

Dated - 24th May 2022

GATWICK AIRPORT LIMITED

and

WEST SUSSEX COUNTY COUNCIL

and

CRAWLEY BOROUGH COUNCIL

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

A Kershaw
Director of Law and Assurance
West Sussex County Council

THIS AGREEMENT is made the 24th May 2022

BETWEEN:

- (1) GATWICK AIRPORT LIMITED** whose registered office is at Destinations Place, Gatwick Airport, Crawley, West Sussex, RH6 0NP ("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 1 of the Localism Act 2011.
- 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 1 of the Localism Act 2011; and has planning and other policies that relate to the Land and its use as an airport.
- D. On 30 April 2019, the parties hereto entered into an agreement (the '2019 Agreement') that contained various obligations on the parties. The 2019 Agreement expired on 31 December 2021 and the parties have agreed to enter into this Agreement to update but otherwise to continue the arrangements set out in the 2019 Agreement until 31 December 2024 or until a new agreement involving the parties comes into effect (whichever is the sooner).
- E. On 12 January 2009, a Memorandum of Understanding (the '2009 MoU') was entered into between the County Council, the Borough Council, and the Adjoining Authorities. To ensure that the interests of the Adjoining Authorities continue to be taken fully into account, it is intended that a new Memorandum of Understanding in substantially the same form will be entered into to replace the 2009 MoU.
- F. 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 by making best use of its existing one runway, two terminal configuration; it being acknowledged that the Company has announced its intention to seek a Development Consent Order to bring the existing northern runway

into routine use alongside the main runway.

- 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; and
- 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 Parkside, Chart Way, Horsham, West Sussex, RH12 1RL ("Horsham").
- (f) MID SUSSEX DISTRICT COUNCIL of Oaklands, Oaklands Road, Haywards Heath, West Sussex, RH16 1SS ("Mid Sussex").
- (g) EAST SUSSEX COUNTY COUNCIL of Pelham House, St Andrews Lane, Lewes, East Sussex, BN7 1UN ("East Sussex").

"Action Plans" means those plans produced as amended and extended from time to time by the Company pursuant to this Agreement and containing Commitments that will be nominated by the Company following consultation with the Councils.

"ANS" means Air Navigation Solution Limited, (the Airport's control tower operator) and any replacement supplier of such services.

"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 the Airport Surface Access Strategy dated May 2018 as may be updated from time to time.

"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).

"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 specify within the Action Plans.

"Community Trust" means the Trust to be supported in accordance with Schedule 7 hereto.

"Company's Car Parking Strategy" means the car parking strategy published by the Company from time to time 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 Consent Order" is the means of obtaining permission under the Planning Act 2008 for developments categorised as Nationally

Significant Infrastructure Projects (NSIP). This includes energy, transport, water and waste projects. A single DCO is required for a NSIP rather than other consents, such as planning permission, listed building consent and compulsory purchase orders. A DCO application is determined by the relevant Secretary of State, rather than by the relevant planning authority.

"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 the 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 currently defined in the Civil Aviation Authority Document UK AIP (24/05/2018) EGKK AD 2.21 NOISE ABATEMENT PROCEDURES. The OS co-ordinates currently being TQ2227 3923; TQ2166 3878; TQ2170 3939; TQ3180 4140; TQ3176 417 or as may be amended.

"Flight Operations Performance and Safety Committee" means the Committee established by the Company with Gatwick airlines, ANS, NATS, Civil Aviation Authority, 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 efficient operations 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.

"Gatwick Greenspace Partnership" means the Sussex Wildlife Trust's Living Landscape project that works across 200 square kilometres of countryside between Horsham, Crawley, Horley, Reigate, and Dorking.

"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.

"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.

"Master Plan" means the Airport Master Plan published by the Company from time to time with the objective of guiding the future commercial development of the Airport following the Aviation White Paper published in December 2003.

"NATS" means NATS Holdings Ltd that comprises of NATS En-Route PLC (NERL) that operates civilian en-route air traffic over the UK and NATS Services Ltd (NSL) that competes for contracts to provide air traffic control services at airports.

"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 that infringe noise thresholds promulgated in the UK AIP and measured by the airport noise and track keeping 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 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 a document that add further detail to the policies in a Local Plan. It can be used to provide further guidance for development on a specific site, or on a particular issue, such as design. Supplementary planning documents are capable of being a material consideration in planning decisions but are not part of the development plan.

"Transport Forum Steering Group" means a small representative group of the Gatwick Area Transport Forum that meets quarterly to progress topical issues and emerging policy.

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 commencement of this Agreement, the 2019 Agreement 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 1 of the Localism Act 2011 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.
- 3.5 Obligations contained in this Agreement shall commence on the date of this Agreement and end on 31 December 2024 and no party to this Agreement shall be bound by any Obligation contained herein after that date unless:
- (i) if earlier, three months has expired 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 (as appropriate) have/has adopted any policy (or policies) in a Development Plan or in further Supplementary Planning Documents that affects (or affect), either directly or indirectly, the potential for the number of passengers using the Airport to continue to grow (based on a single runway), and which is (or are) materially different in form and/or effect to those contained in the current Development Plan and 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 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; or

(ii) if earlier, an agreement is entered into involving the parties hereto in substitution for this Agreement.

3.6 Not later than 31 December 2023, the parties hereto shall, in good faith, commence a process of negotiation with the aim of extending the life of this Agreement beyond 31 December 2024 for a fixed period to be agreed or until such time that a new agreement relating to the matters contained in this Agreement involving the parties comes into force.

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 a Supplementary Planning Document that affects (or affect) either directly or indirectly the potential for the Airport to optimise its capacity based on a single runway, two terminal configuration and which is (or are) materially different in form and/ or effect to those contained in the development plan ('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 a Supplementary Planning Document 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 (based on a single runway) and which is (or are) materially different in form or effect to those contained in the development plan, 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.

6. COMMUNITY INFRASTRUCTURE LEVY

- 6.1 It is agreed that the Company should not be left or put in a position where it is in a worse financial position as a consequence of the introduction of the Community Infrastructure Levy (CIL) such that the Company is paying CIL and financial contributions under this S106 Agreement for the same infrastructure in relation to the same development.
- 6.2 If such a situation should arise, the parties hereto will use all reasonable endeavours to agree variations to this Agreement with the intention that the Company shall receive relief from such double jeopardy.

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

SCHEDULE 1

GATWICK AIRPORT

For the purposes of this agreement, Gatwick Airport is all the land that is edged red (for identification purposes only) on Plan 1 annexed hereto.



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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, by 30 June 2024, unless otherwise agreed in writing between the parties, update and publish its report on the Airport and climate change; and thereafter continue an ongoing dialogue on climate change initiatives with local authorities and other key stakeholders.

SCHEDULE 3

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 The Company will provide a Fixed Electrical Ground Power supply to any new Aircraft Stand.

3.1.2 The Company will 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; or
- 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

The Company will participate actively with the County Council, Borough Council and Adjoining Authorities:

- 3.2.1 to avoid breaching the EU Limit value for NO₂.
- 3.2.2 to ensure that all other relevant air quality standards continue to be met.
- 3.2.3 to develop and implement any local Air Quality Management Area (AQMA) action plan that may be required to address air quality in the vicinity of the Airport where evidence demonstrates that air quality is materially affected by airport-derived emissions including those from airport operations fixed plant and surface access.
- 3.2.4 provided the necessary standards have been promulgated, to participate in a project to quantify residential exposure within the Horley AQMA to aviation derived ultrafine particles and to provide 50% of the cost of such project to Reigate and Banstead.
- 3.2.5 to attend the Annual Gatwick Air Quality Joint Authorities Meeting.

Obligation 3.3

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

- 3.3.1 a payment of sixty-eight thousand pounds (£68,000) on or before 31 May in each calendar year 2022 to 2024 inclusive for revenue costs, including staff time, data management, servicing, and consumables as outlined in a schedule with associated indicative costs provided on or before 31 March each year.
- 3.3.2 purchasing in accordance with a specification and programme set by RBBC and thereafter leasing to RBBC at nominal cost (say £1 per site per annum), such equipment (not covered under paragraph 3.3.1 and as agreed between the parties - such agreement not to be unreasonably withheld) as is needed to be replaced in order to maintain the current programme of air quality monitoring on three permanent sites.
- 3.3.3 the Company will arrange twice-yearly meetings with RBBC 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 3.4

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:

The Company will 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, the Company will 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

The Company will 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, the Company will engage with airlines, ANS, NATS, and other relevant parties through the Flight Operations Performance and Safety Committee and, or by other appropriate means, 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 six 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.

Obligation 4.5

4.5.1 The Company will undertake an annual programme of engagement to explain and educate local authority members, members of GATCOM, and other invited guests about noise issues and airspace change at the Airport.

4.5.2 To fund and support the continued existence of the Noise Management Executive Board, including holding an annual meeting, unless the Chair of the Noise Management Executive Board decides to recommend to the Airport to disband the Board, for whatever reason.

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

The Company will hold an annual meeting of the Gatwick Area Transport Forum and meetings of the Transport Forum Steering Group at quarterly intervals unless agreed otherwise by the Steering Group.

Obligation 5.2

The Company will maintain an Airport Surface Access Strategy and will review the Strategy alongside the publication of a new Master Plan.

Obligation 5.3

5.3.1 The Company will bring forward initiatives (to be the subject of consultation with the Transport Forum Steering Group and with the Councils) that promote, in accordance with the Airport Surface Access Strategy, the use by passengers and staff travelling overland to and from the Airport by 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 Company will set aside funds (to be known as the 'Sustainable Transport Fund' - STF) to be used for the initiatives referred to in paragraph 5.3.1 above in each calendar year from 2022 to 2024. Such funds will be based on the sum of:

5.3.2.1 £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:
 - £33.25 in 2022
 - £34.00 in 2023; and
 - £34.75 in 2024
 - 5.3.2.3 1.8% of the total fees collected each calendar year from the drivers of vehicles using the terminal forecourt passenger drop off zones;
 - 5.2.3.4 100% of the funds generated through fines for red route contraventions; and
 - 5.3.2.5 any sums brought forward from previous years.
- 5.3.3 Unless otherwise agreed with the Councils, the Company will:
- 5.3.3.1 each year, invest in the chosen initiatives referred to in Paragraph 5.3.1 a substantial proportion being no less than 50% of the STF in that year or such lesser sum if the expenditure of further sums is not justified by the outcomes achieved; and
 - 5.3.3.2 by the end of the period of this Agreement, have used a substantial proportion being no less than 50% of total Residual 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 or such lesser percentage if the expenditure of further sums is not justified by the outcomes achieved; and
 - 5.3.3.3 by the 30 June in each year, submit to the County Council and the Borough Council a statement of the funds contributed to the STF in the previous calendar year, the details of all expenditure of the STF, and the balance remaining.

In clause 5.3.3, 'Residual Funds' shall mean the funds to be provided by the Company as calculated in accordance with clause 5.3.2 less the sums paid or allocated (whether or not retrospectively) by the Company in the relevant year towards the funding of works at Gatwick Airport Railway Station, which shall be no more than 75% of the STF in that year. 'Works at Gatwick Airport Railway Station' includes those provided for in the agreement of 19 July 2011 and those provided for in planning application CR/2018/0273/FUL, which was permitted by Crawley Borough Council on 19 March 2019.

Obligation 5.4

The Company will work with Network Rail and other stakeholders including the Councils to assist the planning and implementation of a project to redevelop the railway station serving the Airport including potential use of funds from the STF 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.

Obligation 5.5

The Company will restrict the use of the Airport entrance/exit at Povey Cross to buses, emergency service vehicles, Airport operational users and a maximum of 350 staff car park pass holders, subject to these users satisfying the criteria specified in Appendix A 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, the Company will:

- 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 48% of non-transfer passengers choosing to use public transport for their journeys to and from the airport by end of 2024.
- 5.6.2 Provide sufficient but no more Company-managed on-airport staff car parking spaces than is consistent with achieving 42% of staff journeys to work by sustainable modes by end of 2024, 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 of:
 - 5.7.1.1 reaching 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 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, agreeing the financial contributions that the Company is to make towards the cost of the agreed works.
- 5.7.2 Prior to the commencement of the calendar year in which the works are to be carried out, the Company 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, and energy consumption.
- 6.4 replace or otherwise compensate for any loss of trees as a consequence of the development.
- 6.5 have regard to the impact of flooding, and design such development and, where necessary, include mitigation measures to avoid any harmful impact on surrounding communities.

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 The Company will 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 The Company will 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 The Company will pay to the Community Trust no later than 31 May in the calendar years 2022 to 2024 inclusive, £50,000 for every 10 million of departing or arriving passengers per annum ("ppa") based on published CAA passenger data for the preceeding year:
- £50,000 for up to 10mppa
 - £100,000 for between 10,000,001 and 20,000,000 ppa
 - £150,000 for between 20,000,001 and 30,000,000 ppa
 - £200,000 for between 30,000,001 and 40,000,000 ppa
 - £250,000 for between 40,000,001 and 50,000,000 ppa, and
 - £300,000 for above 50,000,001 ppa.

Obligation 7.2

In each calendar year up to and including 2024, the Company will support the Gatwick 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 by local authorities to the said Partnership for the purposes of its activities in the twelve months ending 31 March in the year in question; 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, and implementation of the Company's Action Plans.

Part 2

The Company's Obligation:

Obligation 8

8.1 The Company will continue to keep under review and update, as necessary, the following Action Plans:

- Air quality.
- Noise (for the purpose of this Agreement, the Company's Environmental Noise Directive Noise Action Plan as approved from time to time).
- Surface Access Action Plan (being the actions described in the Airport Surface Access Strategy).
- Water management.
- Waste management.
- Energy management.

8.2 As part of preparing the Monitoring Report referred to in Obligation 9.2, the Company will identify the latest version of each Action Plan and any significant updates that have taken place in the preceding year.

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 to report the results to the County Council and the Borough Council in accordance with the following provisions.
- 9.2 The report ("the Monitoring Report") shall list:
- 9.2.1 each Obligation.
- 9.2.2 the Company's assessment of whether the Obligation has been met or the progress made towards the Obligation including any remedial action proposed in the Monitoring Report for the preceding year.
- 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; and
 - the energy consumption of infrastructure within the Company's control.
- 9.2.4 any proposed remedial action where the Obligation 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 2021 to 2023 and shall be issued to the County Council, the Borough Council and, as necessary, 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 for 2022 and 2023 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.

9.6 In selecting those of the Company's Obligations for review, the Environmental Consultant shall each year include no fewer than two relating to each of:

- surface access;
- aircraft noise; and
- air quality.

9.7 In reviewing and reporting on the selected Obligations, 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 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 for 2022 and 2023, 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 31 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, unless agreed otherwise by the Company and the Councils, 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 (Chief Planning Officer and / or Planning Manager) on at least two occasions a year, unless agreed otherwise, 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 Obligations and Commitments.

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 Master Plan, S106 Agreement, and Action Plans referred to in this Agreement;
- 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 railway interchange that suits the needs of all users and, where opportunities arise, to improve the multi-modal interchangeability of the Airport.

Obligation 10.8

To work with the Company on the implementation of its investment plans, 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 (Chief Planning Officer and/or Planning Manager) on at least two occasions a year, unless agreed otherwise, 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 Obligations and Commitments.

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 railway interchange which suits the needs of all users and, where opportunities arise, to improve the multi-modal interchangeability of the Airport.

Obligation 11.5

To work with the Company on the implementation of its investment plans, 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

Chief Executive Officer

 17/5/22

Company Secretary



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

Timothy Barr

Authorised Signatory

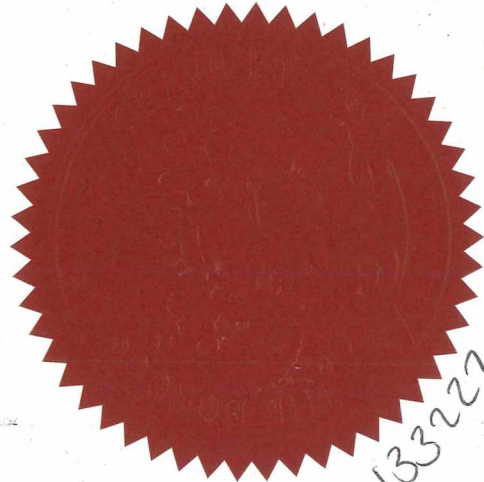


THE COMMON SEAL of CRAWLEY BOROUGH COUNCIL was hereunto affixed in the presence of:

S. D. B.

S. D. B.

Authorised Signatory



APPENDIX A TO THE LEGAL AGREEMENT

POVEY CROSS ACCESS CRITERIA (OBLIGATION 5.5)

- (i) up to 350 staff car park passholders that 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.
 - (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.
 - (f) the Police.
- (iii) existing local public service bus vehicles, Fastway, and any new local public bus service as shall first be approved by West Sussex County Council (following consultation with Surrey County Council).
- (iv) emergency service vehicles on duty.
- (v) other vehicles in exceptional circumstances.
- (vi) such other user(s) including the operators of courtesy bus services as the Company may approve following prior consultation with Surrey, Mole Valley, West Sussex County Council, and Crawley Borough Council.

