



## 2024 LONDON GATWICK CAPITAL INVESTMENT PROGRAMME

Published following consultation with London Gatwick's airlines and GATCOM's Passenger Advisory Group

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## 2024 CAPITAL INVESTMENT PROGRAMME

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## FOREWORD



As London Gatwick's recovery continued in 2023, we made steady progress in rebuilding our investment programme in line with the first post-pandemic Capital Investment Programme (CIP), which we published in July 2023. Our activities spanned the campus with major airfield infrastructure projects such as the Rapid Exit Taxiway (RET), significant transformation projects like the refurbishment of our North Terminal departure lounge and smaller, but no less important, investment in thousands of new seats. In November 2023, we were delighted to open London Gatwick's bigger and better rail station, transforming the journey from train to plane for millions of passengers every year and making journeys between London and Brighton easier, faster and more reliable.

Sustainability at London Gatwick is continuously evolving and 2023 was an exciting year on our journey. In 2021 we launched our second Decade of Change, focusing on 10 key topics over 10 years, set out in three themes: People and Community, Local Environment, and Net Zero. We continue to engage with Sustainable Aviation's work on decarbonisation and the Jet Zero Council's work on sustainable aviation fuel, and to identify ways of influencing others to reduce carbon. In 2023 we announced we were accelerating our goal to reach net zero for Scope 1 and 2 emissions by 10 years, from 2040 to 2030 and our 2023 CIP reflected that ambition, including energy-efficiency projects, such as the replacement of light fittings with LEDs, a campus-wide programme for the replacement of gas boilers and diesel vehicles, and the exploration of alternative fuel sources such as geothermal heat for our buildings and hydrotreated vegetable oil for our vehicle fleet. We strengthened our 10 Decade of Change goals with 10 roadmaps which clearly define our ambition and set out key performance indicators for each goal.

I am extremely proud that London Gatwick achieved Level 4+ 'Transition' of the Airport Carbon Accreditation scheme – the only institutionally endorsed, global carbon management certification programme for airports. The global scheme independently assesses and recognises the efforts of airports to manage and reduce their carbon emissions and reaching Level 4+ is a further important step toward making net zero a reality.

This Capital Investment Programme sets out our ambition to invest over £2 billion in facilities and services for our passengers and airline customers over the next five years through to March 2029. The programme both continues to develop and deliver projects that were unavoidably delayed by the catastrophic impact of a global pandemic, such as a new multi-storey car park and the extension of Pier 6 and adds new investment to capture initiatives such

as reducing potable water usage, the exploration of technology to transform passenger experience and enhanced baggage reclaim facilities.

The 2024 CIP includes investment to secure our airport's long-term future by developing and delivering our plans to bring the Northern Runway into routine use. This programme, the most ambitious in London Gatwick's recent history, will unlock capacity and allow for a more efficient and resilient operation, as well as meeting passenger demand well into the 21st century. Airport growth will provide a significant boost to the national and regional economy, and help support jobs, tourism and trade throughout the UK. Our planning application was submitted in July 2023 and was subsequently accepted for detailed examination by the Planning Inspectorate (PINS) in August 2023. A six-month period of detailed and rigorous examination of the proposals by a panel of five Government Planning Inspectors started in February 2024 and a decision from the Secretary of State for Transport is expected early in 2025.

Looking ahead, 2024 is likely to present challenges for London Gatwick, our airline customers and our passengers. The cost-of-living crisis continues for many, and war in Ukraine and conflict in the Middle East shows little sign of abating, but despite this, we have seen that our passengers want to and will continue to travel. Delivering strong service levels remains our critical focus. This Capital Investment Programme will invest over £600 million in projects to enhance the experience of passengers using London Gatwick, underpinned by our vision "To be the airport for everyone, whatever your journey" through the three core foundations of ease, efficiency and experience. Independent customer research conducted last summer told us that our passengers' priority is the departure lounge experience and so we have increased our ambition in South Terminal and incorporated the re-configuration of the existing departure lounge into our expansion plans. We are equally committed to investing in facilities and driving innovation for our airline customers to bring ease and efficiency to their operations at London Gatwick.

No capital programme would be complete without sustained investment to maintain our existing assets and provide resilience to support recovery from disruption. To ensure the continued smooth running of the airport and provide consistently high levels of operational performance we have committed to invest £600 million in asset stewardship and resilience projects in the 2024 programme. This includes investing in a variety of projects to improve the "look and feel" of London Gatwick, recognising that some areas of the terminals appear tired and dated. These projects will include upgrades to toilets, gate-rooms and the baggage reclaim halls.

Through this £2 billion investment programme we will continue to develop the airport to meet the needs of our airline customers and passengers. We constantly strive to improve the experience of passengers travelling through the airport, and with this in mind, we will continue to engage with our airline customers, both individually and multi-laterally, as well as representatives of our passenger and community groups, to understand the needs of all our stakeholders.

We look forward to delivering the new services and facilities in this Capital Investment Programme over the next five years for the benefit of our airline customers and passengers. This investment will help us deliver great service, meet our ambitious sustainability goals and grow London Gatwick to meet the future needs of the London air travel market.



**Stewart Wingate**  
Chief Executive Officer



## INTRODUCTION

London Gatwick's Capital Investment Programme (CIP) is a rolling five-year investment view which we publish each year as part of our Commitments regulatory framework. The programme is consulted upon with our airline customers and GATCOM's Passenger Advisory Group (PAG) and is informed by a continuous and extensive range of passenger feedback and research to understand their needs.

Following a pause in our investment programme during 2020 and 2021 due to the catastrophic impact of the Covid-19 pandemic, and gradual recovery in 2022, we were pleased to consult upon and issue our 2023 CIP in July 2023. Work has progressed to develop and deliver the projects set out in that programme, details of which are briefly summarised in this 2024 CIP.

On 6 May 2021, the Civil Aviation Authority (CAA) published its final decision on the economic regulation of Gatwick Airport Limited (GAL) for the period 1 April 2021 to 31 March 2025. The decision adopted a new set of Commitments, which had evolved from the original seven-year Commitments (1 April 2014 to 31 March 2021). These new Commitments included an updated minimum investment undertaking, revisions to the capital consultation process, expanded service commitments and simplification of the pricing structure.

The Commitments require GAL to notify the CAA of its intentions for the future of Commitments beyond 2025 by 31 March 2023. In July 2022 we started an extensive engagement process with our airline customers on the future of the Commitments and their feedback was critical in shaping the enhanced proposal submitted to the CAA on 31 March 2023. In June 2023 the CAA issued a consultation inviting feedback on GAL's proposals from all stakeholders, including airlines and GATCOM's PAG, with responses requested by mid-July 2023. The CAA published a second consultation in early August 2024 which set out its initial assessment that GAL's proposal was likely to be in the interests of consumers. The CAA requested feedback on its assessment by 27 September 2024. We currently expect the CAA's decision on extending the Commitments by the end of 2024.

Feedback from airline customers and other stakeholders during the Commitments consultation, as well as the annual CIP consultation process, has been consolidated in this draft 2024 CIP. The document sets out the capital investment we are proposing for the last year of the current Commitments period (April 2024 to March 2025), as well as the programme for the following four years.

The proposed Commitments extension continues to include an undertaking to consult upon and publish a rolling five-year CIP. The success of the Commitments framework from its introduction in 2014 through to 2020 was evidenced by improved service delivery and customer satisfaction, strengthened operational resilience, higher passenger numbers, increased market share and an expanded route network. All this was underpinned by a robust capital programme which adapted to dynamic business requirements and was driven by the needs of our passengers and our airlines, both incumbent customers growing their networks and new customers bringing new market opportunities to the London market.

The benefits of a flexible Commitments framework were also evidenced during the difficult pandemic years of 2020/21 and 2021/22. Despite significant financial losses, GAL provided airline customers with a package of financial support measures, sought no regulatory assistance and imposed no subsequent recovery charges. We also continued to invest throughout the period on critical projects, for example, in the rail station expansion and the replacement of the airfield data network.

This 2024 programme reaffirms our intention to not only meet, but to exceed, our minimum investment commitment over the five-year period of this CIP. We will continue to develop the airport through the flexibility that the Commitments framework gives us, by working with our airline customers and GATCOM's PAG to provide the facilities and services that our passengers expect.

## THE STRUCTURE OF THE CAPITAL INVESTMENT PROGRAMME

The content of this document is guided by our Commitments framework for consultation on the Capital Investment Programme and is intended to describe the capital investment for London Gatwick over the next five years. It aims to provide details regarding the drivers and priorities for investment, as well as giving specific information on current and future projects.

The structure of this document is as follows:

- [Section 1](#) describes London Gatwick's vision for the development of the airport, our values and our business priorities
- [Section 2](#) describes London Gatwick's key drivers for investment and how these are translated into capital projects to achieve the goals for each driver
- [Section 3](#) provides the programme of capital investment for the next five years, and this programme compared to the 2023 CIP, with reasons for any material differences
- [Section 4](#) provides a short summary
- [Appendix](#) provides the extracted Core Service Standards and Airline Service Standards table from London Gatwick's 2024/25 Conditions of Use

This Capital Investment Programme document is a snapshot of our plans at the time of publication and a basis for future consultation, and thus does not represent a mandatory investment programme. As you would expect in a five-year programme, many projects in the first year or two of this 2024 Capital Investment Programme are mature but as we look further out, the programme is more fluid.

## ANNUAL CAPITAL INVESTMENT PERFORMANCE REVIEW

This Capital Investment Programme document does not include a review of the performance of the 2023/24 Capital Investment Programme. This information was shared separately at meetings with our airline customers and the PAG on 7 August and 20 August respectively, following the completion of the 2023/24 regulatory year.

## FEEDBACK

This document was distributed to the members of the Airport Consultative Committee (ACC), the Gatwick airlines' consultative body and to GATCOM's Passenger Advisory Group (PAG) as a draft for consultation on 22 July 2024 with a request for feedback by 31 August 2024. Their feedback through the consultation has informed the final investment plan. We appreciate the contribution that the airlines and the PAG have made in this consultation process and thank them for helping us shape Gatwick's future capital plans.

## SECTION 1: LONDON GATWICK VISION

### To be the airport for everyone, whatever your journey

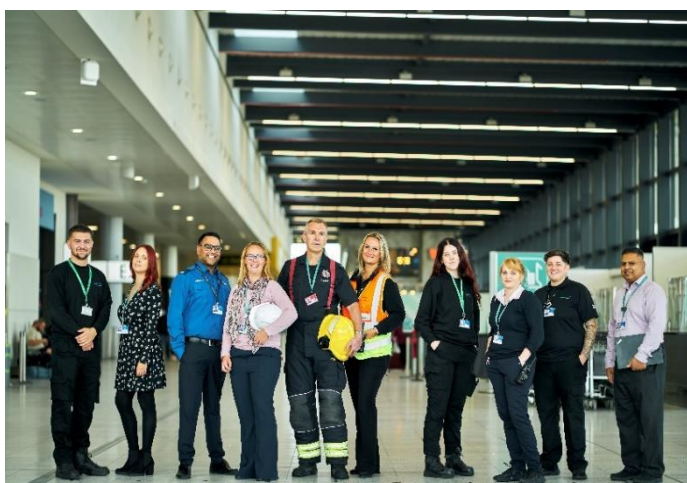
Underpinning our vision is a strengthened focus and investment on simplifying the journey through our airport, ensuring that it's an **easy and efficient experience**.

#### OUR VALUES

Our values support our vision. They represent what we believe in and who we aspire to be. It's not just what we achieve, but how we work together, that sets us apart. Guided by our values, we'll make London Gatwick an even better place to work.

Our core values are:

- We are **Ambitious**. We set ourselves big goals and we push the boundaries to deliver for our passengers.
- We are **Competitive**. We thrive on punching above our weight.
- We are **Resilient**. Being prepared and in control makes us ready for any challenge.
- We are **Resourceful**. We are obsessed with finding a better way.
- We are **Together**. Amazing things happen when we work together.



#### OUR PRIORITIES

London Gatwick is focused on strategic priorities which set out our ambition to remain as one of Europe's best airports. Safety and security underpin everything we do.

#### Great service

Give every passenger an enjoyable and effortless experience

Progress in 2023	<ul style="list-style-type: none"> <li>• Our passengers received good levels of service as we hit 98% of our agreed service levels.</li> <li>• Our world-beating security gets over 97% of passengers through in 5 minutes.</li> <li>• Eight out of ten rate their last flight as good or excellent, according to an independent survey of recent flyers (Quadrangle 2023).</li> </ul>
What's next?	We will continue to roll out next-generation security technology across both terminals, improving efficiency and convenience for our passengers.

#### Be sustainable

Continually drive greener and more sustainable solutions

Progress in 2023	<ul style="list-style-type: none"> <li>• Achieved Level 4+ 'Transition' of the global carbon programme for airports.</li> <li>• Opened a new on-site STEM centre providing a bespoke, hands-on space to engage and teach school children across the region.</li> <li>• Partnered with Crawley and Horley Hygiene Bank to donated 4 tonnes of toiletries sacrificed at security.</li> </ul>
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	<ul style="list-style-type: none"> <li>• Opened Europe's first airport electric vehicle charging forecourt, helping our passengers, staff and local residents to drive electric vehicles (EV) by providing charging infrastructure.</li> <li>• Cut carbon emissions from 300+ of our diesel vehicles by 90% by switching to Hydrotreated Vegetable Oil (HVO), which will save more than 950 tonnes carbon per year.</li> </ul>
What's next?	We will install the first tranche of new EV charging infrastructure on the airfield and replace the CIP building gas boilers with air source heat pumps.

## Build and grow

### Strengthen our airline, retail and commercial offer

Progress in 2023	<ul style="list-style-type: none"> <li>• 52 airlines fly from the airport to 170 short-haul and over 50 long-haul destinations.</li> <li>• By serving 40.9 million passengers in 2023, we again rank as one of Europe's top 10 airports.</li> <li>• The Centre for Aviation ("CAPA") awarded us Large Airport of the Year for our 'remarkable recovery' post-COVID.</li> <li>• Food and beverage outlets lost during the pandemic backfilled with refreshed offers: Brewdog, Vagabond, Pret a Manger, Breakfast Club, Krispy Crème to name but a few.</li> <li>• More than 4,000 new seats installed across the two terminals</li> </ul>
What's next?	We will complete the work to refurbish our North Terminal departure lounge and do the same for South Terminal. Work will commence on a multi-year programme to address the 'look and feel' of some of the tired and dated areas of the campus.

## Work smarter

### Drive efficiency and resilience

Progress in 2023	<ul style="list-style-type: none"> <li>• We've increased resilience and reduced the time aircraft spend on the Main runway by building a new Rapid Exit Taxiway.</li> <li>• Trials of "smart stand" technology show results that could reduce the time taken to turn an aircraft and drive on-time performance improvements</li> </ul>
What's next?	Work will start on the £120+ million Pier 6 extension, which will provide eight new pier-served aircraft stands, reducing the number of passengers who travel by bus to remote stands.

## Keep our airport moving forward

### Invest in projects that serve our customers and enable growth

Progress in 2023	<ul style="list-style-type: none"> <li>• Opened a redeveloped rail station, doubling space and improving accessibility for our passengers.</li> <li>• Started construction on a new multi-storey car park adjacent to the North Terminal.</li> </ul>
What's next?	We are taking our Northern Runway Plan through a detailed, 6-month examination by the Planning Inspectorate, which started in February 2024.

## SECTION 2: INVESTMENT DRIVERS

Gatwick has 7 key investment drivers:

- Safety, Security and Compliance
- Sustainability
- Asset Stewardship and Resilience
- Capacity and Service
- Efficiency
- Commercial Revenue
- Future Growth





## 2.1 SAFETY, SECURITY & COMPLIANCE

Above all else, providing a safe and secure environment for our passengers and staff is vital for our business. We need to invest to comply with the requirements from a range of authorities to be able to continue to operate safely. These include the CAA who grant our licence to operate the airfield, the Department for Transport for security regulations and the Environment Agency for protecting the environment. Examples of projects which fall into this investment driver are:

- Security Regulation Change - upgrades to passenger and staff screening technology mandated by the Department for Transport. This will impact multiple sites across the airport campus – central searches areas in both terminals, Flight Connections facilities, the Sussex Suite, staff searches areas in our terminals and crew reporting office blocks as well as external access posts,



*Delivery of Security Regulation Change Cabin Baggage X-rays*

- upgrades to lighting and emergency escape routes in the South Terminal baggage hall,
- replacement of the North Terminal fire alarm system,
- improving road safety at a crossing point near North Terminal, and
- upgrades to both the northern and southern airfield facilities for the supply of potable water for aircraft, as well as investment in the refurbishment and expansion of facilities to process aircraft toilet waste.

## 2.2 SUSTAINABILITY

We aim to lead the way in sustainable aviation. In 2021, we launched an update to our Sustainability Policy, called our Second Decade of Change. This looks ahead to 2030 and sets out a renewed set of goals covering ten topics. Recognising the urgent need to make net zero a reality, we have accelerated our commitment to be a net zero airport (Scope 1 and 2) by 2030, ten years ahead of our previous target. Each year we report on our progress – our 2023 Decade of Change report can be found [here](#).

Our goals, shown below, are shared across three themes: People and Communities, Net Zero and Local Environment.

### People and Communities



#### 1. Local economy:

Be a partner and advocate for a thriving resilient economy and contribute to local and regional workforce skills partnerships and initiatives.



#### 2. Opportunity and Accessibility:

Increase workforce diversity through recruitment, training and retention practices and partnerships; and ensure accessibility and opportunity for disabled colleagues and passengers.



#### 3. Workplace safety:

Be a leading airport for the safety, health and wellbeing of our workforce and passengers, striving to learn and continually improve.



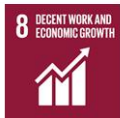
#### 4. Local communities:

Invest resources in programmes and partnerships for those communities most affected by Gatwick's operations.



#### 5. Noise:

Limit and where possible reduce the airport's impact on local communities by working with partners and stakeholders to create the most noise efficient operation possible.



### Net zero

Continue Gatwick's net zero transition and further improve local air quality by:



#### 6. Airport emissions:

- Achieve Net Zero for GAL Scope 1 and 2 GHG emissions by 2030.
- Sourcing 50% of airport network electricity and 50% of heat network from UK renewable sources via onsite generation and direct purchase agreements (PPAs) by 2030;
- Requiring all GAL and airport duty vehicles, ground support equipment and mobile construction equipment to meet zero or ultra-low emission standards by 2030;



#### 7. Aircraft and surface access emissions:

- Playing our part in UK aviation and ground transport transition to net zero carbon.
- Working with airlines and fuel providers to implement the Sustainable Aviation decarbonisation roadmap and interim goals.
- Working with transport partners to increase airport passenger and staff usage of public transport and zero and ultra-low emission journey modes to 60% by 2030.



### Local Environment



#### 8. Water:

Reduce the airport's potable water consumption by 50% on a per passenger basis by 2030 compared to 2019, continue to improve the quality of water leaving the airport and work with partners to promote local water stewardship.



#### 9. Waste:

Ensure that by 2030 all materials used at Gatwick in operations, commercial activity and construction, are repurposed for beneficial use i.e. repaired, reused, donated, recycled, composted or converted to fuel for heating or transport.



#### 10. Biodiversity:

Have a sector-leading 'net gain' approach to protecting and enhancing biodiversity and habitats on the airport estate, including zero use of herbicides by 2030; and support biodiversity partnerships in our region.



## 2.2.1 PEOPLE AND COMMUNITIES

Our People and Communities theme includes work relating to five goals: Local Economy, Opportunity and Accessibility, Workplace safety, Local communities and Noise.

### Local Economy

Our airport plays a vital role in sustaining the local and regional economy. From generating employment and supporting the supply chain to providing connectivity for tourists and opportunities for inward investment and trade we have an important economic relationship with the region we serve. In 2023 we supported over 56,000 jobs across the region and added over £4 billion of gross value. Our goal is to improve the proportion of our annual expenditure up to 15% in the local area and 25% in the region. We also aspire to create more high skilled job opportunities for local people as the airport grows and develops both its service and technology proposition. In 2023, we announced a new partnership with a data, insight and analytics platform, mnAi, to support our procurement policy to include local or regional suppliers in all procurement-led tenders where a suitable business exists.

### Local communities

In 2023 we invested in a new STEM (science, technology, engineering and maths) centre providing a bespoke, hands-on space to engage and teach school children across the region. The dedicated on-airport space enables far more students to access the STEM lessons and makes it far easier for staff from many organisations across the campus to volunteer their time to support local students.



### Opportunity and Accessibility

Gatwick's goal is to be the most accessible airport, and considering the needs of both disabled colleagues and passengers in all our investment plans is a key priority. We engage regularly with both GATCOM's Passenger Advisory Group and the Independent Gatwick Accessibility Panel (IGAP) which focuses on passengers with special assistance needs. Investment in the expansion of the international departure lounges in both North and South Terminals will include enhancement in the provision of facilities for passengers with special assistance-needs, for example, adult changing spaces and quiet zones, and put accessibility at the heart of the design of new space to enable as many passengers as possible to make their journey through the airport independently. North Terminal's Gate 45 is a key touchpoint for passengers needing specialist help to board aircraft, and our plans to upgrade Gate 45 include improved waiting facilities and dedicated toilet facilities to support our most vulnerable passengers. As well as ensuring new space is designed to maximise accessibility, we will continue to look for opportunities to make some of our older infrastructure more accessible, by, for example strengthening the Pier 6 arrivals route to facilitate buggy operations.

### Workplace Safety

Safety and security underpin everything we do at London Gatwick. As we rebuild our capital investment programme, we are acutely conscious of the need to ensure that we consider not just planned investment in specific workplace safety projects, such as walking routes and road crossings, but also the safety of our worksites. We have many new contractors who are unfamiliar with the airport environment and ensuring that they are appropriately trained, inducted and supervised is critical. Our 2024 CIP includes investment in automation that may, for example, reduce manual handling in baggage areas, or reduce apron activities such as foreign object debris (FOD) detection and removal from aircraft stands.

## Noise

We are committed to limiting the airport's impact on local communities where possible, by working with partners and stakeholders to create the most noise-efficient operation possible. We continue to engage with stakeholders through the Noise Management Board, the Noise and Track Monitoring Advisory Group, the annual Airspace and Noise Public Meeting, airline engagement sessions, and Sustainable Aviation. We have continued to play our part in the modernisation of the airspace network around Gatwick through the Future Airspace Strategy Implementation – South programme (FASI-South) which aims to deliver “quicker, quieter and cleaner journeys”, with the aim of further enhancing aviation safety and improving the capacity, efficiency, resilience and environmental performance of the network of arrival and departure routes that serve Gatwick. Investment in the programme has been extended through to 2028, to take account of the Sustainable Aviation proposal to create a Single Design Entity (SDE) to deliver the FASI programme, which will be consulted upon in 2024, and which may delay previously anticipated implementation timescales.

## 2.2.2 NET ZERO

### Airport Emissions

We continue to engage with Sustainable Aviation's work on decarbonisation and the Jet Zero Council's work on sustainable aviation fuel, and to identify ways of influencing others to reduce carbon. We have set an ambitious target to be net zero for Scope 1 and 2 GHG emissions by 2030, which means eliminating fossil fuels across the campus by decarbonising our heating and cooling, switching our diesel vehicles for electric or zero emission alternatives wherever possible, and sourcing 50% of our electricity from on or near site sources, or sleeved PPAs. Our 2024 CIP therefore includes:

- a programme to decarbonise heat, replacing over 100 gas boilers with zero emission alternatives,
- a programme to reduce fugitive refrigerant gas emissions,
- a range of near and on-site renewable energy generation projects,
- reducing the GAL vehicle fleet size and replacing the remaining petrol and diesel vehicles with zero emission alternatives a programme to upgrade lighting across the campus to LED. Across our campus, in 2023 we replaced 1,000 streetlights and 3,600 lights in multi-storey car parks, saving 1.4GWh/year, and the next tranche of projects are underway, including the lights along the lengths of Pier 4 and Pier 6.

### Airport Carbon Accreditation

London Gatwick achieved Level 4+ 'Transition' of the Airport Carbon Accreditation scheme – the only institutionally endorsed, global carbon management certification programme for airports. The global scheme independently assesses and recognises the efforts of airports to manage and reduce their carbon emissions through seven levels of certification: 'Mapping', 'Reduction', 'Optimisation', 'Neutrality', 'Transformation', 'Transition' and the recently announced Level 5.

In addition to London Gatwick's existing carbon reduction success, to achieve Level 4+ 'Transition', our airport was required to set out a policy commitment, alongside detailed targets, trajectories and action plans to reduce emissions in line with global climate goals.

London Gatwick has been carbon neutral since 2017, through the ACA scheme. This required our airport to offset our residual Scope 1 and 2 emissions, as well as emissions related to business travel. Key to achieving this accreditation was also London Gatwick's Stakeholder Partnership Plan. This sets out how our airport will drive third parties on the airport campus to reduce their emissions, either through their own reduction plans or measures initiated by our airport.



### Aircraft and Surface Access Emissions



As well as addressing our own sustainability objectives, our investment plans support our airline and other third-party partners to meet their goals to reduce aircraft and surface access emissions. For example, our 2024 CIP includes:

- provision of charging facilities for electric vehicles, including exploration of common user equipment to support the transition, and fuelling capability for hydrogen vehicles,
- a programme to improve the energy efficiency of our tenanted buildings,
- exploration of opportunities to reduce aircraft taxi time, such as using robotic technology that enables aircraft taxiing without the need to run engines,
- continued development of Airport Collaborative Decision Making (ACDM) and other airport infrastructure such as stand entry guidance systems (SEGS) to facilitate single-engine taxi and optimise aircraft taxi times,
- provision of pre-conditioned air to reduce the use of auxiliary power units on aircraft stands,
- continued investment in Airspace Modernisation – a complete redesign of London Gatwick’s airspace as part of a national airspace modernisation programme to deliver ‘quicker, quieter and cleaner journeys’ with the aim of enhancing aviation safety and improving the capacity, efficiency, resilience and environmental performance of the airspace system,
- a programme to support active travel for passengers and staff, including improvements and/or expansions of cycle routes around Gatwick and provision of additional cycle storage, shower and changing facilities.

We demonstrated our capability to distribute Sustainable Aviation Fuel (SAF) in 2021, refuelling around 50 easyJet aircraft travelling to COP26 in Glasgow via our hydrant system, and stand ready to enable our airline partners to transition to SAF. Looking to the future, we are starting to explore the infrastructure impact of future aircraft technologies, such as electric and hydrogen flight and the CIP includes small sums to support such initiatives. We expect investment in this exciting development of the aviation industry to build significantly in future CIPs as the implications for airports become clearer.

## 2.2.3 LOCAL ENVIRONMENT

### Water

London Gatwick is committed to reducing the consumption of wholesome, or potable, water (targeting a 50% reduction from 2019 levels by 2030) and continuing to improve the quality of any water leaving the airport. Projects envisaged in the 2024 plan include:

- creation of a wetland water treatment facility; six reed-beds with Forced Bed Aeration (FBA) technology to treat de-icer contaminated water, near the storage lagoons to the south of the airport.
- creation of clean water storage capacity within the existing lagoon
- construction of an underground rainwater storage tank under Car Park Y to ensure a continuous supply of grey water, even during the UK’s (theoretically!) dryer summer months,
- re-purposing of existing pipelines plus additional pipework to distribute treated water around the campus.



*Reed beds*

### Waste

Our goal is to ensure that by 2030 all materials used at London Gatwick in operations, commercial activity and construction are repurposed for beneficial use, ie repaired, reused, donated, recycled, composted or converted to fuel for heating or transport. In 2022, 56% of airport operational waste was reused or recycled, with the remainder sent off-site for energy recovery.



Passenger research continues to demonstrate passengers' interest in supporting sustainable waste initiatives and this underpinned a trial to improve segregation of materials at source through a trial of new recycling stations in the North Terminal. The 2024 investment plan includes funds to replicate the success of the re-cycling stations across the campus with units that are more in-keeping with London Gatwick's look and feel aspirations.

### Biodiversity

London Gatwick continues to lead the way in biodiversity at airports with our 'net gain' approach to protecting and enhancing biodiversity and habitats on the airport estate by, for example, expanding our award-winning scheme to plant more wildflowers alongside our roadways, and developing a nature-based, reed-bed treatment system to decontaminate the water that leaves our site.



*Indicative Wetland Water Treatment Facility*

## 2.2.4 SUSTAINABILITY INVESTMENT OVERVIEW

Sustainability investment in the 2024 CIP has increased by £72 million to £260 million, compared to £188 million for the equivalent 5-year period in the 2023 CIP. The rise has been driven by the acceleration of water quality and potable water reduction projects previously embedded in the Northern Runway Programme, greater investment in electric vehicle charging infrastructure in the period and an escalation in the cost of decarbonising heat across the airport as the scope and scale of the work to each building is being more clearly defined.

As well as investing in projects to directly deliver London Gatwick's sustainability and those of our airport community, we are embedding sustainability throughout the project lifecycle of all our investments. In this way, we are not only considering what we are delivering, but how we will deliver it. The Pier 6 western extension project is a good example of this approach. We revisited the 2020 design and, while still providing the same eight new pier-served stands, and the same operational gate-room space to service larger Code C aircraft, it now has a 50% smaller footprint, generating a significant carbon saving by simply building less. The delivery team also looked at the construction methodology, challenging London Gatwick's traditional concrete and steel approach, and drove a further 20% carbon saving. The revised design, which is on track to achieve a BREEAM<sup>1</sup> rating of 'excellent', also looks at the operation of the building, minimising water consumption, incorporating smart, energy-efficient lighting and optimising the whole-life carbon cost of heating and cooling.



<sup>1</sup> BREEAM (Building Research Establishment Environmental Assessment Method) is a sustainability assessment method that is used to masterplan projects, infrastructure and buildings

## 2.3 ASSET STEWARDSHIP AND RESILIENCE

### 2.3.1 ASSET STEWARDSHIP

Effective maintenance of our asset base underpins our ability to offer consistently high levels of operational performance for our passengers and airline customers and enhance our comprehensive set of Core Service Standards. In the coming years, we will invest in some major maintenance programmes, such as the rolling programme of taxiway rehabilitation, the replacement and upgrade of several key air-traffic systems, including the airport's Instrument Landing System and the replacement of the North Terminal fire alarm system.

A consistent and high-quality 'look and feel' across the campus plays an important part in ensuring we offer a competitive service proposition to passengers. In summer 2023, we commissioned independent market research to understand what was important to our passengers and their perceptions of London Gatwick compared to other London airports. A key part of their feedback was that areas of our terminals are feeling tired and dated. Passenger feedback was augmented with condition assessments for every touchpoint in the passenger journey, prioritised by condition, dwell time and usage.

The priority for passengers was the North Terminal Departure Lounge and work is almost complete on a £10+ million project to improve orientation and wayfinding, as well as upgrade seating, flooring and lighting to give a fresh and modern feel throughout. In 2024, work will commence on a similar upgrade to the South Terminal departure lounge and a multi-million programme will refresh other areas in the terminals such as gate-rooms, reclaim halls and toilets, as well as car parks, bus stops and forecourt areas.

Other major asset stewardship projects in this 2024 Capital Investment Programme include:

- a £57 million, multi-year programme to rehabilitate large sections of the airfield taxiway system,
- continuation of a programme to replace critical Air Traffic Control assets including the Instrument Landing System (ILS) and the Multi-Static Dependent Surveillance System (MDS),
- replacement of the 'old' or 'emergency' air traffic Control Tower, which is no longer capable of meeting London Gatwick's operational requirements, with, potentially, a 'virtual' contingency facility like those operated by both Heathrow and London City airports,
- expansion and upgrade or full replacement of the Police Station,
- replacement of the outbound baggage system sorters in one of the North Terminal baggage facilities, known as TBF,
- full replacement of the North Terminal fire alarm system,
- replacement of terminal seats and recycling/waste bins across the campus,
- an extensive rolling programme for the upgrade of over 25 sets of toilets, in line with those recently opened in ST Immigrations and Gate 55,
- upgrades to the circulation areas (lifts, stairs, pay facilities etc) in multi-storey car parks 1-6,



*New seats in ST IDL and Pier 2*



*ST Check-in Zone J/K ceiling*

- final completion of the project to replace the ceiling in South Terminal check-in zones J and K, as well as a new project to replace the lower-level ceiling in South Terminal Zone H. Longer term, the replacement of the ceilings above ST check-in Zones D& E and the arrivals concourse will be considered.

- a longer-term project to replace the inter-terminal shuttle, which is coming up to 20 years old,
- longer term projects to reconfigure and transform our older piers, such as Pier 3 and Pier 4.

Alongside these major investments, the CIP includes a substantial Core Asset Stewardship programme. This covers all our day-to-day renewal projects, many of which directly support the maintenance of our Core Service Standards, for example; the replacement of mechanical assets such as passenger boarding bridges, escalators and lifts; the renewal of IT assets, both hardware and software, that support core operational systems like flight information display systems (FIDS); the upgrade of our security e-gates and domestic reconciliation cameras; replacement and upgrade of WIFI access points; a campus-wide renewal of FEGP units following the demise of the previous supplier; replacement of the airfield lighting control system; the purchase of new snow clearance equipment, and the upgrade of the SCADA system (Supervisory Control and Data Acquisition) that controls our high voltage electrical network.

Historically, London Gatwick has invested around £35 million each year in Core Asset Stewardship. Through the pandemic years this was lower, and the early years of this CIP show higher levels of investment to address the backlog. In 2024/25 we expect to invest almost £50 million in more than 65 individual projects, ranging from the replacement of the ST Check-in Zone H baggage system controls at a total cost of £6 million, down to the purchase of 110 new Passenger Integrated Guidance System (PIGS) units at £650 each.

Where appropriate, instead of just renewing assets on a like-for-like basis as they reach the end of their lives, we upgrade them, so delivering a higher-performing asset base over time. For example, the replacement of the life expired security e-gates and the underpinning IT platform offers the opportunity for more flexible passenger access control at security. This approach will also be vital in delivering our Scope 1 and 2 net zero goals, for example, by replacing life-expired gas boilers, chillers and vehicles with sustainable alternatives.

### 2.3.2 RESILIENCE

The resilience of our airport is vital to us, our airline customers and our passengers. That is why we invest in a wide variety of measures to enhance our airport's ability to recover from disruption, such as weather and en-route air traffic congestion, like that seen in 2023 across much of Europe. On the airfield, the new rapid exit taxiway has just opened, providing an additional fast exit route off the runway for arriving aircraft, in a location that is optimised for Code C, narrow-bodied aircraft. This will reduce runway occupancy times, improve the resilience of runway operations and aid on-time performance.

Our CIP continues to invest in an extensive IT programme to improve the resilience of our critical IT systems and guard against the increasing risk of cyber-attack. We recognise that aviation is a high-profile target and will remain vigilant to threats and agile in our response.

Other projects in this 2024 CIP that both directly and indirectly support resilience include:

- upgrades to the Airport Collaborative Decision Making (ACDM) system,
- creation of an Airport Control Centre (APOC) (aka Single Operations Centre) to drive improved situational awareness, stakeholder communication and on-the-day decision making,

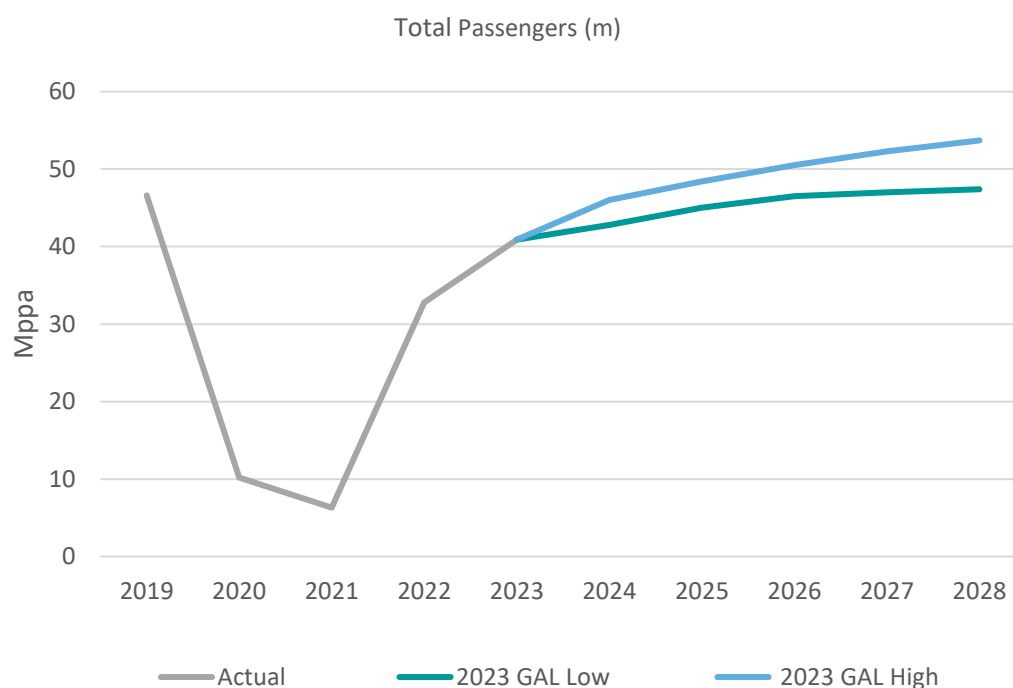
- enhanced taxiway/airfield infrastructure such as the extension of taxiway Lima to create a new link between taxiways Sierra and Uniform which will improve the resilience of the taxiway system by offering an alternative route for aircraft travelling to and from the runway and to access maintenance hangars, and the extension of taxiway Tango to the north to link to the new Lima extension, to create an additional north/south taxiway route,
- enhanced push & hold capability, increasing the number of 'drive-through' push & hold stands and combining them with the capability to de-ice aircraft prior to departure,
- additional centrelines, beyond those provided by the Pier 6 extension project, to offset the impacts of maintenance and project work,
- an initial deployment of 'smart stand' technology on Pier 6 stands, following successful trials in 2024. Further roll-out will follow when and if evaluation of the pilot demonstrates the operational benefits of the technology at scale,
- provision of network connectivity on currently unconnected remote stands to support ACDM deployment and facilitate efficient ground handler and airline operations,
- investment in an extensive programme of IT resilience to enhance our protection against failures of critical IT systems, including guarding against ever increasing cyber security threats,
- investment in flood mitigation, continuing our programme of work to ensure that the airport is more than adequately protected against flooding and electrical power resilience,
- continuing to ensure the stability of power supplies to the airport and the provision of ample power to meet the airport's growing electrical energy demands, particularly as we anticipate higher demand for electrical vehicle charging, the replacement of gas heating with electric and the deployment of pre-conditioned air to aircraft,
- and investment in foul sewage resilience – ensuring sewage facilities are aligned to the airport's future needs, including those dealing with aircraft toilet waste.

## 2.4 CAPACITY AND SERVICE

### 2.4.1 TRAFFIC

London Gatwick undertook a high-level traffic assessment to help inform the long-term capital investment forecast. A range of annual traffic numbers are set out in Figure 1 below:

Figure 1: London Gatwick passenger traffic (million passenger per annum) – actual and forecast



Source: GAL forecast

The above forecast has been informed by a wide range of information, including discussions with key airlines operating at London Gatwick. 2023 performance was broadly in line with the 2023 CIP low-case scenario and macro-economic, geo-political and operational risks continue to create considerable uncertainty. Whilst GAL continues to retain a positive view over the period, growth in the near term is expected to remain consistent with the 2023 CIP low case.

The forecast range acknowledges the impact which several key factors may have on passenger volumes. Factors which may support an outcome at the lower end of the range include:<sup>2</sup>

- **Economy:**

Economic activity remains a key driver of traffic demand and as most of London Gatwick's passengers are UK originating, traffic growth at London Gatwick will be strongly influenced by UK economic activity. Whilst inflation has slowed, this has yet to materially impact interest rates and consumers' spending power, confidence and propensity to spend remain at risk. We have seen in the past that geopolitical events impact aviation demand with examples such as the 1990 war in the Persian Gulf and the 9/11 terrorist attacks in the US. The impacts flow from effects on fuel prices, markets becoming unavailable and consumers being less confident in flying.

<sup>2</sup> Note that the Northern Runway (if the DCO application is approved) will not become operational until 2029 and so falls outside the range of this forecast.

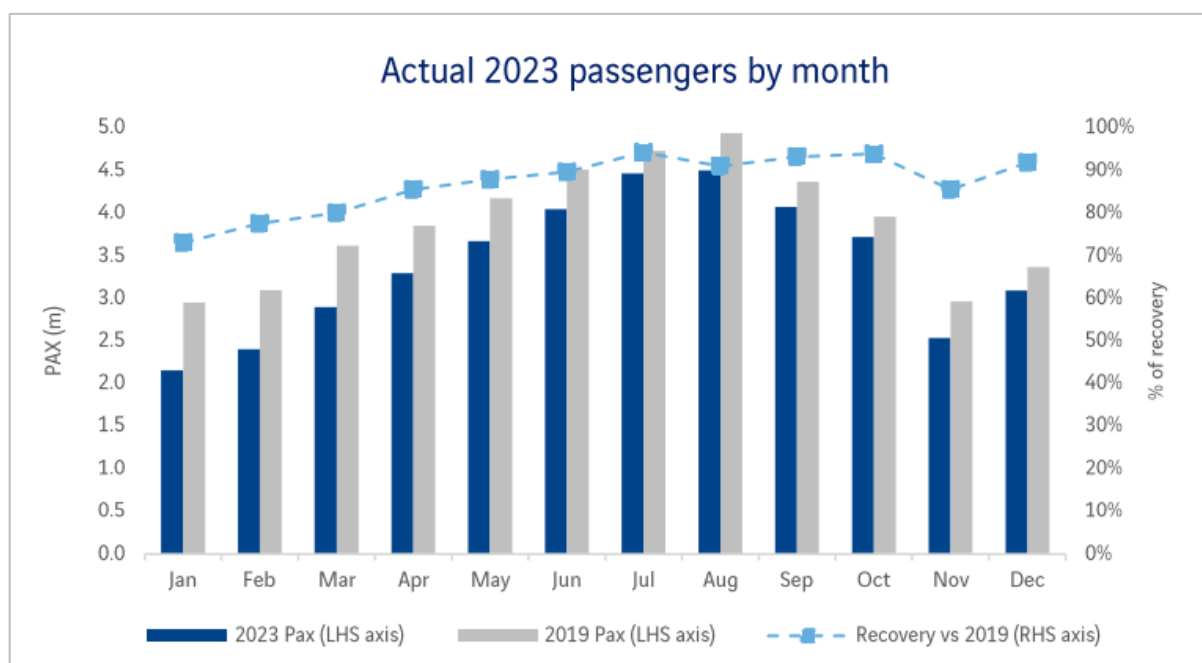


The war in Ukraine continues and is the most serious conflict Europe has seen since the end of the second world war. The recent conflict in Gaza has exacerbated tensions in the Middle East and pressures remain over Taiwan. As well as impacting the world markets for food and energy and consequently disrupting economic recovery, the war in Ukraine directly impacts the aviation markets through the aircraft leasing market and Russian and Ukrainian airspace closures. GAL's lower forecast represents a more cautious outlook on economic growth, acknowledging the uncertainty which remains over the medium-term period.

- **Seasonality:**

GAL continues to experience a slower recovery in passenger demand during off-peak seasons. Figure 2 below shows 2023 passenger numbers by month and as a proportion of 2019 traffic. We saw passenger recovery of more than 94% during the summer but this fell back to 84% in the winter season. The 2023 CIP lower forecast presented by GAL assumed that passenger volumes continued to recover more slowly during off-peak periods with airlines adopting a more cautious approach to capacity deployment during these less profitable periods of the year and we expect this to continue for some time. This effect can be expected to be particularly pronounced under scenarios with lower economic growth.

Figure 2: Passenger numbers at London Gatwick vs 2019



Source: GAL passenger numbers

- **Long-Haul Recovery:**

During 2022, the recovery in the long-haul segment was notably lower than the short-haul segment and the long-haul market continued its path to recovery in 2023. In the first quarter, long-haul passenger traffic reached 55% of 2019 levels, increasing to 68% in the fourth quarter. 2023 was the year when Chinese traffic began its recovery following the removal of the last remaining travel restrictions, which enabled Air China and China Eastern to start their services in the second quarter. The lower forecast recognises the potential for the continued slower recovery in this market segment which would be expected to improve seasonality and gauge, with long haul routes typically operated by larger aircraft.

- **Short-Haul Gauge:**

The largest short-haul airlines at London Gatwick operate a range of aircraft types, with seat capacity typically ranging from circa 150 seats up to circa 240 seats. While aircraft order books indicate that the gauge can be expected to increase over time, the lower forecast recognises the potential for a more gradual increase in gauge

within the short-haul segment which may be driven by specific airline strategies and/or airline responses to prevailing market conditions.

- **Market Exposure:**

London Gatwick continues to compete fiercely for uncertain traffic and growth. We compete for traffic and passengers with the other London airports and for routes and based aircraft with other European airports. It has also been encouraging to see some airlines shift flights to London Gatwick due to available capacity and the significantly more competitive charges.

London Gatwick's traffic range does not reflect a material downside due to some of the economic factors mentioned above. Nor do we attempt to quantify the likelihood and potential impact of such risks: the range of possible outcomes, particularly at the lower end of the range is therefore greater than illustrated on Figure 1 and it remains important to retain flexibility to modify the capital investment programme in response to changing trading conditions.

Several workstreams to optimise the throughput of London Gatwick's main runway have been established. These include the exploration of technology solutions such as time-based flow management and reduced departure separation, the delivery of infrastructure solutions including an additional rapid exit taxiway, and enhanced air traffic control resources such as a second ground movement controller. Separately and together, these interventions offer the potential to increase throughput capability. As each becomes available, we will consider the potential and assess any impact on operational resilience, but only a small capacity release is assumed in the period.

#### **Using London Gatwick traffic forecasts to determine facility requirements**

While annual projections are useful to understand total demand, infrastructure provision relies on satisfying the peak demand within the year. Therefore, underlying London Gatwick's annual traffic forecast is the demand in a busy hour on a busy day in summer. This is calculated by taking the busiest Friday in August (in terms of aircraft movements) and applying forecast load factors for the Friday average of the busiest six summer weeks. Due to the lead time between planning and delivery of infrastructure projects, solutions need to be resilient to a range of different busy day outcomes. For this reason, the busy day schedule, consistent with our annual forecast, has been flexed for a range of different scenarios by changing the above assumptions to stress test the facility and airfield requirement.

GAL have conducted a high-level demand assessment of the passenger journey through the airport – inbound and outbound. The table in Fig 3 highlights in red the infrastructure where, in the absence of any additional investment by GAL to enhance capacity, forecast demand would exceed the capacity which current facilities could deliver. Figure 3 shows how shifts in the traffic mix are driving changes in the demand on infrastructure. For example, the post-pandemic shift from long haul services to the US market to more eastern routes (eg China and India) is increasing demand on baggage reclaim due to the higher bag ratios on those flights. This trend is also putting pressure on Immigration – we have sufficient infrastructure, but more eastern long-haul passengers require Border force checks at 'standard' desks rather than e-gates.

Capital projects which are designed to address each of the emerging capacity and/or service shortfalls are included in this 2024 Capital Investment Programme and can be found on pages 23-26.

Figure 3: Key Capacity and Service Impact Assessments

		2024	2026	2028	Comments
Check -in (check-in points)	NT			+8	
	ST		+10	+11	Solutions could be and/or technology
Security	NT				
	ST				
Outbound Baggage (MUPS)	NT			+9	Dynamic MUP allocation and baggage automation to be explored ahead of physical expansion
	ST			+5	
IDL (sqm/pax)	NT	+1,950	+2,750	+3980	Space calculation assumes 4.25sqm/pax to balance and optimise space, services and commercial
	ST	+1,840	+2,450	+2,850	
Immigration	NT				Infrastructure requirements only. Border Force resource is a separate assessment
	ST				
Reclaim	NT			+1	Call forward process & new belt east of domestics
	ST		+1	+2	Call forward process & extend reclaims 5, 7 and 8
Pier Stands	NT		+4	+4	+8 delivered by Pier 6 extension
	ST				
Centrelines			+2	+8	+8 will be delivered by Pier 6 extension
Roads					Signalisation addresses peak congestion

Notes: Capacity assessment does not include growth from Northern Runway which will not be complete by 2028. Amber rating shows demand within 5% of capacity. Red rating shows the demand 'over' capacity.

## 2.4.2 SERVICE QUALITY

London Gatwick operates in a highly competitive environment where consistently high levels of service are key to attracting and retaining customers. Our success in delivering our 2010 vision "to compete to grow to be London's airport of choice" was evidenced by record traffic levels, increased market share, an expanded network of both short-haul and long-haul routes, and consistently rising levels of passenger satisfaction. Capital investment in service quality underpinned this performance, and it remains one of our key drivers.

In 2023, as London Gatwick emerged from the pandemic, we developed a new vision to guide the airport's development. Our vision, supported by the strapline "**To be the airport for everyone, whatever your journey**" reflects our diverse airline and passenger customers. It has three core foundations; **ease, efficiency and experience**. Our vision, together with our values, set out in Section 1, underpins our 2024 investment programme.

Our core service performance is monitored through the Core Service Standards (Rebates) (CSS) scheme, which was introduced in April 2014 under our Commitments framework. The service schedule was updated in 2021 following extensive consultation with our airline community and GATCOM's Passenger Advisory Group and continues through this Commitments period to March 2025. In 2022 we commenced a further review of the CSS scheme to ensure that it continues to be relevant for today's airport operations and for our passengers. Any changes will inform the 2025 CIP. This scheme provides thresholds for over forty-five 'core' services that are most important to our customers such as security queues, cleanliness and the availability of escalators & lifts, below which we believe we should not fall. We report performance against each target every month. Continued performance above each of these thresholds is a key assumption in our capacity assessments. Details of the targets, which are set out in London Gatwick's 2024/25 Conditions of Use, can be found in the Appendix.

Whilst we recognise the criticality of the services covered by the CSS, we pride ourselves on not limiting service improvements to only those service standards which are monitored but looking far more broadly at our passenger proposition to provide an excellent overall experience.

During 2023, GAL, the ACC and the PAG worked with an independent research agency, Quadrangle, to gather passenger feedback on the end-to-end passenger journey. Their feedback told us that London Gatwick delivers a very consistent, positive experience across the passenger journey and continues to be recognised most for efficiency, ease, and cleanliness. Consistent with previous passenger research feedback, key processes such as check-in/bag-drop, security and arrivals were rated as easy and efficient and have benefited from our investment in transformative technology. To move passengers' perception of the airport from "good" to "great" they told us that the departure lounge experience needed to be improved and that more information on walking time/distances to the gates and queue waiting times would be helpful. They also observed that there were some areas of the terminals that are looking tired and dated and need to be refreshed and modernised.

The 2023 CIP already included investment to address much of the Quadrangle feedback, but the 2024 CIP incorporates two key changes in response to the feedback. Firstly, investment in the refurbishment of piers, gate-rooms and toilets has been accelerated, with over £16 million added to the programme in the period. Secondly, the scope of both the North and South Terminal Departure Lounge expansion projects has been increased to include the reconfiguration of the existing space to ensure a holistic transformation of the experience we offer passengers, adding £70 million to the anticipated final cost of the projects, both of which extend beyond the horizon of this 5-year programme.

We also pay close attention to airline and third-party operational performance targets and the impact of these on our passengers. For example, On Time Performance (OTP) is a critical success factor for our airline community and is a key driver of passenger satisfaction. London Gatwick's target is 70% OTP in the summer season and 75% in the winter season and meeting, and exceeding this, is a key priority for the airport. OTP is dependent upon many factors such as airline schedules, ground handler performance and airspace congestion in both the UK and in Europe. Air traffic control (ATC) is key to the success of any airport and ensuring the provision of key resources; skilled people, up-to-date technology and fit-for-purpose infrastructure, is a clear focus for both GAL and NATS, the airport's ATC provider.

Examples of some of the direct service improvements for airlines and passengers in this CIP include:

#### Airfield, OTP and Pier Projects

- an extension to Pier 6 to provide eight new full Code-C pier-served stands, making the boarding experience easier and more efficient for more than one million passengers every year, who would otherwise be coached to a remote stand, and maintaining London Gatwick's 95% pier service threshold well into the future (Fig 3). The 8 new stands are close to the runway offering short taxi times for arriving and departing aircraft, aiding OTP and reducing fuel burn and associated Scope 3 emissions.



*Pier 6 extension*

The extension will provide large, airy gate spaces with seating for A321 aircraft passenger loads, safeguard for auto-boarding capability, provide additional toilet facilities, and offer 'at-level' boarding and an enhanced arrivals experience for passengers with restricted mobility.

The project is being designed with sustainability in mind from the start; how it is sized to meet the key requirements; how it is constructed, challenging the standard concrete and steel approach to reduce carbon; and how it will operate, incorporating air source heat pumps, solar panels and passive engineering to reduce heat loss in winter and heat gain in summer.

- integrating new and emerging air navigation technologies to optimise the capability of the main runway. The suite of projects includes time-based separation (already adopted at Heathrow) which is the integration of advanced Single European Sky (SESAR) traffic management solutions into a single operating platform that provides greater operational precision and enables reduced separation buffers, as well as the use of radar controlled by NATS at London Gatwick to deliver tailored, optimal departure separation for departure pairs instead of using generic separation standards,
- enhanced taxiway/airfield infrastructure such as the extension of taxiway Lima to create a new link between taxiways Sierra and Uniform will improve the resilience of the taxiway system by offering an alternative route for aircraft travelling to and from the runway and to access maintenance hangars and an extension of taxiway Tango to the north to link to the new Lima extension will create an additional north/south taxiway route,
- enhanced push & hold capability, increasing the number of 'drive-through' push & hold stands and combining them with the capability to de-ice aircraft prior to departure,
- provision of an Airport Control Centre (APOC) (aka Single Operations Centre) to drive improved situational awareness, stakeholder communication and on-the-day decision making,
- provision of network connectivity on currently unconnected remote stands to support ACDM deployment and facilitate efficient ground handler and airline operations,
- continued investment in innovation, partnering with other airlines, ground handlers and suppliers to test new technology and processes to ensure we have the most modern, efficient, resilient and above all, safe operation. For example, in 2024 we commissioned two "smart stand" trials, one in each terminal, to test emerging ground operation technologies to automate aircraft 'turnaround' activities and understand how separately and collectively they may drive safety, ground handler efficiency and ultimately, on-time performance. In 2025 we plan to deploy the technology across all the Pier 6 stands to test the benefits on a larger scale, ahead of a campus-wide roll-out.

#### Terminal Projects

- A programme of refurbishment, expansion and modernisation of both North and South Terminal departure lounges will address passenger, airline and the PAG's feedback that the IDLs are tired, dated and congested at peak times and support continued delivery of core service standards well above and beyond the threshold score of 4.0. There will be provision of more and varied seating, enhanced facilities for both passengers requiring special assistance and those with hidden disabilities, and multi-faith contemplative spaces. Differentiated 'mood zones' will offer passengers the opportunity to tailor their experience to suit their journey and make the airport easy, intuitive and efficient, with a strong sense of place that will help London Gatwick stand out from the competition.

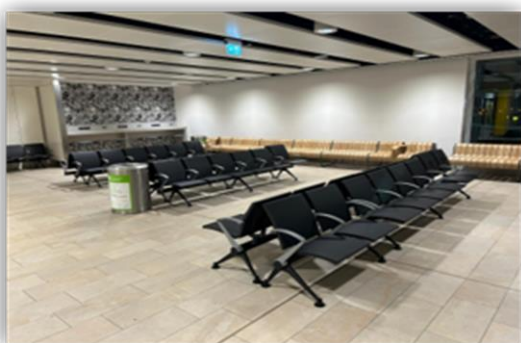




*North Terminal IDL Refurbishment*

The first project, to refurbish the existing North Terminal lounge, commenced in 2023 and will run through to the end of 2024. Passengers are already benefiting from new flooring and seating, refreshed ceilings and wall finishes, additional flight information screens and the inclusion of more plants and greenery. The installation of an orientation zone, along with new wayfinding, will create a bright, modern and welcoming experience. A similar refresh project is planned for South Terminal in 2024. In the medium term, expansions to both IDLs to provide additional space to optimise passenger experience are being planned (Fig 3). Renowned architects, Nordic, have started work on the design of NT and architects will be appointed shortly for ST. We expect the expansions, along with the reconfiguration of the existing space discussed earlier in this document on Page 23, to be complete in 2029 and 2030

- Refreshed wayfinding across the campus will make journeys through the airport easier, more intuitive and more relaxing, giving passengers the right information, in the right way, at the right time. Whilst CSS scores for wayfinding are consistently strong, well above our 4.0 threshold, this project will seek to address passengers' requests for more information about walking distances and/or the time required, particularly as they make their way to their boarding gates.



- Investment in transforming boarding processes will be complemented by the acceleration of a programme of refurbishment of piers and gate-rooms. The programme will support streamlined boarding processes for ground handling teams including optimised positioning for desks, information screens and tannoy systems as well as rationalisation of cabin baggage gauges. Passenger experience will focus on addressing wayfinding, seating, charging points and welfare provision. In the longer term, more significant investment in some of the older pier infrastructure, such as Pier 3, is envisaged.

- Continued investment in new seating across both terminals and an extensive programme to refurbish more than 25 toilet blocks will ensure that the most fundamental needs of passengers are being addressed and core service standard thresholds of 4.0 for seating and cleanliness are exceeded.

- Plans to improve the experience in the baggage reclaim halls whilst passengers wait for their baggage to be returned to them include clearer information on their allocated baggage belt, as well as more seating/rest points, particularly for passengers requiring special assistance, and water bottle refill points. An effective call forward process will drive greater efficiency and help address capacity pressure in both terminals (Fig 3). Longer reclaimers in ST and a new belt in NT are also planned.



- Continuation of investment in the next generation of automated check-in and bag drop processes will maintain London Gatwick's strong track record in eliminating queues and improving passenger experience at this key stage of the journey. Working with our airline customers, biometrics are expected to play a key role in streamlining and linking key steps of the journey from booking through to boarding, making the passenger journey effortless, creating cost savings for our airline and ground handling communities and space savings for the airport to address forecast potential capacity shortfalls (Fig 3).
- A range of initiatives to support passengers requiring special assistance are planned, such as improvements to accessible toilets, a refresh of the 'call points' located around the terminal, and where possible, additional lifts on piers to improve the efficiency of the Special Assistance service provider.
- Additional water bottle refill points are being rolled out across both terminals, on both departing and arriving routes. The 2023 passenger research once again highlighted their importance to passengers, and social media feedback continually re-enforces the need to improve this provision.
- Continued investment in technology to monitor the flow of passengers through terminals will allow us to give passengers real-time information about queue times throughout their airport journey.
- The replacement of life expired e-gate technology in security will create the platform for more flexible passenger access to security.

#### Other Service Improvements

- Installation of traffic lights on both terminal roundabouts, along with modifications to roundabout entry and exit points, will improve the flow of vehicles to and from the forecourts and car parks and prevent congestion at peak times (Fig 3).
- Improved signage directing passengers to long stay parking zones and the replacement of the car park spaces monitoring system in the multi-storey car parks will aid passengers, their families and friends, and other airport visitors to find a parking space more easily.
- Provision for continued development of mobile device connectivity for passengers and enhancements to the Community App for airport staff, for example security queue times and availability of passenger equipment (escalators, lifts etc).

## 2.5 EFFICIENCY

Efficiency is the fifth key investment driver for London Gatwick with projects targeted at improving operational processes and reducing costs both for our airline and ground handling communities and for the airport. We look at where efficiencies can be made through developing innovative processes, which may necessitate capital investment to realise them. Some examples of projects which are targeting efficiency include:

- continued automation of check-in/bag drop which has seen the release of staff to better support those passengers who most need help. Trials of the next generation of this technology will potentially lead to further efficiencies reducing the time and space required for passengers to move through this key stage of their airport journey,
- automation of boarding gates, which was trialled in 2019 and demonstrated the potential to improve the boarding process for passengers, to reduce pressure on ground handlers and increase the efficiency of an aircraft turnaround,
- an initial deployment of ‘smart stand’ technology on Pier 6 stands, following successful trials in 2024. Further roll-out will follow when and if evaluation of the pilot demonstrates the operational benefits of the technology at scale.



- automation of baggage handling which offers the potential for manual handling, capacity and resource efficiency benefits,
- provision of next generation SEGS (stand Entry Guidance System) which could give pilots more information to optimise taxi times, saving time, fuel and emissions,
- automation of dynamic stand and baggage make-up allocation which are two resource intensive GAL planning activities, and which potentially drive better ground handler and infrastructure utilisation.



## 2.6 COMMERCIAL REVENUE

Maximisation of revenue through commercially returning projects benefits passengers through the provision of a wide choice of quality restaurants, shops, car parking, car rental, and other services which enhance their experience at London Gatwick, while also enabling us to maintain competitive airport charges and thereby incentivise further growth in airline services and destinations.

Examples of commercial projects in this 2024 CIP include:

### Retail

- continued updating and re-vitalising of the variety of shops and restaurants throughout the airport. Since the publication of the 2023 CIP in July 2023 we have seen changes in our food and beverage offerings with Greggs opening their fast-food unit in South Terminal arrivals, along with Black Sheep coffee to passengers on their way to the station or car parks. In the North Terminal, Breakfast Club, Krispy Kreme and Brewdog have all opened outlets in the Departure Lounge.



*Pret A Manger, ST Arrivals*



*Black sheep Coffee Shop, NT IDL*

South Terminal landside has seen an extension of the Giraffe World Kitchen and Pret A Manger have replaced Costa Coffee in arrivals. Catering and retail offers will continue to be refreshed as existing outlets reach the end of their contracts and we seek to optimise the balance of retail vs catering space and introduce new and innovative experiences for passengers,

- upgrading digital media screens to the latest technology across the airport campus. Examples include the replacement of the large digital screen above M&S in South Terminal arrivals and the units on each of the baggage belts in the baggage reclaim halls in both terminals,



*Media Screens in ST baggage reclaim*

### Property

- provision of additional on-airport hotel beds to meet continued strong demand. Potential sites include an hotel adjacent to South Terminal multi-storey car park 3 and a further hotel opposite multi-storey car park 1. Both options provide easy access to and from the railway station and the terminals and are ideal for passengers travelling by rail, particularly those with early starts or late arrivals,
- continued investment in upgrading and refurbishing office and support accommodation for a wide range of third-party operators at the airport. This programme is closely aligned with both our asset replacement strategy and our sustainability strategy to improve the energy efficiency of our buildings, right across the campus,

### Other

- investment in commercial IT services such as network provision for third party operators.

## Car parking

Our focus is to provide a parking strategy considering the relationship over time between passenger numbers, mode share, and parking capacity (provided on and off-airport) to ensure adequate capacity and choice is provided, while working to achieve our mode share targets. We will also regularly review the choice of parking products available to our passengers, ensuring we take advantage of technology to improve efficiency and customer service.

In delivering additional car parking capacity we are also responding to Crawley Borough Council's local plan policy (GAT 3) that all additional car parking should be provided on-airport. We recognise that, as a good neighbour, we have a part to play in supporting their strategy to limit the impact that airport parking can have on their community by providing an appropriate level of on-airport parking.

Examples of car parking projects in this investment programme include:

- approximately 3,250 additional mid-stay car parking spaces for North Terminal in Multi-Storey Car Park 7. As North Terminal has become busier demand has increased for mid-stay (1-3 days) for both business travellers and passengers visiting friends and families at weekends.



*Multi-Storey Car Park 7*



*Robotic valet parking*

- a small pilot of valet parking using robots which paused during the pandemic is expected to resume in 2025 and test the potential for 2,000 existing long-stay spaces to be accessed via a valet drop-off, but without the need for passengers to hand over their keys. Passengers will then be able to walk the short distance to the terminal instead of getting a bus.



## 2.7 GROWTH

The Northern Runway project is a major expansion opportunity that will shape the future of London Gatwick's capacity and resilience. It is the most ambitious project in London Gatwick's recent history.

In July 2023 we finalised our plans to bring the existing Northern Runway into routine use and submitted our Development Consent Order ("DCO") application to the Planning Inspectorate. The DCO application was accepted for detailed examination by the Planning Inspectorate ("PINS") in August 2023. A period of detailed and rigorous examination of the proposals by a panel of independent experts started in February 2024 and concluded at the end of August 2024. A decision from the Secretary of State for Transport is expected early in 2025. We are confident that the project represents an affordable, sustainable, and responsible solution to meeting future travel demand in London.



Bringing the existing Northern Runway, built in the 1960s, into routine use for departures will add significant capacity and resilience to the constrained London airports system and allow London Gatwick to serve as many as 75 million passengers a year by 2038. The Project is consistent with Government policy to make best use of existing runway capacity, set out in the Department for Transport's May 2022 Flightpath to the Future and the additional capacity it generates will bring material benefits to passengers, with a broader choice of routes, competitive prices and greater resilience in the London airports system, while benefiting the local and national economy by generating 14,000 new jobs and £1 billion of economic benefit<sup>3</sup> for the local area and region every year<sup>4</sup>.

Near term Northern Runway investment includes:

- consultation, planning, and legal costs to gain DCO approval for the project,
- land purchase,
- survey, design and the first stages of construction of the programme, including the runway, taxiways, stands, terminal expansions, ancillary facilities, roads, water, and other ecological mitigation measures,

Two public consultations, in autumn 2021 and summer 2022, laid out in detail our proposals for the scheme in its entirety. In winter 2023 we identified three separate changes to the scheme that would further minimise impacts on the environment and provide design flexibility. The changes covered reducing the height of the proposed Central Area Re-cycling Enclosure (CARE) facility and changes to its purpose, a revised solution for surface water treatment, and extension to the design parameters for the North Terminal IDL expansion. A public consultation was held on these changes before they were submitted to the Planning Inspectorate who have agreed to their inclusion in the scheme.

In May 2024, public consultation on a fourth change, to provide an on-airport Wastewater Treatment Works facility, was launched. This would provide an alternative solution to that currently provided by Thames Water to service wastewater flows from the airport, should it be required. A formal change request was submitted to the Planning Inspectorate at the conclusion of the consultation, who accepted its inclusion in the DCO.

<sup>3</sup> Measured as Gross Value Added (GVA)

<sup>4</sup> Source: "Economic Impact of the Northern Runway Project", Oxera August 2021

Full details of the scheme and the Decision Consent Order process can be found either on the London Gatwick website [here](#), or the Planning Inspectorate (PINS) website [here](#).

The existing northern runway will be moved 12 metres to the north to allow greater separation between its centreline and the main runway centreline. The taxiway system that feeds both runways will be reconfigured and expanded, additional stands and a new Pier 7 will accommodate additional aircraft, and both terminals will be expanded and reconfigured to provide additional passenger processing capability (check-in, baggage handling, security, border, baggage reclaim and departure lounge facilities). The road network will be expanded, separating airport traffic from local traffic with flyovers at the roundabouts in both terminals and improvements to the Longbridge roundabout on the A23. Commercial facilities such as car parks, hotels and office accommodation will be provided to meet the future demands of a growing airport. Ancillary facilities such as motor transport and recycling facilities that are impacted by both other infrastructure projects and the need to match growth will be relocated and expanded.

An overarching and extensive programme of environmental projects addressing flood resilience, water quality, noise and biodiversity will mitigate the scheme impacts. For example, the project will see a 20-hectare plot of land, to the west of the river Mole and adjoining the existing Gatwick Biodiversity Area, used as a flood barrier and noise bund. South of this, to accommodate a relocated taxiway, the river will be diverted 300m to the north to take a more sinuous course through improved corridor habitats.



Figure 4: Indicative Plan – Museum Field

While we refer to it as the Northern Runway Project, it is a multifaceted programme of work comprising of over one hundred and twenty individual sub-projects at the last count, delivered across a decade. The sub-projects range from large terminal extensions to relocating a storage shed for the grit used on landside roads in winter, from major new highway flyovers to a footbridge across the river Mole. The scope of individual elements may change as the DCO process is concluded and any planning conditions are incorporated into the scheme.

The individual sub-projects are at varying levels of design maturity. When the DCO is approved, each individual sub-project will proceed through our project development process, with appropriate stakeholder consultation, to optimise quality, cost and schedule. In the coming years, capital investment programmes will gradually break the scheme out into its many constituent parts and consolidate them into the relevant CIP categories, alongside other business as usual investment, but for this 2024 CIP, for simplicity at this early stage, we have continued to show the scheme as one single project.

The investment profile set out in the 2024 CIP broadly reflects the construction programme outlined in our August 2023 DCO submission. The schedule and the sequencing of many sub-projects that make up the current programme was prepared in 2019 to support a wide range of environmental impact assessments carried out for the DCO application. Similarly, the costs are based on preliminary estimates prepared by Arcadis in 2019 and updated for inflation in 2022. It was important to freeze a set of assumptions through the DCO process and so no further work has been done on cost or schedule since submission and thus 2024/25 investment will be minimal.

## SECTION 3: 2024 CAPITAL INVESTMENT PROGRAMME

In preparing this 2024 CIP we have considered changes to our airlines, their schedules, their fleet and their business goals. We have taken a high-level view of the traffic outlook, and any impacts that might have on the airport's capacity. We have reflected both our own increased ambitions for sustainability and considered our business partners' aspirations. We have listened to our passengers, GATCOM's PAG and our airline customers and sought to match investment to passengers' priorities. This has resulted in the 2024 Capital Investment Programme, covering 5 years from April 2024 to March 2029, set out in Table 1 below:

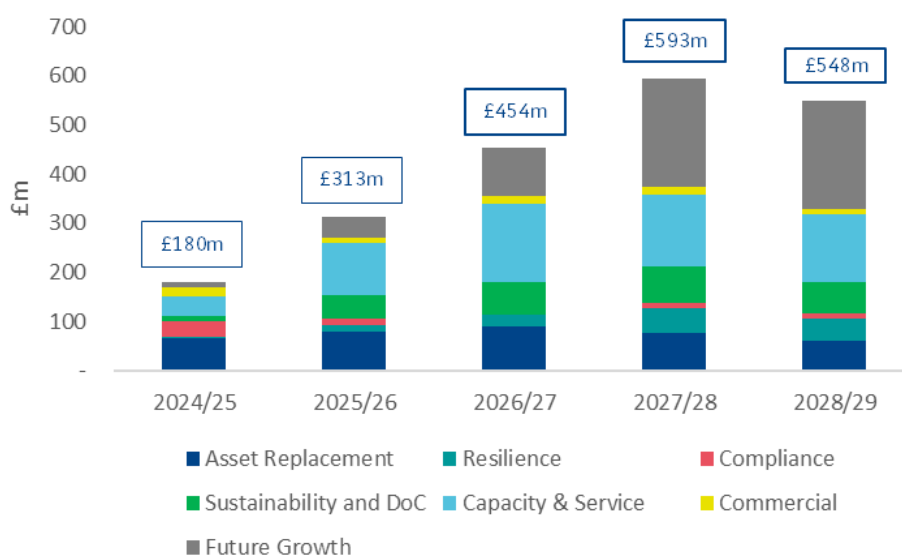
Table 1: 2024 CIP - Q1 2023/24 prices

Capital Investment Programme in Q1 2024 prices (£m)	2024/25	2025/26	2026/27	2027/28	2028/29	5 Year Total
<b>ASSET STEWARDSHIP, OPERATIONAL RESILIENCE &amp; COMPLIANCE</b>						
<b>ASSET STEWARDSHIP</b>						
Main Runway Resurfacing						
Northern Runway Improvements						
Taxiway rehabilitation programme						
Air Traffic Control Asset Replacement Programme						
Instrument Landing System (ILS)						
Old Control Tower						
Shuttle Replacement						
Baggage - TBF						
NT Fire Alarm System						
Police Station						
ST Ceilings						
Terminal Seating Replacement						
<b>ASSET STEWARDSHIP TOTAL</b>	<b>66.6</b>	<b>78.3</b>	<b>89.2</b>	<b>77.2</b>	<b>61.1</b>	<b>372.4</b>
<b>OPERATIONAL RESILIENCE</b>						
Flood resilience						
Foul water						
Power resilience						
Networked stands/Wifi enhancements						
Automation of baggage						
Taxiway/Airfield Infrastructure						
Lima taxiway extension						
Tango taxiway extension						
Drive through push & hold capacity/de-icing						
Additional centrelines						
Airport Operations Centre (APOC)						
Smart stand - Pier 6 pilot						
<b>OPERATIONAL RESILIENCE TOTAL</b>	<b>1.0</b>	<b>14.5</b>	<b>23.5</b>	<b>50.0</b>	<b>46.0</b>	<b>135.0</b>
<b>COMPLIANCE</b>						
Next Generation Security Checkpoint						
Central Search & Flight Connections						
Flight Connections						
Sussex Suite						
Staff Areas						
<b>COMPLIANCE TOTAL</b>	<b>31.9</b>	<b>13.1</b>	<b>1.5</b>	<b>10.5</b>	<b>10.5</b>	<b>67.5</b>
	<b>99.5</b>	<b>105.9</b>	<b>114.2</b>	<b>137.7</b>	<b>117.6</b>	<b>574.9</b>

<b>Capital Investment Programme in Q1 2024 prices (£m)</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>5 Year Total</b>
<b>SUSTAINABILITY PROJECTS</b>						
Energy Efficiency - Lighting						
Renewables Generation						
Decarbonisation of Heat						
Refrigerant Gas Emissions						
Property Net Zero (EPC rating)						
GAL Vehicle Fleet						
Electric Vehicles Infrastructure						
Hydrogen Vehicle Fuelling Station						
Hydrogen/Electric aircraft transition						
Taxiing initiatives						
Pre-conditioned Air / Power on Stands / APU Off						
Surface Access (including Active Travel)						
Airspace Modernisation						
Potable Water Reduction & Water Quality						
Surface Water Treatment Works						
Non-Potable Water Storage (lagoon)						
Non-potable Water Distribution						
Water Storage (Car Park Y)						
People and Community						
Waste						
Biodiversity						
Electrical Infrastructure (High Voltage)						
	<b>12.1</b>	<b>47.0</b>	<b>66.2</b>	<b>73.7</b>	<b>62.4</b>	<b>261.4</b>
<b>CAPACITY AND SERVICE PROJECTS</b>						
Piers - Internal Refurbishment						
95% Pier Service (Pier 6)						
Check-in - Automation						
Check-in capacity						
Automated Boarding Gates						
NT IDL Refurbishment						
ST IDL Refurbishment						
NT IDL Expansion						
ST IDL Expansion						
NT Baggage Reclaim						
ST Baggage Reclaim						
Railway Station Contribution						
Gatwick Roads - roundabout signalisation						
Car Park Space Management						
Main Runway Technology Optimisation (MRO)						
Gatwick Logistics Consolidated Centre Expansion						
Wayfinding						
IT & Innovation						
	<b>39.5</b>	<b>106.7</b>	<b>159.1</b>	<b>145.7</b>	<b>136.8</b>	<b>587.7</b>
<b>COMMERCIAL PROJECTS</b>						
Hotel Redevelopment Programme						
Accommodation Strategy (Offices etc)						
Digital Media						
Car Parking - Product Development						
NT Short Stay Car Park (MSCP7)						
Robotic Car Parking System						
WDF Arrivals Stores						
Pier 6 Existing Retail Reconfiguration						
Productivity Initiatives						
IT Commercial Initiatives						
	<b>18.3</b>	<b>11.6</b>	<b>16.9</b>	<b>15.5</b>	<b>11.0</b>	<b>73.3</b>
<b>FUTURE GROWTH PROJECTS</b>						
Northern Runway Development Consent Order						
Northern Runway Programme						
	<b>10.8</b>	<b>42.2</b>	<b>97.9</b>	<b>220.4</b>	<b>221.7</b>	<b>592.9</b>
<b>GRAND TOTAL</b>	<b>180.2</b>	<b>313.4</b>	<b>454.2</b>	<b>593.0</b>	<b>549.5</b>	<b>2,090.2</b>

Figure 5 below gives a graphical view of the 2024 Capital Investment Programme annual spend profile, broken down by investment driver:

Figure 5: 2024 CIP annual investment profile by investment driver - Q1 2024 prices (£m)



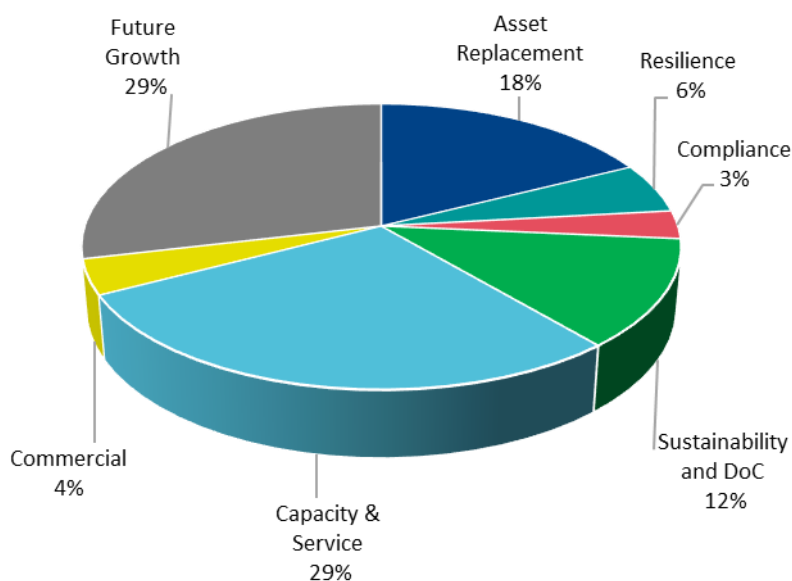
### 3.1 2024 CIP SUMMARY

This 2024 CIP invests £2.1 billion between April 2024 and March 2029. Central to the programme are the foundations of our vision: ease, efficiency and experience. Independent research carried out in the summer of 2023, supplemented with feedback from our airline customers and from the PAG, has shaped our view about how we should invest to support each of those foundations, and the programme also considers future capacity requirements, improved resilience, the maintenance of our assets and our ambitious sustainability goals. A wide range of projects combine to deliver our investment drivers, including expanding the number of pier-served stands in the North Terminal, an extensive programme to decarbonise the campus, the upgrade of passenger and staff security search equipment, automation right across the passenger journey, and the refurbishment and expansion of both North and South Terminal international departure lounges. We are confident that the Secretary of State for Transport will support our plans to make best use of our existing runways and investment in the Northern Runway project can be seen ramping up from 2025 through to the end of the 5-year period and beyond.

This 2024 CIP demonstrates our continuing commitment to a balanced investment portfolio. 29%, or just under £588 million, of our planned investment focuses on capacity and service, 24%, or just over £507 million, will be invested in maintaining our asset base and building our resilience and 29%, or £593 million, will be invested in the Northern Runway and creating future growth for the airport and our region. £261 million, or 12% of the total budget, will be invested in achieving our sustainability goals, and 3%, or just under £68 million, will be invested in compliance, primarily the replacement of passenger and staff security screening equipment. The remainder, just 4%, or £73 million, will be invested in commercially returning projects. The total 2024 CIP, by investment driver is illustrated in Figure 6.



Figure 6: 2024 CIP by investment driver <sup>5</sup>



### 3.2 NO NORTHERN RUNWAY SCENARIO

Whilst we are confident the Northern Runway offers a sensible, affordable and sustainable solution to the London system capacity constraints, we have considered a scenario under which the Secretary of State for Transport does not approve the development.

This would potentially delay planning permission for projects such as the international departure lounge expansions, taxiway Lima, the wetland water treatment facility and the surface water storage project which are included in the Northern Runway proposals.

Around £580 million of the Northern Runway Programme (NRP) investment would drop out of the plan after 2025/26 but other projects would be added back into the programme. Examples include asset replacement projects such as the re-surfacing of the Northern Runway in its current location, the rehabilitation of sections of both Juliet and Lima taxiways and most of the runway exit and entrance taxiways, and replacement of the fire training rig. Other projects would be accelerated, for example, solar panel installations on land which the Northern Runway project requires on a temporary basis, such as Pentagon Field and some surface car parks. Interdependencies with business-as-usual projects will also need to be considered. For example, Northern Runway plans include the expansion of baggage handling facilities in North Terminal, which as well as providing for growth in the longer term, would provide decant space to facilitate the replacement of the existing baggage sorter equipment in the shorter term. If NRP does not proceed, TBF expansion will still be required for decant, although potentially on a smaller scale.

A no-NRP capital investment programme would invest at least £1.6 billion between April 2024 and March 2029, approximately £500 million less than the proposed 2024 base case (with Northern Runway). Figures 7 and 8 on the following page show the different investment profiles by year and cumulatively.

<sup>5</sup> Many projects deliver benefits against more than one business driver. The chart reflects the categories listed in Table 1 which allocates projects to their primary driver.

Figure 7: Annual investment profiles for 2024 base case and no-NRP scenario – Q1 prices (£m)

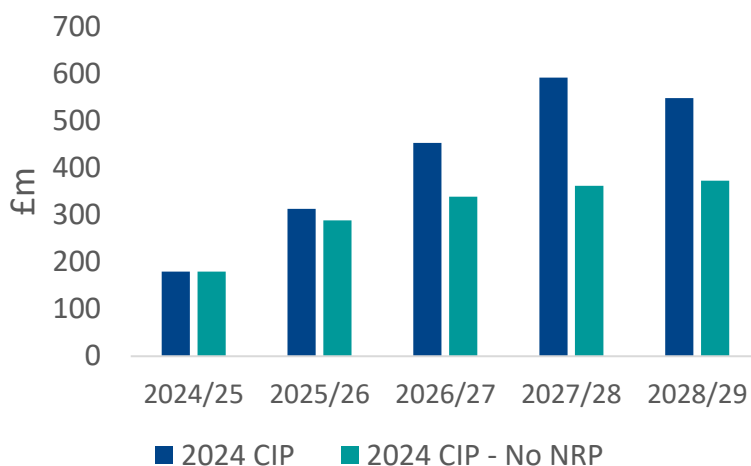


Figure 8: Cumulative investment profiles for 2024 base case and no-NRP scenario - Q1 2023/24 prices (£m)

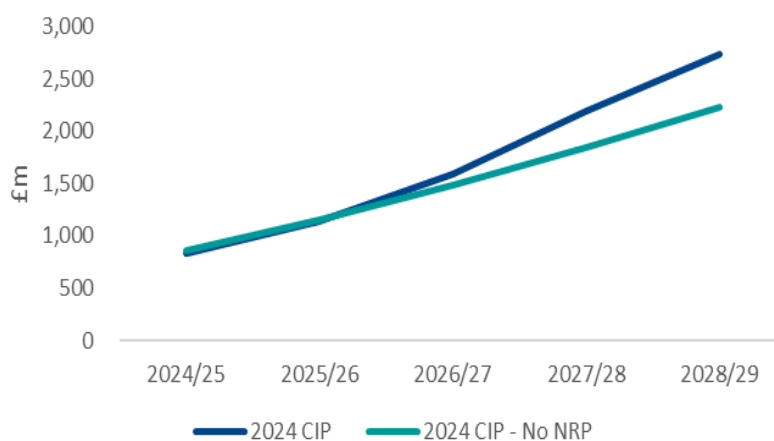


Figure 9 shows indicative timelines of some of the major projects included in both a base case and a non-Northern Runway scenario and how planning permissions might impact them:

Figure 9: Key project timelines 2024 CIP and no-NRP scenario

Project	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Beyond CIP 2024
MSCP7	2024 CIP timeline						
Next Gen Security	2024 CIP timeline						
DCO	2024 CIP timeline						
Pier 6	2024 CIP timeline	2024 CIP timeline	2024 CIP timeline				
NT IDL expansion	2024 CIP timeline	2024 CIP timeline	2024 CIP timeline	2024 CIP timeline	2024 CIP timeline	2024 CIP timeline	
ST IDL expansion	2024 CIP timeline	2024 CIP timeline	2024 CIP timeline	2024 CIP timeline	2024 CIP timeline	2024 CIP timeline	2024 CIP timeline
Lima taxiway			2024 CIP timeline	2024 CIP timeline	2024 CIP timeline	2024 CIP timeline	2024 CIP timeline

### 3.3 CAPITAL DELIVERY RISKS

As noted earlier in the document, the CIP is a dynamic, rolling five-year investment programme which is reviewed annually. It is a snapshot reflecting the business priorities, programme maturity and cost estimates at a point in time. Whilst this has always been the case, recent years have had a greater level of uncertainty than we have known before, and the investment environment continues to be challenging.

Section 3.2 considers a scenario where the Secretary of State for Transport rejects London Gatwick's application to develop the Northern Runway programme. Section 2.4.1 outlines the macroeconomic risks and the potential impact on passenger confidence, but there are additional risks in planning for capital delivery, particularly over the longer term.

#### 3.3.1 GENERAL DELIVERY RISKS

- Inflation:** Consumer Price Index (CPI) inflation reduced through 2023 and returned within Bank of England targets in Q2 2024. HM Treasury forecasts indicate a period of stability at this level over the next few years. However, industry forecasts show construction inflation continuing to run above CPI through the 2024 CIP period. From a macro perspective, construction activity is anticipated to pick up next year mirroring the usual lag to economic activity. It is anticipated that the hiatus of inactivity in 2024 due to regulatory cycles of infrastructure companies and government postponement of infrastructure decisions will also unwind driving inflationary pressures. At a more local level, it is anticipated that the consolidation in the supply chain will remain, and contractors will continue to seek to transfer risk. Material prices are also showing signs of higher inflation partially driven by high transportation costs. The combination of the above inflationary pressures is likely to translate into above CPI tender prices going forward.
- Emerging technology:** this 2024 CIP includes substantial investment in sustainability across the period to achieve these vitally important objectives. However, the required technology is still maturing and therefore the investment will necessarily evolve as the technology matures. Since the publication of the 2023 CIP, we have developed our understanding of the scope and scale of the work required for our sustainability investment portfolio and have reflected that in a significant increase in the forecast investment in this CIP. We also recognise that many businesses are working to decarbonise and that high demand for equipment and resources will drive increased prices. The flexibility built into London Gatwick's capital programme will allow us to track industry developments and adapt our plans to reflect the latest and best solutions.
- Supply Chain:** As London Gatwick rebuilt its capital investment programme through 2022 and 2023 it became very clear that the pandemic impact to the airport's construction supply chain was deep, and recovery would be slow. The pool of suppliers remains smaller, tenders are taking much longer, and contract terms are changing as contractors seek to avoid risk. We continue to work hard with key construction suppliers to re-build their confidence in London Gatwick's programme and to encourage the re-establishment of local teams for smaller projects.
- Resourcing:** In the post-pandemic, post-Brexit environment, availability of skilled resources remains a challenge across key construction disciplines, although the cancellation of a section of the high-speed rail project, HS2, in 2023 may help ease resource. Our focus remains on ensuring London Gatwick is seen as a vibrant, exciting place to build a career in construction with long term growth opportunities.

#### 3.3.2 NORTHERN RUNWAY RISKS

The Northern Runway project is the most ambitious programme London Gatwick has undertaken. In addition to the supply side risks outlined above, the investment profile for the Northern Runway faces a range of significant, unique challenges.

The investment profile set out in the 2024 CIP broadly reflects the construction programme outlined in our August

2023 DCO submission. The schedule and the sequencing of the more than one hundred and twenty sub-projects that make up the current programme was prepared in 2019, to support a wide range of environmental impact assessments carried out for the DCO application. Similarly, the costs are based on preliminary estimates prepared by Arcadis in 2019 and updated for inflation in 2022. The design maturity of the many sub-projects varies considerably; the highways projects, for example, are far more developed than any of the car park projects, and therefore, the accuracy of the estimates is very variable.

The DCO process sets deadlines for the Planning Inspectorate to issue a recommendation and for the Secretary of State to decide, and so we expect a decision Q1 2025. We are keen to progress as rapidly as possible following the determination and any subsequent legal processes.

Changes to the scope of any of the individual sub-projects may increase or decrease their cost and change their schedules. In addition to the changes proposed by GAL, outlined in Section 2.7 but not yet reflected in updated costs or schedules, there are a wide range of amendments to the scheme being sought by a variety of stakeholders (such as Local Authorities, National Highways and the Environment Agency) through the Examination process, such as enhanced biodiversity or other mitigation measures.

As well as potential changes to the individual sub-project scopes and schedules, changes to the sequencing of the programme may be sought by stakeholders, the Planning Inspectorate or the Secretary of State. Examples might include acceleration of some, or all, of the highway improvements, or completion of mitigation measures prior to specific construction activities.

At this stage in the DCO process there is significant uncertainty about the nature and the impact of any potential planning conditions. Some changes to the scheme and mitigations were negotiated through the examination stage, but others may flow from the Secretary of State's decision. Only at this stage we will be able to start the process of assessing their impact and fully reviewing the scope, schedule, sequencing, and cost of the programme. As part of this exercise, we will consider how the complex programme can be phased to maximise the benefits for passengers, minimise operational disruption and optimise capital efficiency. The programme will be further refined as the design maturity of each sub-project progresses and the CIP will be updated each year to capture the latest view.

### 3.3.3 SUMMARY

All the above factors ensure that the investment profile outlined in the 2024 CIP will flex and change. It should also be noted that the programme may increase, as well as decrease, and that where an investment case has clear merit, we may look to accelerate projects at the back end of the programme or introduce new, additional projects, as we have done since the introduction of the Commitments framework. Agility is critical to our success in adapting our plans to suit an ever-changing business environment whilst maintaining our commitment to invest in the interests of our passengers and airline customers.

This document represents a capital investment programme issued as an output of, and for the purposes of, further consultation, and does not represent a mandatory investment programme.

## SECTION 4: SUMMARY

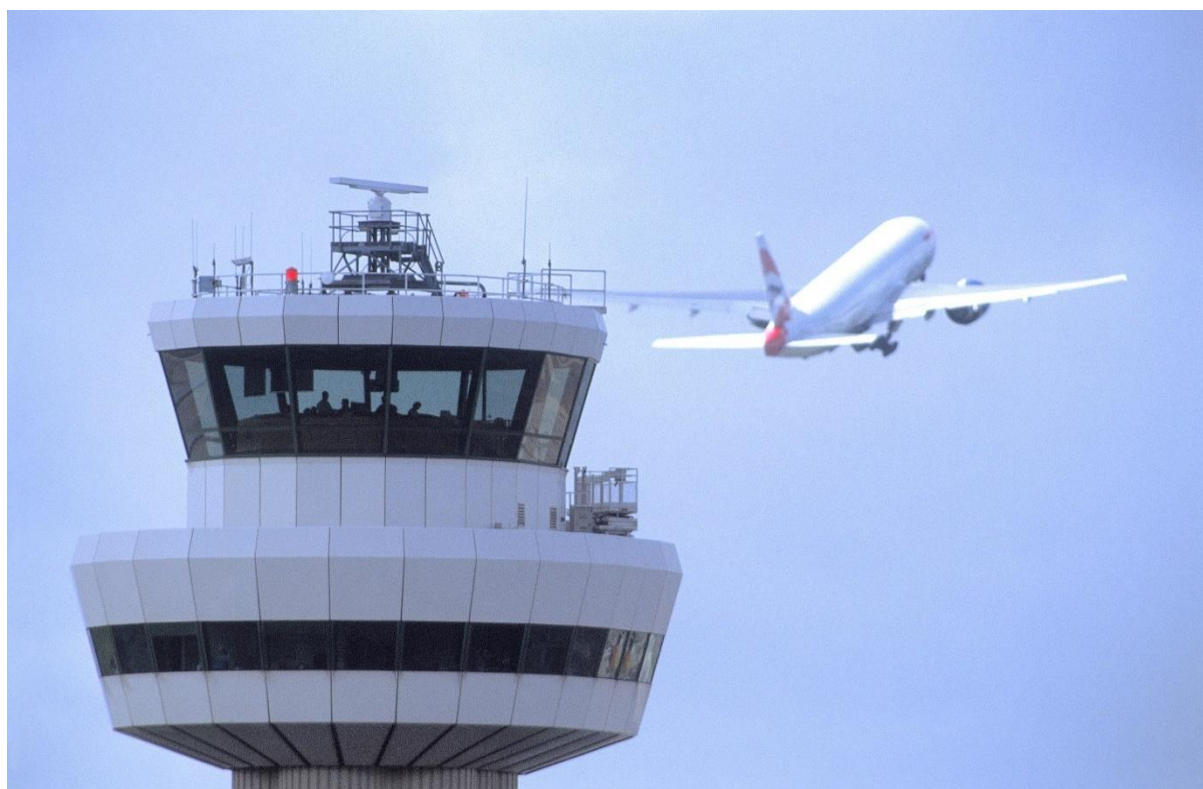
This 2024 CIP set outs our plan to invest over £2 billion over the next five years. It reflects ambitious plans for transformation, while at the same time focussing on sustainable growth. By putting the needs of our passengers and airlines alongside our responsibilities to local communities, our investment plans can deliver the biggest benefit to the highest number of people. As London Gatwick grows, the whole region continues to thrive.

The Programme balances maintaining our existing asset base, protecting operational resilience and meeting all our compliance requirements with plans to make our passengers' journeys through the airport easier, our airline customers' operations more efficient and to continue to transform the experience of using London Gatwick.

Innovation and creativity will be critical to achieving our sustainability goals. We made great progress in our first Decade of Change, but to achieve the targets we have set ourselves for this decade will require a step change in how we think about everything we do. Our capital programme will provide vital investment in specific sustainability projects, but to deliver our goals we will need to do more and consider sustainability in every project and programme we undertake; what we build, how we build it and how we operate it.

We are confident our plans to bring the existing Northern Runway into routine use offer a pragmatic, affordable and sustainable solution to the capacity constraints facing the London airport system; one that is entirely consistent with Government policy for airports, other than Heathrow, to make best use of existing infrastructure.

Our 2024 investment programme continues to invest in improvements to services and facilities that will deliver our vision of ease, efficiency and experience for all our passengers, whatever their journey.





## APPENDIX

## CORE SERVICE STANDARDS (REBATE) SCHEME

	Standard	Metric	Target Level	Maximum potential rebate (both terminals, unless noted)
<b>(i)</b>	<b>Passenger satisfaction measures</b>			<b>0.70%</b>
	Departure Lounge Seat Availability	Moving Quarterly Average QSM score	3.8*	0.20%
	Cleanliness		4.0	0.20%
	Way-Finding		4.1	0.20%
	Flight Information		4.2	0.10%
	Passenger Wi-Fi		4.0	N/A
	Special Assistance	Moving Quarterly Average PRM survey	4.0	N/A
<b>(ii)</b>	<b>Security</b>			<b>2.60%</b>
	Central Passenger Search	Times <5 Minutes & Times <15 Minutes	95%*** 98%***	1.0%
	Central Passenger Search**	Day when single time slice > 30 Minutes	Single event per day***	0.05% per day (0.7% max per month)
	Transfer Passenger Search	Times <10 Minutes	95%	0.20%
	Staff Search (Atlantic and Jubilee)	Times <5 Minutes	97%	0.175%
	Staff Search (Terminals)	Times <5 Minutes	95%	0.175%
	External Control Posts Search	Times <10 Minutes	95%	0.35%
<b>(iii)</b>	<b>Passenger operational measures</b>			<b>0.55% (ST) 1.05% (NT)</b>
	Passenger Sensitive Equipment (General)	% Time Available	99%	0.05%
	Passenger Sensitive Equipment (Priority)	% Time Available	99%	0.50%
	Inter Terminal Shuttle System	% Time 1 Car Available & % Time 2 Cars Available	99% 97%	0.50% (NT)
<b>(iv)</b>	<b>Airline operational measures</b>			<b>1.60%</b>
	Stands	% of required occasions (arriving aircraft)	99.5%	0.15%
	Jetties	% of required occasions (arriving aircraft)	99%	0.30%
	Pier Service	Moving annual average % passengers pier served	95%	0.50%
	Fixed Electrical Ground Power	% of required occasions (arriving aircraft)	99.5%	0.15%

	Standard	Metric	Target Level	Maximum potential rebate (both terminals, unless noted)
	Runway Availability	Number of unavailable events	Single event metric	Duration of runway not available penalty:  Up to 15 minutes: No penalty 15min-45min: £50,000 >45min: £100,000  Up to 0.50%
	Airfield Travel Time	Reporting metric	n/a	Reputational only
<b>(v)</b>	<b>Baggage Measures</b>			<b>1.20%</b>
	Arrivals Reclaim (Baggage Carousels)	% Time Available	98.5%	0.50%
	Outbound Baggage	OBP Daily	98%	0.175% daily 0.70% monthly (0.7% max per month)
	Outbound Baggage	OBP Monthly	99%	
<b>(vi)</b>	<b>IT Measures</b>			<b>0.10%</b>
New	Flight Information Display Screen system	% Time Available	99.9%	0.10%
	<b>Total</b>			<b>7.25% (NT) 6.75% (ST)</b>

\* Scores of less than 4.00 will be published as “amber”, rather than “green” (pass).

\*\* In a day when the single time slice is greater than 30 minutes the maximum daily penalty is 0.05% with a maximum monthly penalty of 0.70%.

\*\*\* Or alternative metric following agreement with the ACC.

Calculation and measurement of the Core Service Standards will be undertaken in accordance the “Gatwick Airport Core Service Standards Handbook” which may be amended from time to time by agreement between Gatwick Airport Limited, the Gatwick Airline Operators Committee and the Gatwick Airport Consultative Committee.

## AIRLINE SERVICE STANDARDS

Standard	Metric	Target Level	Reduction Percentage
Check-in performance – queue time	Times <30 Minutes	95%	1.0%
Arrivals bag performance – last bag on carousel	Times <55 Minutes (large aircraft) Times <40 Minutes (small/medium aircraft)	95%	0.50%

Calculation and measurement of the Airline Service Standards will be undertaken in accordance the “Gatwick Airport Airline Service Standards Calculation Guide” which may be amended from time to time by agreement between Gatwick Airport Limited, the Gatwick Airline Operators Committee and the Gatwick Airport Consultative Committee.