

Annual Performance Report

1 August 2011



Chief Executive's Foreword



Welcome to the London City Airport (LCY) Annual Performance Report on airport activities during the 2010 calendar year relevant to the Section 106 Planning Agreement with the local planning authority, the London Borough of Newham.

The 2009 Section 106 Planning Agreement provides a framework to enable LCY to use its planning consent sustainably to allow the Airport to operate up to 120,000 flights per year, from the almost 68,000 in 2010. The Agreement covers a range of topics, from operations (e.g. opening hours) to local transport, environment and community strategies and initiatives to provide benefit to the local community. In addition to these strategies and initiatives, the Planning Agreement includes significant financial contributions toward initiatives in the local area over the period of the Agreement. These financial contributions amounted to approximately £370,000 in 2010. This contribution includes a payment to fund a full time post at Newham Council to ensure all obligations are met for the maximum benefit of local communities.

The air transport industry was impacted severely by both airspace closures due to the volcanic ash cloud in the spring of 2010 and the depths of the global recession, however the rest of the year saw a number of exciting developments and accolades for London City Airport, including the investment of £7million in the reconfiguration of our Terminal Building to accommodate everimproving security procedures and technology. This project saw the infill and fit out of the first floor and the recruitment of additional security staff, some of whom were sourced via our popular ...The Section 106 Planning Agreement provides a framework to enable LCY to use its 2009 planning consent sustainably to grow the Airport to operate up to 120,000 flights per year, from the almost 68,000 in 2010. ...

"Take off into Work" programme to support long-term unemployed Newham residents back into jobs. The success of the Take off into Work programme was recognised by the prestigious Lord Mayor's Dragon Awards in October 2010, with London City Airport winning the award for its contribution to economic regeneration.

In order to measure the benefit LCY's operation has on the local, regional and wider UK economies, the Airport commissioned an independent study into the economic impact of the Airport in 2010, the preliminary findings of which were announced in November, confirming that LCY directly contributes a \pounds ¹/₂ billion each year and more in indirect and induced impacts.

Our partner airlines have also contributed to the ongoing progress of LCY through the introduction and subsequent increase in frequency to sun destinations such as Florence and Palma during 2010. Many of these routes are operated on new aircraft that have been introduced at LCY in 2009 and 2010, demonstrating significant investment in leading edge technology at the Airport. British Airways saw their last Avro RJ-100 aircraft leave their fleet in July 2010 and now operate only a brand new fleet of Embraer E-Jets and Airbus 318s here at LCY.

We continued to deliver our ongoing community and environment programmes during 2010 in addition to the requirements of the Section 106 Planning Agreement, including consultation on and completion of our Noise Action Plan, delivery of our Fun Day for 20,000 local residents, and engagement with not only the LCY Consultative Committee, but also other committees from across the UK to share best practice.



We have produced this report for submission to the London Borough of Newham in line with our Planning Agreement, but in a format intended to be useful to all of our stakeholders. Further details of our local engagement are available at: www.londoncityairport.com.

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Richard Gooding OBE Chief Executive July 2011

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1. Introduction



1.1 Overview

- 1.1.1 London City Airport (LCY) is the UK's leading business airport¹ serving over 30 destinations across the UK, Europe and USA with connections to the rest of the world through major European hubs. The only airport actually in London, LCY is just two miles from the main site of the 2012 Olympic Games; three miles from Canary Wharf and six miles from the City of London.
- 1.1.2 The Airport's location on the doorstep of London's financial districts is considered vital to business and plays an integral part, contributing to the prosperity of the UK's capital city. The Airport is a committed member of the local community and actively engages with its neighbours, providing:
 - extensive environmental programmes to minimise its impact on the surrounding areas;
 - significant employment and training opportunities for local residents; and
 - support and participation with community partners such as local schools, colleges, charities and businesses.

- 1.1.3 The aviation industry and LCY in particular are indicators of general economic conditions and, after many years of unparalleled growth at the Airport, it has not remained immune to the current economic climate. In 2010 the Airport handled 2.79m passengers compared to 2.80m in the same period in the previous year, a reduction of 0.36%. The total number of aircraft movements at the Airport declined by 10.3% from 75,678 in 2009 to 67,871 in 2010.
- 1.1.4 On 9 July 2009, the London Borough of Newham (LBN) approved LCY's planning application for an increase in the total number of permitted aircraft movements at LCY to 120,000 per annum. The framework for the delivery of this planning consent is contained in a "Planning Agreement" (under Section 106 of the Town and Country Planning Act 1990) between LCY and LBN. This Agreement supersedes previous planning agreements.
- 1.1.5 Planning agreements are commonly used to facilitate the provision of infrastructure developments such as transport, recreational facilities, education, health and housing. The Planning Agreement between LCY and LBN provides the framework for the Airport to utilise the planning permission sustainably and covers a wide and complex range of areas including (but not limited to):
 - Operating hours;
 - Numbers and types of permitted aircraft movements;
 - Noise monitoring and mitigation programmes;
 - Air quality monitoring and mitigation programme;
 - Sustainability and environmental strategies;
 - Transport and surface access planning;
 - Education, employment and training programmes; and
 - Financial contributions by LCY to local community programmes and infrastructure projects.
- 1.1.6 Planning agreements provide a long term framework for delivering planning consents and as such are expected to be in place for a number of years. In the initial periods much of the work will be to put in place the strategies, systems and processes which, once established, will drive the delivery of the provisions of the Planning Agreement in future years. This Planning Agreement is no different in this respect and many of the activities reported on in this report relate to the establishment of the necessary strategies, systems and processes as set out in the agreement.

1.2 Annual Performance Report

- 1.2.1 The Planning Agreement provides for LCY to produce an Annual Performance Report (APR) to LBN on 1 July each year documenting the Airport's performance under the Planning Agreement during the previous calendar year (January December). The requirement to prepare an Annual Performance Report was included in the Section 106 Planning Agreement to document monitoring and recording of LCY's activities in relation to its 2009 planning consent.
- 1.2.2 The structure of the 2010 APR follows that of the first APR for 2009 submitted to LBN on 1July 2010². Notwithstanding this, a draft structure of the 2010 APR was also provided to LBN for their review on 19 April 2011. Comments were received from LBN on 5 May 2011 and, where appropriate, a response has been included in the APR.

² Where appropriate this reported on the performance of the Airport for the period 9 July 2009 to 31 December 2009.

1.2.3 In addition to LCY's formal monitoring and reporting requirements under the Planning Agreement, regular quarterly meetings are held with LBN Officers to discuss progress on the Planning Agreement obligations. Subject-specific meetings are also held with LBN Officers where appropriate and communication with LBN's Airport Monitoring Officer (AMO) about a broad range of Airport - related matters is ongoing.

1.3 How to Read this Document

- 1.3.1 To indicate what is required to be reported under the Planning Agreement, references to the relevant section of the Planning Agreement have been included throughout this report and are generally indicated in square brackets in the following way: [Schedule/ Part/ Paragraph Page]. Corresponding extracts of the Planning Agreement outlining a description of the Planning Agreement requirements (as well as LBN's comments on the structure of the draft APR for 2010) are provided in **Appendix 2**.
- 1.3.2 A glossary of terms used throughout the APR is provided at the end of this document.

1.4 Publication of Annual Performance Report

- 1.4.1 Subject to approval from the London Borough of Newham, from1 August 2011, the APR will be available to download from the London City Airport Consultative Committee (LCACC) website at the following URL: http://www.lcacc.org
- 1.4.2 Subject to approval from the London Borough of Newham, from 1 August 2011, the APR can also be found on the London City Airport website at the following URL:
 http://www.londoncityairport.com/AboutUs/OurEnvironment.aspx
- 1.4.3 Additional information on LCY's ongoing community engagement programme, including initiatives beyond the Planning Agreement, can be found at the following URL:
 http://www.londoncityairport.com/AboutUs/OurCommunity.aspx
- 1.4.4 LBN confirmed in its letter dated 22 June 2011 that LCY has complied with the Planning Agreement obligations for the period 1 January to 31 December 2010 [8th Schedule / Part 2 Page 62]. This letter is provided at Appendix 1.

2 Aircraft Movements



2.1 Numbers and Types of Aircraft using the Airport [4th Schedule / Part 7 / 6 – Page 45]

- 2.1.1 During the 2010 calendar year the Airport handled 67,871 total aircraft movements.
- 2.1.2 Table 2.1 overleaf outlines the numbers and types of aircraft using the Airport during the 2010 calendar year.

2.2 Daily Numbers of Movements Including Noise Category

- 2.2.1 Details of daily numbers of movements for the 2010 calendar year are provided in **Appendix 8**.
- 2.2.2 Condition 8(1)(a) to (j) attached to planning permission 07/01510/VAR restricts the daily number of aircraft movements permitted at the Airport and Condition 8(4)(a) and (b) restricts the weekly number of factored movements permitted at the Airport.
- 2.2.3 During the 2010 calendar year, all movements were in compliance with Condition 8(1)(a) to (j) and Condition 8(4)(a) and (b) which is reproduced in full in **Appendix 3.**

Gulfstream G150

Piaggio 180 Avanti

Hawker 800

Learjet 40

Learjet 45

Piper PA-31

Avro RJ-100

Avro RJ-85

TOTAL

10

AircraftType	АСТуре	Number of Aircraft Movements
Airbus A318	A318	1046
ATR-42	AT42	1685
ATR-72	AT72	611
Beechcraft Super King Air 350	B350	27
BAe-146-200	B462	211
BAe-146-300	B463	22
Beechcraft Super King Air 200	BE20	130
Beechcraft Beechjet 400	BE40	312
Beechcraft Baron	BE58	2
Cessna Citation CJ2	C25A	267
Cessna Citation CJ3	C25B	173
Cessna Citation Mustang	C510	201
Cessna Citation CJ1	C525	126
Cessna Citation Bravo	C550	756
Cessna 560 Citation 5	C560	54
Cessna Citation Excel	C56X	1962
Cessna Citation Sovereign	C680	112
Canadair Challenger	CL60	67
Dornier 328	D328	5077
Dash 8 – DHC8-300	DH8C	400
Dash 8 – DHC8-400	DH8D	2483
Embraer ERJ-135	E135	648
Embraer ERJ-170	E170	7943
Embraer ERJ-190	E190	4991
Dassault Falcon 2000	F2TH	2
Fokker 50	F50	13115
Dassault Falcon 900	F900	290
Dassault Falcon 10	FA10	28
Dassault Falcon 50	FA50	191
Dassault Falcon 7X	FA7X	434

Table 2.1 – Numbers and Types of Aircraft Using the Airport (Jan – Dec 2010)³

The total number of aircraft movements and aircraft types reported in Table 2.1 differ slightly to those provided in the quarterly summaries to LBN. Previously reported summaries included diverted operations (arrivals which did not actually land at the Airport), training and aircraft testing movements which do not count towards the aircraft movement limits which apply to the 2009 planning permission (Condition 8 attached to planning permission З 07/01510/VAR), and small variances in aircraft type data input during 2010.

6

1750

126

171

70

3

8696

13683

67871

G150

H25B

LJ40

LJ45

P180

PA31

RJ1H

RJ85

2.3 Times of Flights and Maintenance

- 2.3.1 Conditions 6(a), 6(b), 6(c) attached to planning permission 07/01510/VAR restrict the times that the Airport shall be used for the taking off or landing of aircraft. During the 2010 calendar year, all flights fell within the allowed times as set out in Conditions 6(a), 6(b), 6(c) which are reproduced in full in **Appendix 3**.
- 2.3.2 In addition, Conditions 9 and 10 attached to planning permission 07/01510/VAR restrict the number of aircraft movements permitted at the Airport in the early morning (0630-0659 hours) period. Conditions 9 and 10 and reproduced in full in **Appendix 3**. There were two occasions during the year on which there was one additional flight during the period 06:30 to 06:44 and one occasion of an additional flight during the period 06:30 to 06:59. All flights were arrivals, and exceeded the capacity limitation period by less than one minute. These rare occurrences arose as a result of the fact that Air Traffic Control provide a landing clearance when the aircraft is 7/8 miles from the airport. On each of these occasions, a combination of the weather conditions and the variable approach speed of the aircraft meant that the actual landing time was a few seconds earlier than expected.
- 2.3.3 Condition 5 attached to planning permission 07/01510/VAR and reproduced in full in **Appendix 3** restricts the times during which ground running of aeroplane engines for testing or maintenance is permitted. During the 2010 calendar year, all ground running occurred within the allowed times as set out in Condition 5.
- 2.3.4 In addition, there were no occasions when aircraft maintenance took place outside of operational hours where noise generated by these works was discernible at the boundaries of the Airport site; this is on the basis that no complaints were received by LCY in relation to noise generated by aircraft maintenance outside of the permitted hours [3rd Schedule / Part 2 page 30].



3 NOISE



Noise Monitoring and Management

3.1 Noise Management Scheme (until NOMMS is fully operational) [4th Schedule / Part 7 / 5 – Page 45]

- 3.1.1 During the 2010 calendar year, LCY continued to operate its existing Noise Management Scheme. This scheme requires:
 - The combined monitoring of noise and track-keeping in order to identify any deviations from the standard routes that should be followed by aircraft using the Airport and to verify the noise contours.
 - A system of incentives and penalties in order to:
 - (i) minimise noise disturbance from aircraft using the Airport including any aircraft maintenance facility
 - (ii) ensure that track-keeping is maintained by aircraft using the Airport
 - (iii) control maximum noise levels of aircraft using the Airport.

- The minimising of noise disturbance arising from the operation of any aircraft overhaul facility or from aircraft at the Approved Ground Running Location or generally from any aircraft ground noise source subject to the requirement to ensure the safe operation of aircraft at all times.
- Regular meetings and consultation with the Airport Consultative Committee and such other statutory body or bodies as may be reasonably nominated by the Council, and provision to the Local Authority of all relevant information indicating the efficacy of the Noise Management Scheme.
- 3.1.2 This is supplemented by the Temporary Noise Monitoring Strategy during an interim period until the new Noise Monitoring and Mitigation Strategy (NOMMS) is drawn up, agreed and implemented, to replace the existing Noise Management Scheme.
- 3.1.3 A report on the operation of the Noise Management Scheme in 2010 is provided at **Appendix 8**.

3.2 Temporary Noise Monitoring Strategy [4th Schedule / Part 11 / 1 – Page 47]

- 3.2.1 The Temporary Noise Strategy (approved by LBN and implemented by LCY in 2009) includes a requirement to provide quarterly reports that record the daily operational status of each monitor together with the total monthly correlation rate of noise events to aircraft departures. [Para A6.0 in Temporary Noise Strategy]
- 3.2.2 Copies of the four quarterly reports (January to March, April to June, July to September and October to December) that were provided to LBN for the 2010 calendar year are included at **Appendix 9** of this report.

3.3 Noise Monitoring and Mitigation Strategy (NOMMS) [4th Schedule / Part 10 / 1 – Page 46]

- 3.3.1 The draft NOMMS was submitted to LBN on 8 October 2009 and a letter was subsequently received from LBN on 26 February 2010 confirming the draft NOMMS was acceptable, subject to full details set out in Implementation Guidelines to be progressed through a series of workshops with LBN and to be submitted for approval.
- 3.3.2 The NOMMS Implementation Guidelines were submitted to LBN on 6 July 2010 for approval.
- 3.3.3 The NOMMS Implementation Guidelines describes proposed enhancements to the Airport's noise monitoring and track keeping system which will be used to monitor, manage and control noise emissions from aircraft, to record departure noise levels for existing noise categorisation purposes and to perform noise categorisation functions following implementation of the Aircraft Categorisation Review (discussed in Section 3.5 below).

3.4 Aircraft Categorisation [Condition 7(4) Planning Permission]

3.4.1 The Annual Aircraft Categorisation Report for 2010 is included at **Appendix 10** of this report. This report provides a review of any provisional categorisation for an approved aircraft type having regard to departure noise levels; it provides the basis for provisional categorisation either to be approved or amended.

3.5 Aircraft Categorisation Review [4th Schedule / Part 13 – Page 47]

- 3.5.1 On 1 July 2010, LCY consulted LBN on the draft Aircraft Categorisation Review (prepared by its noise consultants Bickerdike Allen Partners) which reassessed the methodology, categories, noise reference levels, noise factors and procedures for categorisation with the objective of providing further incentives for aircraft operators using the Airport to emit less noise.
- 3.5.2 Consultation continued throughout 2010 and identified work to be undertaken over the coming months in order to further develop the proposals set out in the draft Categorisation Review.

Sound Insulation Scheme (SIS) and Purchase Scheme

3.6 SIS: Noise Contours

- 3.6.1 The following Noise Contours are presented in **Appendix 4** of this report:
 - Actual 57 dB (2010 actual contour)
 - Actual 66 dB (2010 actual contour)
 - Actual 69 dB (2010 actual contour)
 - Predicted Reduced 57dB (2011 best estimate forecast contour)
 - Predicted Reduced 66dB (2011 best estimate forecast contour)
 - Predicted 57 dB
 - Predicted 66 dB
 - 1998 57dB
- 3.6.2 The primary purpose of the noise contours listed above is to determine the eligibility boundaries for the SIS and/or Purchase Scheme under the terms of the 2009 Section 106 Agreement. Further details on the SIS and Purchase Scheme are provided below.
- 3.6.3 During 2010, LCY has continued to operate its SIS. Sound insulation works have now been completed in all eligible domestic properties listed within the 1998 Section 106 Agreement that consented to such works, and these have been signed off by LBN.



- 3.6.4 Additional domestic premises lie within a parcel of land known as 'Area-4T' which forms part of the Thamesmead development (London Borough of Greenwich) and qualify as "Additional Premises" for sound insulation treatment. Since all properties are already double glazed, only acoustic ventilators are available under the scheme. 115 properties are eligible for these ventilators.
- 3.6.5 Out of these 115 properties, the Airport has managed to gain access to 105 for survey purposes. Of these, 30 have had ventilators installed with 10 more scheduled to have them installed during July 2011. This will give a final 35% ventilator take up rate. The intention now is to obtain LBN approval that these works are complete and should there be any subsequent change of mind by residents, these would be dealt with on an ad-hoc basis.
- 3.6.6 Works to two eligible community buildings (Britannia Village School and Woolwich Polytechnic) were being progressed under the scheme during 2010.

3.7 SIS: Further Inspection of Treated Premises [4th Schedule / Part 1 / 1 – Page 36]

3.7.1 LCY has committed to upgrade its SIS to include re-inspection of properties treated through the Scheme 10 years or more ago. Provided at **Appendix 5** of this report is a list of all residential premises and Public Buildings where a period of 10 years or more has expired since sound insulation works were completed by LCY (i.e. treated premises). On 29 September 2010, in line with Clause 8.12 (b) and (c) of the Planning Agreement, LCY wrote to LBN advising that the Further Inspection of Treated Premises was suspended due to the ongoing claim for judicial review (see Section 11 Other Matters) against LBN's decision-making process and that works under the SIS would not be progressed in the timescales outlined in the Planning Agreement. LBN confirmed that this obligation was suspended in their letter dated 18 November 2010.

3.8 SIS: FirstTier Works [4th Schedule / Part 2 / 1 – Page 39]

- 3.8.1 Residential premises that are eligible for First Tier Works are listed in **Appendix 6** (together with the Eligibility Boundary). There are no known Public Buildings that are eligible for First Tier Works.
- 3.8.2 On 29 September 2010, in line with Clause 8.12 (b) and (c) of the Planning Agreement, LCY wrote to LBN advising that the carrying out of such works in accordance with the First Tier Works Procedure / Public Buildings First Tier Works Procedure (or equivalent procedure where involving Listed Buildings) was suspended due to the on-going claim for judicial review (see Section 11 Other Matters) against LBN's decision-making process and that works under the SIS would not be progressed in the timescales outlined in the Planning Agreement. LBN confirmed that this obligation was suspended in their letter dated 18 November 2010.

3.9 SIS: Second Tier Works [4th Schedule / Part 3 / 1 – Page 41]

- 3.9.1 Residential premises that are eligible for Second Tier Works are listed in **Appendix 7** (together with the Eligibility Boundary). Currently there are no Public Buildings that are eligible for Second Tier Works.
- 3.9.2 On 29 September 2010, in line with Clause 8.12 (b) and (c) of the Planning Agreement, LCY wrote to LBN advising that the carrying out of such works in accordance with the Second Tier Works Procedure / Public Buildings Second Tier Works Procedure (or equivalent procedure where involving Listed Buildings) was suspended due to the on-going claim for judicial review (see Section 11 Other Matters) against LBN's decision-making process and that works under the SIS would not be progressed in the timescales outlined in the Planning Agreement. LBN confirmed that this obligation was suspended in their letter dated 18 November 2010.

3.10 Publicity for SIS [4th Schedule / Part 4 – Page 43]

- 3.10.1 LCY will advise the local community of the criteria for properties that qualify for First and Second Tier Works by placing advertisements at least twice a year in local newspapers which are in circulation within the vicinity of the Site. These details will also be published on the Airport Website.
- 3.10.2 On 29 September 2010, in line with Clause 8.12 (b) and (c) of the Planning Agreement, LCY wrote to LBN advising that the carrying out of publicity for SIS was suspended due to the ongoing claim for judicial review (see Section 11 Other Matters) against LBN's decision-making process and that works under the SIS would not be progressed in the timescales outlined in the Planning Agreement. LBN confirmed that this obligation was suspended in their letter dated 18 November 2010.

3.11 Purchase Scheme [4th Schedule / Part 12 / 3 - Page 47]

- 3.11.1 The draft Purchase Scheme was submitted to LBN for approval on 11 June 2010.
- 3.11.2 There are no dwellings falling within the 2010 Actual 69dB contour (**see Appendix 4**). As such, no dwellings were eligible for the Purchase Scheme in the 2010 calendar year.

3.12 Neighbouring Authority Agreements [4th Schedule / Part 5 / 1 and 2 – Page 44]

- 3.12.1 LCY provided the London boroughs of Greenwich and Tower Hamlets with draft Neighbouring Authority Agreements (NAAs) in December 2009.
- 3.12.2 The wording of the NAA with the London borough of Greenwich has been agreed and, in accordance with the requirements of the Planning Agreement, a copy of this agreement was sent to LBN on 16 April 2010 for approval. LBN provided their written confirmation of the agreement on 1 June 2010, and the agreement with Greenwich was completed on 19 August 2010.
- 3.12.3 The NAA with the London borough of Tower Hamlets is the subject of ongoing discussions with that authority. LCY is keeping LBN updated on progess with this and will continue to do so.

3.13 Noise Insulation Payments Scheme [4th Schedule / Part 6 / 1 and 2 – Page 44]

3.13.1 The draft Noise Insulation Payments Scheme (NIPS) was submitted to LBN on 9 July 2010 for approval, together with evidence of consultation undertaken with persons interested in developments that are likely to benefit significantly from NIPS. LCY has considered the consultation responses received and will submit a revised draft NIPS to LBN in due course.



4 Ground NOISE



4.1 Ground Running of Aircraft Engines [5th Schedule / Part 1 / 2 – Page 49]

4.1.1 The ground running of aircraft engines is required for testing and maintenance purposes. Details of ground running for the 2010 calendar year are included in the Report on the Operation of the Noise Management Scheme at **Appendix 8**.

4.2 Exceedences of Ground Running Noise Limit [5th Schedule / Part 1 / 3 – Page 49]

4.2.1 There were no exceedences of the ground running noise limit for the 2010 calendar year. Details are included in the report on the operation of the Noise Management Scheme at Appendix 8.

4.3 Ground Noise Study [5th Schedule / Part 4 / 2 – Page 50]

4.3.1 On 6 August 2010, LCY submitted to LBN the Ground Noise Study which measured noise exposure levels arising from aircraft operations on the ground in the immediate vicinity of the Airport site. A copy of the report documenting this study is provided in **Appendix 11**.

4.4 Camel Road Sound Screen Study [5th Schedule / Part 4 / 2 – Page 50]

4.4.1 On 7 October 2010, LCY submitted to LBN the Camel Road Sound Screen Study which considered the existing sound screen in order to ascertain any improvements that should be made to enhance the noise attenuation properties of it. A copy of the report documenting this study is provided in **Appendix 12**. LBN confirmed approval of the study in its letter dated 17 December 2010.

5 Air Quality



5.1 Data from Air Quality Measurement Programme [3rd Schedule / Part 3 / 1(c) – Page 31]

- 5.1.1 The Air Quality Measurement Programme (AQMP) includes the continued operation of monitoring equipment on the roof of the Airport's administration building, City Aviation House, and diffusion tubes located in and around the Airport. Furthermore, LCY has also commissioned and installed a second automatic monitoring station at a location on the north side of Royal Albert Dock, adjacent to the Newham Dockside building. The results from this additional monitoring station are reported alongside the other data.
- 5.1.2 Quarterly data from the AQMP were reported to London City Airport Consultative Committee (LCACC) at the meetings held in January 2010, April 2010 and October 2010 and the reports are posted on the LCACC website (**http://www.lcacc.org**). These data are, together with other results for the full 2010 calendar year, summarised in the Air Quality Measurement Programme: Annual Report 2010 which is included at **Appendix 13** to this report. During 2010 there were no recorded exceedences of the statutory air quality objectives set by Government⁴ for nitrogen dioxide and fine particulate matter (PM₁₀) at any relevant location.

5.2 Results from any Deposits Study in the Preceding Calendar Year [3rd Schedule / Part 3 / 1(d) (iii) – Page 31]

5.2.1 LCY will commission a Deposits Study in the event that the Airport receives a complaint regarding black smut deposits or oily deposits that could be associated with the operation of the Airport.

⁴ The air quality objectives are set out in the Air Quality (England) Regulations 2000 as amended by the Air Quality (England) (Amendment) Regulations 2002, and are available at http://www.defra.gov.uk/environment/quality/air/airquality/regulations.htm

5.2.2 LCY has adopted a protocol that relates to the commissioning of Deposits Studies should a complaint of this nature be received. No such complaints were received during the 2010 calendar year.

5.3 Individual Aircraft Types Study [3rd Schedule / Part 3 / 1(b) – Page 31]

- 5.3.1 The report on the outcome of a study which investigated the effects of individual aircraft types on air quality was submitted to LBN on 8 June 2010. A copy of the report is provided at **Appendix 14**.
- 5.3.2 The assessment provides clear evidence that aircraft emissions are not associated with the high, peak concentrations measured at the monitoring station located adjacent to the Newham Dockside building (to the north of the Royal Albert Dock), and it is concluded that these are associated with other sources, at the local or regional scales. Furthermore, the conclusions of this study support the view that the effects of individual aircraft types can be related to the internationally-determined nitrogen oxides emission rates⁵ during take-off.

5.4 Volatile Organic Compounds Study [3rd Schedule / Part 3 / 1(b) – Page 31]

- 5.4.1 The report on the outcome of a study on Volatile Organic Compounds (VOCs) and odours in and around the Airport was submitted to LBN on 8 July 2010. A copy of the report is provided at **Appendix 15**.
- 5.4.2 It is considered that "airport odours" are not primarily related to aviation kerosene, but are probably associated with organic hydrocarbons produced by the pyrolysis of kerosene in the jet engine i.e. associated with what are sometimes called 'burnt' hydrocarbons. The greatest potential for odour emissions is believed to occur during aircraft taxi movements after landing.
- 5.4.3 The study concludes that, given that "airport odour" events (such as those detected within the residential areas to the south of the Airport) are infrequent and of very short duration (tens of seconds), there are no health concerns for the general public with regard to exposure to airport odours. Such observations are consistent with the very low level of odour complaints received by LCY.

5.5 Air Quality Action Plan [3rd Schedule / Part 3 / 2(a) – Page 31]

5.5.1 On 8 July 2010, LCY submitted the Air Quality Action Plan to LBN for approval.

⁵ Nitrogen oxides emissions from aircraft engines are certified by the International Civil Aviation Organisation (ICAO) available at http://www.caa.co.uk/ default.aspx?catid=702

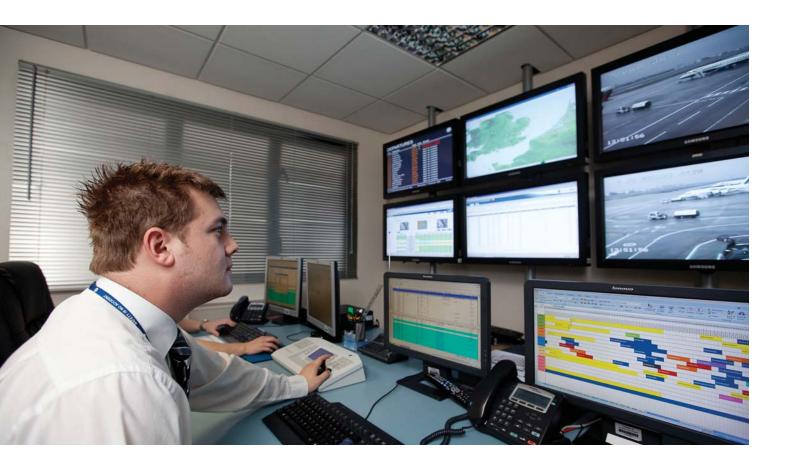
6 SUSTAINABILITY AND BIODIVERSITY



6.1 Airport Sustainability Strategy and Airport Biodiversity Strategy [3rd Schedule / Part 6 / 1 - Page 34] [3rd Schedule / Part 6 / 5 - Page 34]

- 6.1.1 On 8 October 2010, LCY submitted to LBN for approval the Airport Sustainability Strategy (and Airport Sustainability Action Plan). This work includes a review of the Airport's recent sustainability performance, the auditing of operational activities, updating baseline data including carbon emissions, and the establishment of specific objectives and targets against a range of sustainability indicators.
- 6.1.2 On 8 October 2010, LCY also submitted to LBN for approval the Airport Biodiversity Strategy.

7 EDUCATION, EMPLOYMENT AND TRAINING



7.1 Community Engagement

- 7.1.1 LCY has a Community Strategy which aims to ensure that the social and economic benefits of the operation of the Airport are shared with those living in close proximity to the site to balance out any negative impacts of its operation. The Community Strategy can be found at http:// www.londoncityairport.co.uk/Aboutus/ourcommunity.aspx
- 7.1.2 LCY has employed a full-time Community Relations Team since 1997. This team is currently the largest such team of any airport in the UK relative to the number of passengers it serves. The LCY Community Strategy focuses on communication and consultation; local employment; education excellence, health and wellbeing for work, and charity. Below is an outline of the community and employment related matters included in the Planning Agreement.

7.2 2009 Education Programme Updates [6th Schedule / Part 2 / 4 – Page 56]

Primary Education [9th Schedule / Part 3 / (a) - Page 67]

- 7.2.1 Following the update of the Barnaby Bear geography programme for Year Two students by Newham Education Business Partnership Organisation (NEBPO) in 2009, LCY made offers to all primary schools south of the A13 in Newham and one in each of the neighbouring boroughs of Tower Hamlets and Greenwich (12 schools in total) to receive the programme. The schools that benefitted from the Barnaby Bear geography programme in 2010 were:
 - Calverton Primary School
 - Keir Hardie Primary School
 - Drew Primary School
 - Hallsville Primary School
 - St Joachim's Primary School
 - Britannia Village Primary School
 - North Beckton Primary School
 - Winsor Primary School
 - Old Palace Primary School
 - Gallions Primary School.
- 7.2.2 Grange and Ranelagh Primary Schools also received the programme at their request, although they do not fall within the schools listed in the Planning Agreement. In total, 520 young people received the programme

Secondary Education [9th Schedule / Part 3 / (b) – Page 67]

7.2.3 Work with the NEBPO to develop a new business related education programme for Year Nine students named "Plane Business" was completed in 2010. The programme is made up of a range of modules and a Teacher's Pack is available to demonstrate links to the curriculum and advise how the programme could be integrated with a range of subjects. Teaching and learning resources are available via the Airport's website in addition to hard copies being obtainable from the Airport's Community Team. Offer letters to the four eligible schools (Royal Docks, Kingsford, Langdon Park and Woolwich Polytechnic) were distributed on 27 September 2010 and follow up calls and meetings have taken place to schedule delivery of the programme.

Higher Education [9th Schedule / Part 3 / (c) – Page 67]

7.2.4 In June and July 2010, LCY placed advertisements in local newspapers in the London Boroughs of Newham, Tower Hamlets and Greenwich to seek three new recruits to the University Prize Scheme. Following a selection process, two students from Newham and one from Tower Hamlets were selected and commenced a university degree course in September 2010, each receiving £2,000 per year for three years, an Airport Management Mentor, paid annual work experience and access to LCY staff training courses. In 2010, two of the eleven students participating in the scheme graduated from their degree courses and an event to celebrate their success was held at the Airport in August 2010. Copies of the advertisements placed can be found in **Appendix 16**.

Training [9th Schedule / Part 3 / (d) – Page 67]

7.2.5 LCY has continued to offer its City Interview Training Programme for local young people who are NEET (Not in Employment, Education or Training). During 2010 engaging NEET groups proved difficult as these individuals are, by nature, not usually involved in structured local groups or networks, which led the Airport to work with third parties to seek candidates to work with. The Airport continues to work with Local Authorities, community partner organisations and membership organisations such as the East London Business Alliance to deliver this programme.



Work Experience [6th Schedule / Part 2 / 1(h) - Page 56]

- 7.2.6 LCY continued to deliver its structured work experience programme in partnership with Newham Sixth Form College throughout 2010. Placements of one week were offered to a minimum of 40 residents of Newham and for a minimum eight residents of Bexley, Barking & Dagenham, Greenwich and Tower Hamlets through the Work Experience Coordinator at the College.
- 7.2.7 Students participating in work experience at LCY during 2010 lived in the following areas:
 - Newham 26
 - Bexley 0
 - Barking & Dagenham 2
 - Greenwich 1
 - Tower Hamlets 2
 - Other 13

7.2.8 A total of 44 placements were taken up and where candidates from the boroughs proposed by the Planning Agreement did not book or attend the programme, these placements were allocated to students from other East London Boroughs, including Redbridge, Havering and Waltham Forest.

7.3 Employment Statistics Reporting [6th Schedule / Part 2 / 1(f) – Page 55]

- 7.3.1 The presence of an airport is a driver for employment on both the airport site in roles directly related to the day to day airport operation and in the local economy through direct and induced jobs.
- 7.3.2 Each year the Airport collects data that records where employees live. This data is collected from the address information provided by employees when applying for an airport security pass. A report is then compiled including details of the percentage of people living in the local labour catchment area and in particular those living in Newham. This is then provided to LBN and LCACC.
- 7.3.3 As at December 2010:
 - 51 employers were operating on-site; a complete list of these is included at Appendix 17 of this report. [6th Schedule / Part 2 / 1(c) – Page 55]
 - 1891 people were employed on-site at LCY
 - 156 of these on-site employees were not required to provide address information to the Airport as they are employed by control authorities such as the Metropolitan Police, Special Branch, UK Border Agency.
- 7.3.4 Of the 1735 remaining on-site employees:
 - 27% resided in the London Borough of Newham;
 - 63% lived in the "Local Area"⁶.
- 7.3.5 Further employees work with contractors and sub-contractors at LCY on a regular basis and hold an airport security pass, but are not based on-site and are, therefore, not included in these figures. These organisations include cargo agents, construction companies, communications, sign-writers, advertising installers and many others.



- 7.3.6 London City Airport Limited (Airport owner/ operator) is the largest on-site employer with 525 employees as at December 2010, 32% of which lived in the London Borough of Newham and 76% of which lived in the "Local Area".
- 7.3.7 LCY endeavours to ensure jobs at the Airport are accessible to local people and to support them to demonstrate the skills and knowledge required to be successful in a job application [6th Schedule / Part 2 / 1(a) Page 55]. These endeavours are delivered by the LCY Community Team with on-site partners and employee volunteers, and include:
 - Maintaining an airport jobsline and website for job opportunities
 - Links with local employment organisations such as Newham Workplace, Skillsmatch Tower Hamlets and Greenwich Local Labour & Business
 - Ongoing engagement with Local Authorities
 - A basic skills test developed by adult education experts
 - Attending careers fairs
 - Delivering presentations to jobseekers
 - Mock Interviews
 - Work placements
 - Airport visits for students and employment organisations
 - Distribution of the "Airport Careers" booklet to local organisations and online
 - Delivery of employment-related education programmes in schools, colleges and universities.
- 7.3.8 A full copy of the Local Employment Endeavours Report is included at **Appendix 18**.
- 7.3.9 In 2010, LCY continued its Take off into Work" programme for long-term unemployed Newham residents, in partnership with Newham Workplace. This programme recruits candidates with an interest in working at the Airport for two weeks of LCY specific employability workshops, followed by a two to nine week work placement and an interview. Employment is not guaranteed through the programme; however it provides candidates with an opportunity to gain the skills and knowledge required to work at LCY and other local employers. During 2010, 71 unemployed Newham residents gained employment through the programme, of which 59% were previously unemployed for a year or longer. A report from Newham Workplace on the performance of Take off into Work during 2010 is available in **Appendix 19**.

7.4 Airport Job Policy [6th Schedule / Part 2 / 1(d) – Page 55]

7.4.1 To share information on the policy adopted by the airport company to fill job vacancies, the Airport Job Policy can be found at **Appendix 20**.



7.5 Employers' Forum [6th Schedule / Part 2 / 1(b) – Page 55]

- 7.5.1 LCY established an Employers' Forum in 2008 which provides all employers at the Airport an opportunity to engage in matters relating to local employment, sustainability, community and environment. The LCY Employers' Forum meets at least twice in each calendar year. LCY also ensures that all employers recruit locally as far as practicable and advertise job vacancies through the Airport website and relevant recruitment centre (Newham Workplace).
- 7.5.2 The LCY Employers' Forum met on 21 January and 1 October 2010, where the following items were discussed/ presented:
 - Company updates on local recruitment successes/ challenges (standing item)
 - Company updates on upcoming vacancies (standing item)
 - LCY website updates for all onsite companies to advertise their jobs
 - Presentation on the 2012 Olympics and Paralympics by the ODA and LOCOG
 - Presentation of 2008 London City Airport site-wide employment statistics
 - LCY Travel Plan and Surface Access Strategy
 - Staff Travel Survey
 - LCY Sustainability Strategy
 - Presentation on Terminal Reconfiguration
 - Presentation from Newham Workplace on Take off into Work

7.5.3 Attendees from the following on-site companies have participated in the meetings above:

- Autogrill (HMS Host)
- Avis Car Rental
- Caffè Nero
- Carlisle Cleaning
- CityJet
- Cobalt Ground Solutions
- Costa Coffee (DLR Concession)
- Europcar
- Gassan Diamonds
- Hertz Rent A Car
- Hughes & Hughes Bookstore
- Metropolitan Police
- Nuance Tax & Duty Free
- Pret a Manger
- Quay Vennards
- Travelex
- UK Border Agency
- WH Smith.
- 7.5.4 In addition, members of LBN's Regeneration Team and the East London Business Alliance Employment Teams are invited to all meetings of the Forum.
- 7.5.5 During 2010, LCY completed the development of its website to include a page to provide free advertising space for companies based on-site to promote job opportunities [6th Schedule / Part 2 / 1(b) Page 55]. The specific weblink is:http://www.londoncityairport.com/LandingPage.aspx?Page=External_Job_Vacancies.This page can also be found by visiting www.londoncityairport.com/recruitment.
- 7.5.6 A number of LCY's on-site partners have been advertising their vacancies with Newham Workplace in 2010 including:
 - Autogrill (HMS Host)
 - Caffè Nero
 - Cobalt Ground Solutions
 - Europcar
 - Gassan Diamonds
 - Newrest
 - Nuance Tax & Duty Free
 - WH Smith

7.6 Staff Participation [6th Schedule / Part 2 / 1(g) – Page 56]

- 7.6.1 LCY and its on-site partners are keen to engage in local community projects and initiatives and LCY works with on-site companies to facilitate their community engagement.
- 7.6.2 In 2010, LCY engaged its staff and those of companies based on-site in its community projects and initiatives via:
 - LCY Employers' Forum
 - London City Airport Consultative Committee
 - LCY Site Email Distribution
 - Posters
 - The Chronicle Staff Newsletter, distributed to all staff on-site eight times per year
 - The "Chronicle Lite" newsletter for staff of London City Airport Limited, distributed with payslips monthly
 - Word of mouth campaigns with "Barnaby Bear" character, synonymous with community engagement at LCY.

7.7 Training Programmes [6th Schedule / Part 2 / 1(e) – Page 55]

- 7.7.1 LCY has a comprehensive training offer available to its employees. Details of the 2010 LCY Staff Training and Development Programme are outlined below.
- 7.7.2 LCY is committed to investing in its staff through a wide range of learning and development activities. This commitment has continued throughout the economic downturn. Training is provided for health and safety, job specific skills and in the general competencies which provide employees with the ability to do their jobs and develop key transferable skills. The general competencies programme is based on the key 'core skills' required for the long term success of the business including training during 2010 in:
 - Recruitment & Selection
 - Managing Employment Relationships
 - Appraisals & Return to Work
 - Train the Trainer
 - Welcoming the World
 - Speedwriting
 - Minute Taking
 - Proofreading
 - Advanced Excel
 - Customer Service NVQ2/Apprenticeship
 - ILM Level 3 First Line Management
 - Leading from the Front
 - Grow Your Own Leader
 - Discovery Insights (Intro)

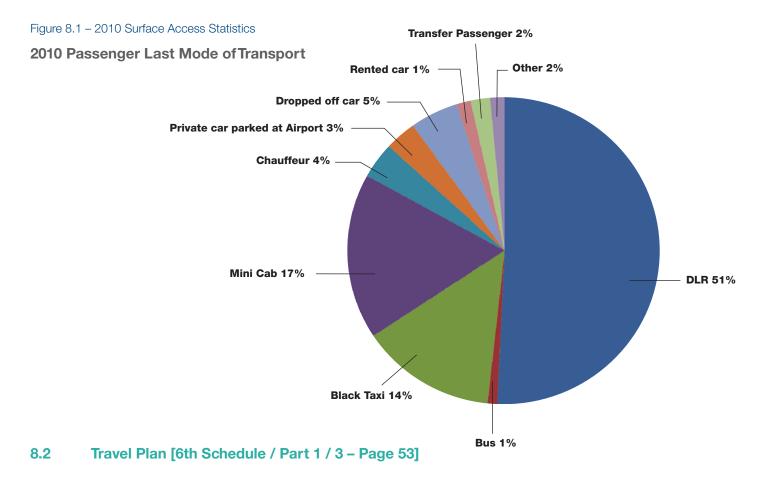


- 7.7.3 During 2010, training in these core skills courses were delivered over 803 people days.
- 7.7.4 The Airport operates a specialist business in the London Borough of Newham and therefore does not expect to recruit ready-trained airport specialists such as Airfield Operations Controllers from Newham or surrounding boroughs.Consequently LCY is committed to and invests a significant amount in job specific skills training for its staff. Initial job-specific training is often regulated by the Civil Aviation Authority or Department for Transport and LCY recognises the value of integrating core skills into this training requirement. It invests between £1,000 and £11,000 in the initial training of every member of operational staff that joins the company. Furthermore, this training must be re-visited on a regular basis throughout the time employees work in operational roles, resulting in substantial additional investment throughout employees' careers.
- 7.7.5 In order to ensure that local employees that do not have a background in aviation can access the theory behind the industry, a programme of distance learning accredited by City and Guilds is available to staff. In 2010, 11 LCY employees worked with the training provider "AVTECH 2000" to achieve their City and Guilds in Aviation Foundation Studies.

8 Surface Access

8.1 Surface Access Statistics

- 8.1.1 The presence of LCY since 1987 has attracted public transport to the south of Newham for the benefit of airport passengers and local people. The extension of the Docklands Light Railway Woolwich Arsenal in 2009 also means that LCY is highly accessible to areas south of the River Thames.
- 8.1.2 Surface access statistics are summarised in Figure 8.1 below and demonstrate that during 2010, 66% of passengers travelled to the Airport using London public transport, including Transport for London Licenced Black Taxis.



- 8.2.1 To maintain and where possible improve both passenger and staff use of London public transport to access the Airport, LCY has prepared a Travel Plan, which includes a range of targets and initiatives focused on sustainable transport.
- 8.2.2 The draft Travel Plan was submitted to LBN for approval on 1 July 2010.

8.3 Fixed Link [6th Schedule / Part 1 / 2 – Page 53]

8.3.1 On 26 April 2010, LCY submitted to LBN the results of an assessment of the value of any rights to construct the DLR Airport Extension (carried out by an independent valuer). LBN confirmed approval of the assessment in its letter dated 24 June 2010.

9 Environmental Complaints and Enquiries

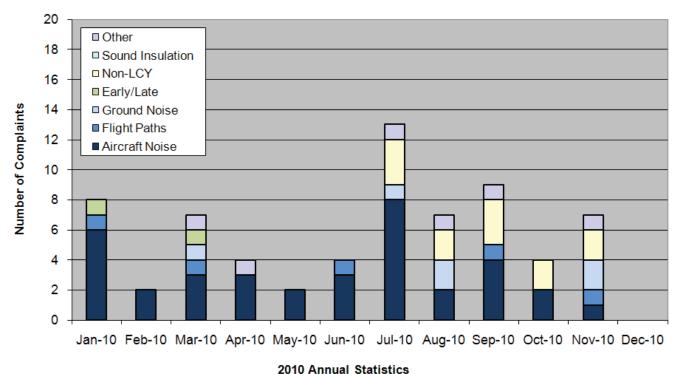


9.1 Report of any Complaint or Action in Summary in Preceding Calendar Year[3rd Schedule / Part 7 / 2 (c) – Page 35]

- 9.1.1 The annual incidence of environmental complaints and enquiries to the Airport remains very low at less than one complaint per thousand aircraft movements per year. This remains one of the lowest airport complaint incidence rates in the UK.
- 9.1.2 LCY reports environmental complaints and enquiries to the Airport Consultative Committee as part of the quarterly Airport Environment Report.
- 9.1.3 A total of 55 complaints regarding LCY's operation were received during 2010 (compared with 74 complaints received in 2009). In addition, 39 environmental enquiries relating to LCY were received during 2010 (compared with 33 received in 2009) and 13 complaints/enquiries regarding aircraft operating from/to other airports were received during the same period (compared with 21 received in 2009).
- 9.1.4 Of the 55 LCY complaints received:
 - 36 were related to aircraft noise at LCY
 - 5 were related to flight paths
 - 6 were related to ground noise
 - 8 were related to other matters such as wake vortices, alleged near misses and noise associated with the Airport's Fun Day.
- 9.1.5 A summary of environmental complaints and enquiries for the 2010 calendar year is provided in Figures 9.1 and 9.2 below. All complaints have been investigated in accordance with LCY's environmental complaints procedure and reported in detail to LBN within 15 days of each complaint being made.

9.1.6 Further details of environmental complaints received can be found on the London City Airport Consultative Committee (LCACC) website (**http://www.lcacc.org**).

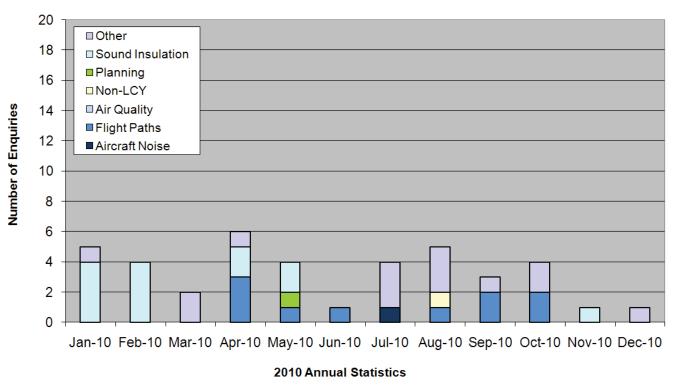
Figure 9.1 – Summary of 2010 Environmental Complaints



Environmental complaints received by London City Airport



Environmental enquiries received by London City Airport



10 Financial Contributions



- 10.1.1 LCY has a schedule of financial contributions towards local initiatives that it will make over the life of the Planning Agreement.
- 10.1.2 The following contributions, which totalled £365,766.71, were made to LBN during the 2010 calendar year:
 - 1st Annual Monitoring Payment £2,831.66 on 1 July 2010
 - 2nd Annual Monitoring Payment £72,341.77 on 1 July 2010
 - Education and Training Contribution (Pro Rata Payment Index Linked) –£83,902.50 paid on 1 July 2010.
 - Community Projects Contribution £206,690.78 paid on 1 July 2010.

11 Other Matters



11.1 Judicial Review Claim

- 11.1.1 A claim for judicial review against LBN's decision-making process was lodged by Friends of the Earth Justice Centre on behalf of Fight the Flights in September 2009 and remained outstanding at the end of 2010.
- 11.1.2 In accordance with the wording of the Planning Agreement, the effect of the judicial review claim was to suspend the dates by which any investigation/ study / report/ scheme / strategy was required to be submitted to LBN for approval [Clause 8.12 (b) and (c) Page 21].
- 11.1.3 Notwithstanding this, wherever possible, LCY has continued to progress with such matters in accordance with the timescales set out in the Planning Agreement.

11.2 Value Compensation Scheme [7th Schedule / Part 2 – Page 60]

- 11.2.1 On 8 January 2010, LCY submitted to LBN for consultation purposes the draft Value Compensation Scheme (VCS) which is designed to compensate for any loss of value in sites which are yet to be developed caused by any extension of the Public Safety Zones for the Airport, as a result of planning permission 07/01510/VAR.
- 11.2.2 The draft VCS was submitted to LBN for approval on 2 June 2010. Comments were subsequently received from LBN on 19 September 2010 and a revised draft VCS is intended to be submitted to LBN for approval in due course.

11.3 Public Safety Zones

11.3.1 Public notification was given by the Civil Aviation Authority (CAA) in Autumn-Winter 2010 regarding revised Public Safety Zones (PSZs) for the Airport. The revised PSZs were subsequently endorsed by the CAA on 15 March 2011.

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