

SHOREHAM AIRPORT JOINT COMMITTEE

3.00pm – 14 JANUARY 2005

SHOREHAM AIRPORT

MINUTES

Present:

Brighton & Hove City Council Representatives: Councillor Turner (Chair);
Councillors Peltzer Dunn (Deputy Chair), Hamilton, Meegan, and Young

Adur District Council: Councillor Mockridge

Also in attendance:

The Airport: John Haffenden, Airport Manager and Shirley Hobden, Accounts Assistant

Brighton & Hove City Council: Catherine Vaughan, Airport Treasurer; Peter Wright, Principal Accountant; David Fleming, Assistant Director Major Projects, Procurements and Venues, John Timson, Accountant, Bob Bruce, Principal Solicitor and Lisa Johnson, Committee Administrator

Cluttons: David Healy, Consultant Valuer to the Airport

PART ONE

ACTION

27. APOLOGIES FOR ABSENCE

27.1 Apologies were received from Councillor Williams and R Howell of West Sussex County Council, Councillor Green of Worthing Borough Council and Councillor Taylor of Brighton & Hove City Council.

28. Declarations of Interest

28.1 Councillor Mockridge who is a member of Adur District Council Planning Committee declared an interest in items 36 and 37.

29. MINUTES – PART 1 MINUTES OF THE MEETING HELD ON 24 SEPTEMBER 2004

29.1 The Airport Manager referred to paragraph 17.6. Denis Kenyon had been away, but would shortly be returning to the airport. The Airport Manager would discuss the matter with him then.

**Airport
Manager**

29.2 **RESOLVED** - That the minutes of the meeting held on 24 September 2004 be approved and signed by the Chair.

30. AIRPORT MANAGER'S GENERAL REPORT AND OPERATIONAL ACTIVITY FIGURES

30.1 The Airport Manager referred to the latest updated operational activity figures which had been circulated to Members for information (for copy see minute book).

30.2 The Airport Manager stated that the number of movements for 2004 was 70,006, which was down on last year but similar to the number in 2000. The figures for November and December 2004 however, were higher than they had been for the same period in 2003.

30.3 On the 17th December 2004, the main hangar roof was damaged during a storm. A full report on this issue will be prepared for the next meeting of the Shoreham Airport Management Board.

**Airport
Manager**

30.4 The Airport Manager reported that the Highways Agency would be undertaking repairs to the A27. There was concern that this may interfere with the airport and it was therefore been agreed that any repair work would be carried out at night.

30.5 The Airport Manager informed the Committee that an Air Traffic Control Officer (ATCO) had resigned. Nationally there was a shortage of ATCO's, but it was hoped that Shoreham Airport would be able to replace this officer.

30.6 The Airport Manager drew the Committee's attention to the Single European Sky (SES) initiative. The SES initiative is to create an airspace and air traffic management (ATM) system. This is hoped to ensure the efficient utilisation of airspace across the European Union.

30.7 The Committee were advised that all Air Navigation Service Providers would be required to conform to new European Safety Regulations. One of the changes could be with regard to charging for Air Traffic Control. However, this issue was still being considered as it would adversely affect the UK. A certificate issued by the CAA

by mid 2006 would be required to show an airport conformed to the new regulations.

30.8 The Committee were informed that in the near future it was likely that random Psychoactive Substance and Alcohol testing would be required of all Air Traffic Control staff. This could raise a number of issues, and would need to be looked at in more detail if it were put in place.

30.9 The Airport Manager advised the Committee that West Sussex County Council had funded repair work to a footpath between the Airport and Shoreham.

30.10 **RESOLVED** – That the Airport Manager's report be noted.

31. LETTER FROM DISTRICT AUDITOR RE AUDIT OF ACCOUNTS 2003/04

31.1 The Airport Treasurer drew the Committee's attention to the letter from the District Auditor. It confirmed that the audit of Shoreham Airport's Accounts for 2003/04 had been completed, and that the District Auditor was proposing to issue an unqualified opinion. The full report would be issued in due course. However, the Committee were informed that audit had not identified any significant issues.

31.2 **RESOLVED** – That the letter from the District Auditor be noted.

32. FORECAST REVENUE OUTTURN 2004/05 AT MONTH 7 (OCTOBER)

32.1 The Committee considered the report of the Airport Treasurer relating to the Forecast Revenue Outturn 2004/05 at Month 7 (October) (for copy see minute book).

32.2 The Airport Treasurer took the Committee through the main projected variances in the provisional outturn 2004/2005 at month 7. It was noted that the Airport's insurance premium was expected to increase by £4,500 in 2004/05. This increase was to cover the additional aircraft and passenger movements for the new scheduled flights. Councillor Peltzer Dunn asked whether the increase in the premiums could be passed on to the airline companies. The Airport Treasurer advised that the airport charges would be reviewed in due course.

32.3 **RESOLVED** – That the forecast revenue outturn, showing an estimated surplus of £28,000 compared with a budgeted surplus of

£25,000 be noted.

33. SHOREHAM AIRPORT REVENUE BUDGET 2005/06

33.1 The Committee considered the report of the Airport Treasurer relating to the Shoreham Airport Revenue Budget 2004/06 (for copy see minute book)

33.2 The Airport Treasurer asked the Committee to note two amendments to the report. Paragraph 4.4, should read '..the general reserves stand at £139,850 and these are expected to rise to £167,850...'.

33.3 Councillor Meegan asked what factors were taken into consideration when the landing fees etc were set. The Airport Manager informed the Committee that there was no national standard, and it was a case of comparing the fees with those charged at similar local airports. Councillor Young asked whether it would be possible to see a list of the prices charged at other airports. The Airport Manager confirmed that a list of all airport charges was available and agreed that a copy of this would be provided to the Committee.

**Airport
Manager**

33.4 The Chair asked why the 'Employee' expenditure had increased by over 5%. The Airport Treasurer confirmed that this figure took into account not only the annual inflation led increase, but also the increased pension costs and the annual increments received by many staff.

33.5 **RESOLVED** – (1) That the revenue budget for the Airport for the financial year 2005/06, showing a surplus of £7,000 as set out in appendix 1 be recommended to the two owning Councils.

(2) That the proposed Shoreham Airport fees and charges as set out in appendix 2 be approved.

(3) That the statement from the Airport Treasurer showing a review of the estimated reserves and their adequacy for the forthcoming year (appendix 3) be noted.

(4) That the prudential indicators (appendix 4) be approved and recommended to the two owning Councils for approval.

(5) That it be recommended to the two owning Councils that all revenue surpluses in 2005/06 be added to the Airport's General Reserve.

34. SHOREHAM AIRPORT CAPITAL PROGRAMME 2004/09

34.1 The Committee considered the report of the Airport Treasurer relating to the Shoreham Airport Capital Programme 2004/09 (for copy see minute book)

34.2 Councillor Hamilton noted that the Capital Programme included a large sum for 'baggage handling equipment'. The Airport Manager confirmed that this was a speculative figure, but it was necessary to look at the budget for 2008/09, and consider the potential amount of extra baggage which the airport could have to deal with.

34.3 Councillor Mockridge noted that 'replacement to fire and rescue vehicles' was listed over two financial years. The Airport Manager confirmed that it could take over nine months to purchase a vehicle, and would be paid for over two years.

34.4 **RESOLVED** – (1) That the level of projected capital resources allocated to this service for 2005/06 be noted.

(2) That the capital programme for 2004 – 2009 as set out in Appendix 1 to this report be recommended to the Owning Authorities.

(3) That the Airport Manager be authorised to seek planning permission from Adur District Council for a new passenger terminal to the east of the current terminal.

(4) That the Shoreham Airport Management Board be given delegated power to approve the new passenger terminal building, subject to a further detailed report on the financial implications and the justification for the scheme.

(5) That the impact of the capital programme in future years be noted.

The meeting concluded at 4.40 pm

Signed

Chair

Dated this

day of

2005