

To use reasonable endeavours to work with Network Rail and/or the Company regarding the redevelopment of the railway station serving the Airport in order to provide the Airport with an efficient transport interchange which suits the needs of all users; and

Obligation 10.8

To work with the Company on the implementation of its investment plans and in particular those directed at the enhancement of the Airport's Terminals forecourt areas

Obligation 10.9

To monitor compliance with the obligations of the Borough Council and to provide the results of that monitoring to the Company for inclusion in the Monitoring Report to be prepared by the Company in accordance with the timetable and requirements set out in Schedule 9

Obligation 10.10

To pay an equal contribution with the County Council towards the 50% cost of the Environmental Consultant to be appointed pursuant to Schedule 9

SCHEDULE 11

THE COUNTY COUNCIL

The County Council's Obligations:

Obligation 11.1

To meet with the Company on at least two occasions a year in order to provide feedback on issues being raised through the Gatwick Joint Local Authorities meetings and Gatwick Officers Group and to consider:

- any emerging planning, transport or environmental policies or issues of relevance to the operation and development of the Airport.
- employment trends and other matters bearing on the economy of the sub-region
- progress on the implementation of commitments and obligations

Obligation 11.2

To consult the Company on any future County Council proposals for road user charges that would apply to staff or passengers travelling to or from the Airport and to give fair consideration to the Company's response on the appropriateness and use of such charges.

Obligation 11.3

To use all monies received by the County Council from the Company pursuant to Obligation 5.7.2 strictly towards the cost of the transport or highway scheme in respect of which the payment or payments were made provided that the payment to a relevant Highway Authority for such purpose will release the County Council from any further obligation in respect thereof

Obligation 11.4

To use reasonable endeavours to work with Network Rail and/or the Company regarding the redevelopment of the railway station serving the Airport in order to provide the Airport with an efficient transport interchange which suits the needs of all users

Obligation 11.5

To work with the Company on the implementation of its investment plans and in particular those directed at the enhancement of the Airport's Terminals forecourt areas

Obligation 11.6

To monitor compliance with the obligations of the County Council and to provide the results of that monitoring to the Company for inclusion in the Monitoring Report to be prepared by the Company in accordance with the timetable and requirements set out in Schedule 9

Obligation 11.7

To pay an equal contribution with the Borough Council towards the 50% cost of the Environmental Consultant to be appointed pursuant to Schedule 9

**EXECUTED as a DEED
by GATWICK AIRPORT
LIMITED acting by:**

Director

Director/Secretary

**THE COMMON SEAL of
WEST SUSSEX COUNTY
COUNCIL was hereunto
affixed in the presence of:**

Authorised Signatory

**THE COMMON SEAL of
CRAWLEY BOROUGH
COUNCIL** was hereunto
affixed in the presence of:

Authorised Signatory

APPENDIX 1

MEMORANDUM OF UNDERSTANDING

APPENDIX 2

POVEY CROSS ACCESS CRITERIA (OBLIGATION 5.5)

- (i) up to 675 staff car park pass holders who satisfy all the following requirements:
 - (a) their main place of work is located in those parts of the airport to which access is provided via the section of Perimeter Road North situated west of the Povey Cross entrance;
 - (b) they are entitled to park within those parts of the airport;
 - (c) their home residence is in postcode areas RH1 to RH6 inclusive; and
 - (d) there is no local bus service between their home and main place of work at times consistently aligned with their working hours
 - (e) excepting operational duties (as in (ii) (a) below) their use of their pass is for travel between their home and place of work only
- (ii) Airport operational users which comprise:
 - (a) the Company's operational staff and its contractors and/or agents while on duty;
 - (b) H.M. Customs;
 - (c) H.M. Immigration;
 - (d) Port Health;
 - (e) National Air Traffic Service; and
 - (f) the Police;
- (iii) existing local public service bus vehicles Fastway and any new local public bus service as shall first be approved by the County Council (following consultation with Surrey County Council);
- (iv) emergency service vehicles on duty;
- (v) other vehicles in exceptional circumstances; and
- (vi) such other user(s) including the operators of courtesy bus services as the Company may approve following prior consultation with Surrey, Mole Valley, the County Council and the Borough Council

Dated

2008

GATWICK AIRPORT LIMITED

and

WEST SUSSEX COUNTY COUNCIL

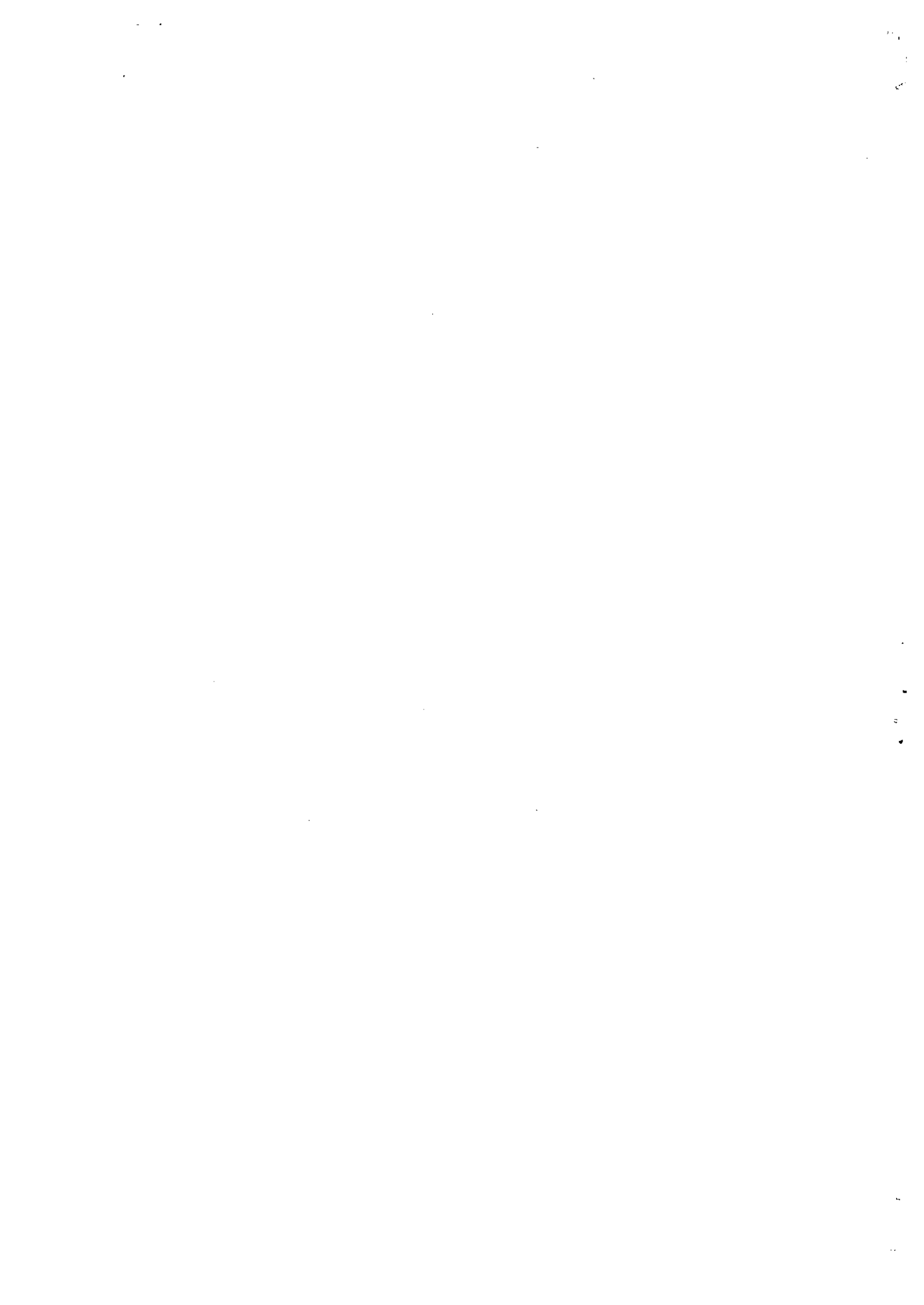
and

CRAWLEY BOROUGH COUNCIL

Agreement in relation to Gatwick Airport
Under S.106 of the Town and Country Planning Act 1990
and other powers.

A Kershaw
Head of Legal Services
West Sussex County Council

ENV1/12243/BS



Appendix 2
GATWICK AIRPORT JOINT LIAISON ARRANGEMENTS
("The Protocol")

Introduction

This document gives guidance on liaison and consultation arrangements which will be implemented by Crawley Borough Council and West Sussex County Council arising from the 'Memorandum of Understanding' signed by all the Airport Authorities.

The 'Memorandum of Understanding' was signed by the following Authorities:

Crawley Borough Council
West Sussex County Council
Surrey County Council
East Sussex County Council
Mole Valley District Council
Reigate and Banstead District Council
Tandridge District Council
Mid Sussex District Council
Horsham District Council

Development Control

1. Consultation Procedures on major planning applications as defined in the General Permitted Development Order 1995 and consultations regarding permitted development.
 - a) CBC will advertise all major planning applications and those applications involving a departure from the Development Plan in the Crawley Observer:
 - b) The Head of Planning Services at CBC will ensure that the neighbouring Airport Local Authorities will be notified about developments at the airport where they:
 - ◇ exceed 300 square metres of built development or a site greater than 1 hectare; or
 - ◇ could have a significant impact on the progress of the Development Strategy; or
 - ◇ could have a significant impact on an adjacent Local Authority area; or
 - ◇ would involve land beyond the current allocated areas as defined in the Crawley Borough Local Plan 2000 Proposals Map.

NB East Sussex County Council need only be notified on planning proposals upon request.

The notification will include copies of the application form, supporting statements and a site plan. Where an Airport Local Authority wishes to look at the detailed plans, they should contact the relevant case officer who will make arrangements to forward the plans to them.

- e) CBC will ensure that the weekly list of planning applications is circulated to all the Airport Local Authorities including East Sussex County Council. Should any Airport Local Authority wish to be formally notified of a proposal the Head of Planning Services will ensure the appropriate planning application details are sent to the requesting Airport Local Authority;
- c) Where an Airport Local Authority requires further information regarding a planning proposal, they may contact BAA Gatwick directly, but are asked to copy the request to CBC and ensure that CBC are copied any response from BAA Gatwick.
- d) Where an Airport Local Authority requires further information, they should contact the relevant case officer within the formal notification period. Where further information has been requested CBC will consider whether the time for considering the proposed development can be extended.
- e) CBC will ensure that those Airport Local Authorities who have either requested further information or raised objections within the notification period, will be advised of the likely committee date for considering the proposal;
- f) Where appropriate an Airport Local Authority may request to meet BAA Gatwick to discuss applications or consultations. The Authority is asked to invite CBC and provide brief notes of the meeting within one week of the meeting taking place.
- g) Where supplementary information is provided on applications to which an Airport Local Authority has raised objections or sought further information, CBC will ensure the information is circulated to the appropriate Airport Local Authorities.
- h) Where Environmental Impact Assessments are required to be submitted with a proposed development, CBC will ensure that the Airport Local Authorities are consulted on the scope of such studies.

- i) Where other environmental assessments and studies are prepared for major planning applications, CBC will consult those Airport Local Authorities most directly affected by the proposal.
- j) All Airport Local Authorities will inform each other on all proposals for off-airport car parking proposals and of the intended action against unauthorised car parking development within their area.

2. Revision of Supplementary Planning Development Note on development at Gatwick Airport

Any proposed revisions to the SPD will be progressed initially through the Gatwick Officers Group (GOG). All Airport Local Authorities will be consulted on any proposed amendments to the Guidance before the revisions are formally considered by CBC.

3. Joint Authorities Member Meetings

Crawley Borough Council has responsibility for administering and providing secretariat services for the Joint Member meetings. It is intended that there will be at least two meetings per year timed to coincide with the production of BAA Gatwick's Annual Monitoring Report. These meetings are likely to take place in April, to consider actions arising from the draft AMR [as per monitoring arrangements] and in September to consider progress on the commitments/targets and obligations following publication of the final verified Annual Monitoring report. The agenda for the meeting will be agreed between CBC and WSCC following consultation with the Gatwick Officers Group.

4. Gatwick Officers Group

It is intended that the Gatwick Officers Group meet at least 4 times a year. Meetings will be arranged in advance of the Joint Authority Member Meetings and to discuss any major issues arising from:

- any reports published by BAA Gatwick in relation to the Gatwick Airport Master Plan, Gatwick New Commitments, Action Plans and Surface Access Strategy;
- the submission of major planning applications or consultations;
- co-ordination of liaison arrangements between Authorities;
- any remedial measures put forward by BAA Gatwick;

- other issues relating to the development of the airport of common interest.

Monitoring

1. Consideration of Annual Monitoring Report Remedial Measures by BAA Gatwick

CBC will distribute a Draft Verified Annual Monitoring Statement published by the independent consultants. The report will be examined by the two Planning Authorities for errors or lack of clarity. The final verified Annual Monitoring Statement will be circulated to all the Airport Local Authorities by CBC through the GOG representatives.

The Statement will be reported to the Joint Local Authorities Members meeting. Each Authority will then consider the report individually and send comments to the two planning Authorities and BAA Gatwick. The two planning Authorities will consider the Verified Annual Monitoring report taking into account the comments of the surrounding Airport Local Authorities, GATCOM and the Gatwick Area Transport Forum (or their representative sub-groups). CBC will ensure that BAA Gatwick are presented with copies of each of the Authorities responses.

2. Participation by Authorities in Monitoring

Where appropriate all Airport Local Authorities will provide or participate in the monitoring process where appropriate in accordance with the Memorandum of Understanding.

Surface Access

1. Traffic counts and surveys

The results of all traffic counts and surveys undertaken by WSCC or SCC required to support initiatives in the Horley/Gatwick/Crawley area will be made available to each other, and notified to the Gatwick Airport Transport Forum and CBC.

2. Extension of Fastway to adjoining areas

WSCC will initiate liaison arrangements with all Gatwick Authorities and other local Authorities (e.g. Brighton and Hove Council) to consider opportunities for extending Fastway proposals to other Districts.

3. Access provision Povey Cross

Within the confines of Obligation 5.5 of the Gatwick Airport Legal Agreement, WSCC and SCC must jointly agree to any new public

bus services using the Povey Cross access to the airport following consultation with CBC and MVDC.

4. Noise attenuation measures along the M23

CBC will co-ordinate negotiations with DfT and RBBC and TDC to discuss noise attenuation along M23.

5. Action plan for off-airport parking in residential areas

CBC will continue to arrange at least one meeting a year with other Officers from the surrounding Gatwick Authorities and BAA Gatwick to discuss and monitor unauthorised airport car parking in residential areas surrounding the airport. The minutes of the meeting will be passed onto the Gatwick Co-Ordination Group for information and where appropriate comment.

Note: The new Agreement requires 2 meetings a year

6. Gatwick Airport car parking survey

CBC will continue to coordinate and facilitate regular annual meetings to discuss the arrangements for undertaking a Gatwick Airport passenger car parking survey (including unauthorised off-airport sites) and to issue the results of that survey.

Air Quality

1. Monitoring and modelling

- (a) CBC will arrange at least 1 meeting a year (normally Nov/Dec) to discuss Air Quality Monitoring and Modelling issues and outcomes with the surrounding Gatwick Authorities and BAA Gatwick.
- (b) CBC will circulate to all Gatwick Local Authorities any reports submitted by BAA Gatwick regarding Air Quality within 3 weeks of receipt.
- (c) All Gatwick Authorities will circulate any reports concerning Air Quality monitoring in their Area to other Gatwick Authorities within 3 weeks of their publication

Ground and Air Noise

1. Liaison and Consultation

CBC will circulate to all Gatwick Local Authorities any reports submitted by BAA Gatwick regarding Ground and Air Noise within 3 weeks of receipt.

2. Joint Lobbying

CBC will co-ordinate negotiations between the surrounding Local Authorities, BAA Gatwick and DfT with a view to discuss potential measures to improve the noise climate for residents in the surrounding area and to improve detection rates for the monitoring of noise levels on departures. The agenda for the meeting to be agreed at an appropriate GOG meeting.

Landscaping

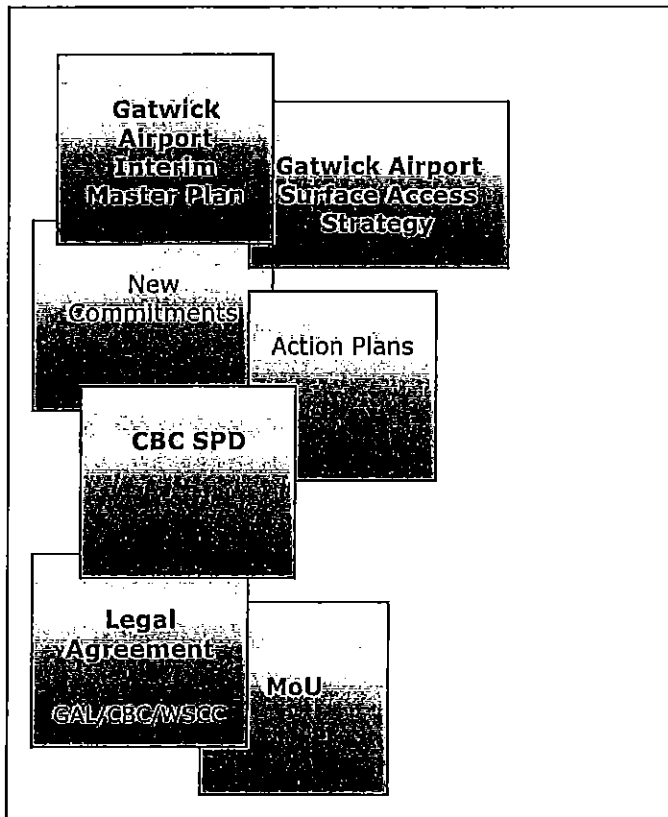
1. Consultations

CBC will circulate to all appropriate Local Authorities any reports, action plans or management plans prepared by BAA Gatwick regarding landscaping (both on and off airport), bio-diversity, countryside management and lighting.

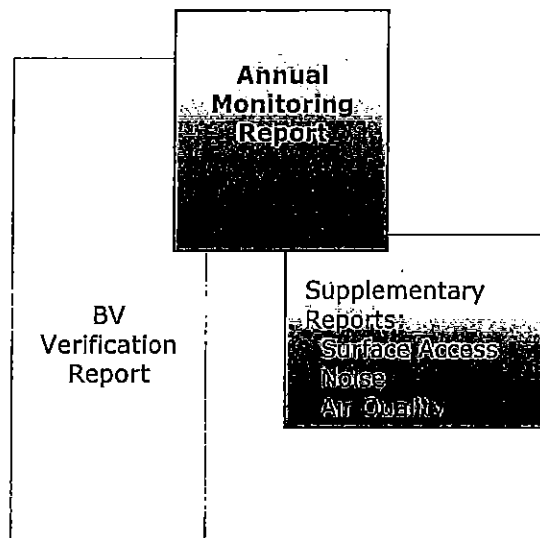
Monitoring of the Procedures and Programme

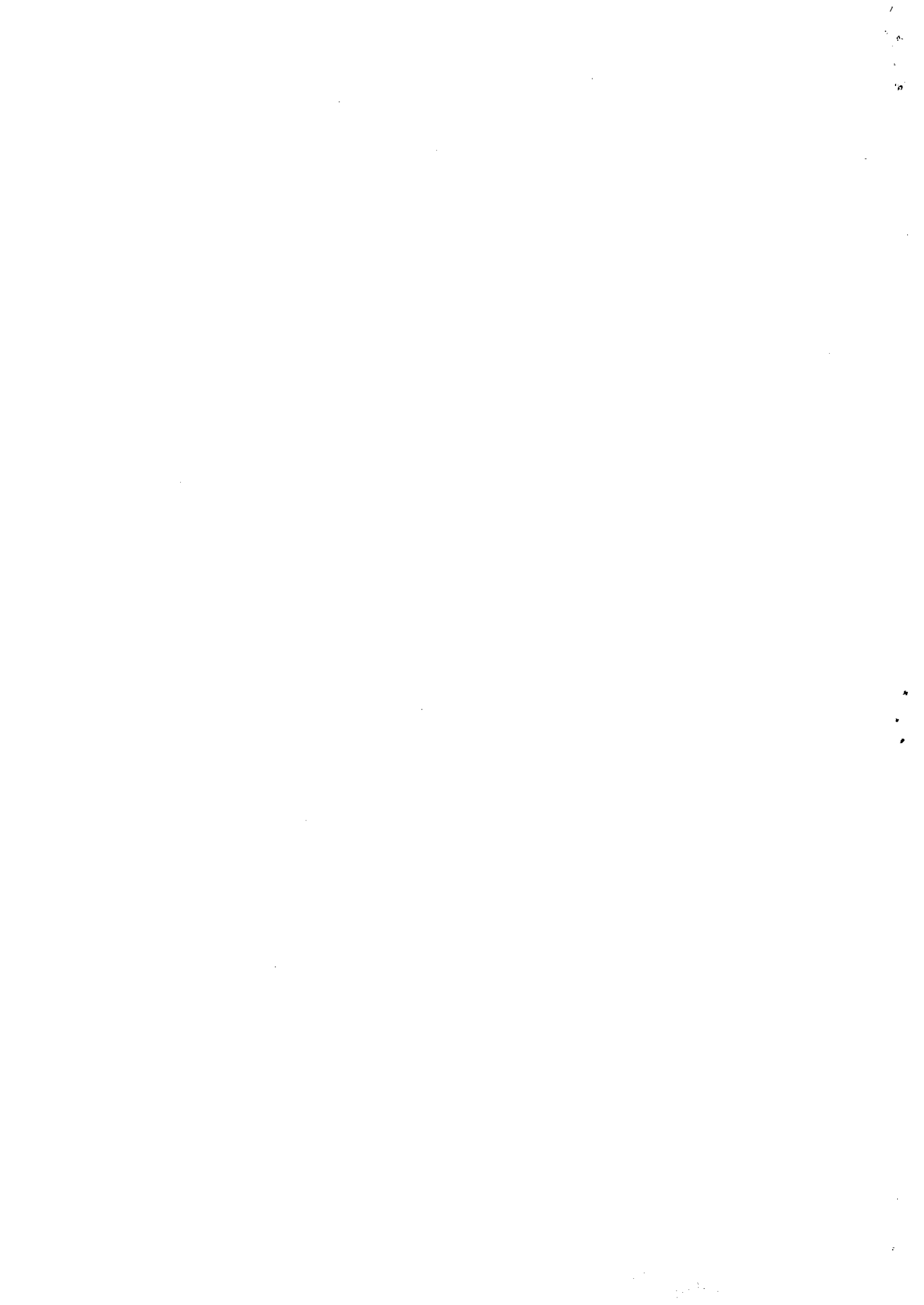
It is intended that CBC and WSCC will review the procedures and programme contained within this document over the next 12 months, in consultation with the other Airport Authorities.

Appendix 3 SCHEMATIC OF GATWICK KEY DOCUMENTS



External independent verification and audit







DATED

12th January

2008/9

WEST SUSSEX COUNTY COUNCIL
and
CRAWLEY BOROUGH COUNCIL
and
SURREY COUNTY COUNCIL
and
MOLE VALLEY DISTRICT COUNCIL
and
REIGATE AND BANSTEAD BOROUGH COUNCIL
and
TANDRIDGE DISTRICT COUNCIL
and
HORSHAM DISTRICT COUNCIL
and
MID SUSSEX DISTRICT COUNCIL
and
EAST SUSSEX COUNTY COUNCIL

**MEMORANDUM OF
UNDERSTANDING**

relating to

Gatwick Airport

A KERSHAW
HEAD of LEGAL SERVICES
West Sussex County Council