MANAGING AIR TRANSPORT DURING THE LONDON 2012 OLYMPICS – PROPOSALS TO EXTEND AIRPORT SLOT COORDINATION

This paper seeks views on proposals to introduce temporary airport slot coordination arrangements across a wide range of airports in Southern England during the London 2012 Olympic Games. Consultees are invited to submit their views on the proposals to the Department for Transport in accordance with the arrangements set out in paragraphs 63-65 below.

1. The Olympic Games will take place in London between 27 July and 12 August 2012. They will be followed by the Paralympic Games, which take place between 29 August and 9 September.

2. The vast majority of overseas participants, spectators and other visitors are expected to travel to and from the Games by air. London benefits from extensive global air connections and is served by several major airports. Some of these airports are already operating at or close to capacity, however, especially during peak periods; and the airspace over South East England is among the busiest in the world. This can make both airports and airspace particularly vulnerable to disruption in the event of unusual or unplanned demands on the system.

3. The successful staging of the Games carries substantial reputational importance for London and the UK as a whole, and will depend in part on delivering an efficient arrivals and departures arrangements for visitors. The Government wishes to ensure, therefore, that arrangements are in place to accommodate additional Olympics-related air travel safely and securely, and in a manner which contributes positively to the visitor experience, without disrupting the travel plans of others.

Demand and Capacity

4. In September 2009 the Department for Transport commissioned a study to estimate the likely demand for additional aircraft movements during the Games period, categorised by type of flight and aircraft size, and to compare this with an assessment of the airport capacity that was likely to be available within reasonable travelling distance of London. The study by Atkins et al was completed in March 2010. It was widely circulated for comment at that time, but further copies can be supplied on request.

5. In summary, the headline numbers from the study’s findings were that, based on precautionary assumptions, the Olympic Games could attract up to:
- 500,000 overseas spectators;
- 70,000 overseas “Games Family” visitors (athletes, media, officials and marketing partners); and
- 150 Heads of State

The majority of visitors could be expected to travel on London’s extensive global network of existing scheduled air services. However, and taking into account the displacement effect on normal background levels of travel, this volume of demand was estimated by the study to generate during the Games period:

- 700 extra commercial charter flights;
- Over 10,000 total business jet movements; and
- 240 governmental flights.

6. In broad terms, the study found that the estimated level of additional air traffic demand could be accommodated, but only if the capacity available at a wide range of airports across the South East Region were used, and only if new measures were introduced to control the flow of aircraft into the system, especially at peak periods. The study noted that very little, if any, additional capacity is likely to be available at Heathrow and Gatwick during the Games period, and that there are a limited number of alternative airports available for larger aircraft in South East England. At the same time, there is a wide range of airports and airfields across the Region able to accommodate business jets and other smaller aircraft. But the report emphasised that the available capacity within easy reach of London is limited and will need to be utilised efficiently. Aircraft parking availability and airspace flow rates were identified as particular constraints on capacity at individual airports.

7. In light of these findings the study made a number of recommendations, including that:

“All airports within South East of England should be mandated, by the Government, as coordinated for the period of the Olympic and Paralympic Games.”

Other Relevant Factors

8. The study provides the best overall estimate available of likely demand on UK airports and airspace during the Games period. However, there remains a high degree of uncertainty about what the actual demand will be. While previous events provide some guide, all Games are different, and London will present some unique challenges and opportunities for air travel. It is a common experience from past Games that the arrival and departure patterns of participants tend to remain uncertain or subject to change until very close to the event. Those intending to charter or operate private flights will be encouraged to make their arrangements as early as possible, but even so a substantial degree of uncertainty will remain, and some flexibility will therefore need to be factored into capacity planning.
9. Unlike many host cities, aviation facilities and services in and around London are in the main provided by the private sector on a commercial basis. The successful staging of the Games will rely in part on the ability of the aviation industry, operating within a market-based system, to deliver an efficient Games-time operation. But the Games offer an important business opportunity for many private companies within the sector, both immediately and as regards future business development. At the same time, these companies operate within a complex regulatory framework set down at local, national and EU levels. That regulatory framework, which includes the EU Slots Regulation\(^1\) and the UK Airports Slot Allocation Regulations,\(^2\) also imposes strict limitations on the ways in which Government can intervene in the commercial provision of those services.

10. Protecting “business as usual” for the aviation industry during the Olympics has to be a primary objective for all concerned. Avoiding disruption to the plans of other air travellers during what will be the height of the summer holiday season is an important objective in its own right. And maintaining the smooth running of existing scheduled air services, particularly during the peak periods of demand, will also be a crucial factor in the successful staging of the Games themselves, since these services are expected to carry more than 80% of overseas Olympics and Paralympics visitors to and from the Games.

11. At the same time, ways need to be found to accommodate the additional air traffic that the Games are expected to generate, including private flights and corporate/business aviation. This too is important to the successful staging of the Games, as well as helping to maximise potential commercial benefits to the aviation sector and to the wider UK economy from hosting the event.

12. Temporary airspace changes are currently being developed by NATS, which it is hoped will generate additional capacity and resilience in managing increased air traffic flows. However, these measures will not in themselves serve to control overall levels or patterns of demand for access to airspace over South East England during the Games period. With this in mind, the Government believes that special measures will be necessary during the Games period both to protect business as usual and to ensure efficient use of the available airport and airspace capacity across South East England so that the additional Games-related demand can be accommodated.

**Response Options**

13. In light of all the above factors, the Government has given careful consideration to the recommendation that slot coordination should be temporarily extended to cover all South East airports. This has included looking at alternative options.

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\(^1\) Council Regulation (EEC) No 95/93 on Common Rules for the Allocation of Slots at Community Airports
\(^2\) SI 2006/2665
14. One option would be to maintain the status quo. This would allow each airport to compete freely to attract whatever new traffic it could, and rely on air traffic “tactical flow control” measures to manage it safely in the face of high demand at peak periods. The clear disadvantages of such an approach are:

- it would not serve to protect business as usual in the face of substantial additional demand. Aircraft entering UK airspace are effectively managed on a “first come first served” basis, with the exception of certain categories, such as state flights, which are accorded priority. In the face of high levels of demand for non-scheduled operations, there is a substantial risk that scheduled services would face delays, diversions and cancellations;

- it would not address the fact that, due to airspace limitations, traffic arriving at or departing from one airport can affect the efficient use of capacity at another airport. This could lead to inefficient use of overall airport capacity; and

- it would do nothing to improve levels of certainty for prior planning. Intentions to operate non-scheduled flights to non-coordinated airports may become apparent only when flight plans were filed, which is often within hours of operation; and plans could be changed at very short notice.

15. A second option would be to seek the agreement of airports and air carriers to implement a voluntary approach towards managing flights during the Games period. Such arrangements are foreseen in Regulation 95/93 and apply at what are referred to as “Schedules Facilitated Airports,” of which Luton Airport is a current example. Under this option, Airport Coordination Ltd (ACL) could be appointed as the “Schedules Facilitator” at each currently non-coordinated airport to provide advice to air carriers and recommend arrival/departure times that fit within capacity. This voluntary schedule facilitation process could potentially be supplemented by each airport imposing a “Prior Permission Required” process through amendments to its terms and conditions of use, thus providing a degree of compulsion to the process albeit through the airport’s conditions of use rather than Regulation 95/93.

16. Such an approach has some attractions in terms of its relative ease of implementation provided all relevant parties are willing to participate. However, there are a number of evident disadvantages, such as:

- the voluntary nature of such a scheme leaves it vulnerable to some airports or operators declining to participate or agreeing to do so only under particular conditions, and partial coverage is less likely to deliver an outcome that is both effective and fair;

- the desired outcome of protecting airport and airspace from congestion may not be delivered, since the schedules facilitator can only advise air carriers and recommend alternative schedules to them, and would
have no means of preventing carriers from operating in disregard of that advice;

- the voluntary approach would significantly reduce the pressure on operators to make arrangements early, thereby making forward planning more difficult.

17. Another option considered is for the Government to direct certain flights to particular airports. However, the only means currently available to do this are under powers to regulate the distribution of air traffic between airports under the so-called “traffic distribution rules”\(^3\). These might, for example, enable the Government to direct that for a temporary period particular categories of flight could only use or could not use certain airports. Thus, for example, all-cargo flights, or certain categories of private flights (for example, those below a certain size or those carrying Heads of State) could be directed to use specified airports. The London Air Traffic Distribution Rules preventing new cargo and general aviation operations from using Heathrow and Gatwick at peak times are the sole remaining example of rules made under this power. Before making a new set of rules the Government would need to consult with the CAA, who in turn would need to consult with a range of different interests likely to be affected.

18. Such measures could in principle help to protect business as usual at airports, and might also assist in managing airspace. However,

- they would be unlikely to deliver the most efficient use of airport capacity across the region as a whole, since capacity at individual airports would not necessarily be fully utilised if it were restricted to particular categories;

- the strict criteria and conditions for implementing traffic distribution rules would seriously limit the number of airports across the region to which such an approach could be applied – for example the airports must be “linked to one another and to the city or conurbation they serve by frequent, reliable and efficient transport services;”

- they would limit the freedom of airports across the South East, to derive commercial benefits from attracting traffic across a range of different operational categories. There could also be an impact on the businesses of so-called “fixed base operators” and handling agents at those airports; and

- they would limit the freedom of aircraft operators to choose to use (within capacity constraints) airports or airfields which best meet their needs and preferences, for example as regards their onward travel plans, or with whom they might have a particular commercial relationship.

\(^3\) Article 19 of EU Regulation 1008/2008, and section 31 of the Airports Act 1986
**Proposed Approach**

19. Having considered these options, and taking account of the study referred to above, the Government’s preliminary view is that it would be neither appropriate nor practicable to attempt to impose a fully managed approach to the distribution of air traffic across the South East airports during the Games period. Allowing the commercial market to determine the distribution of traffic, within other prevailing constraints, should in principle deliver the most efficient use of scarce airport capacity across the South East, especially given the uncertainties around actual levels of demand.

20. However, the Government considers that it would be appropriate to introduce enhanced arrangements for slot coordination of airports across the South East region during this period, as recommended in the report. The Government’s view is that an approach along these lines would be beneficial for the following reasons:

- it would protect both scheduled and non-scheduled operators against delay or cancellation caused by congestion by facilitating control of the volume and flow rate of traffic, both at airports and within UK airspace;

- it would in principle help to secure the most efficient use of available airport capacity across the South East during the Games period;

- it would maximise the freedom of airport operators and others to benefit from increased business during the Games period;

- it would assist airport operators in managing the increased volume of traffic during peak periods, not only in terms of runway space, but also as regards aircraft parking, baggage handling and passenger facilitation;

- it would allow aircraft operators to continue to use the airport of their choice within capacity and other normal constraints; and

- it would provide a significant incentive to non-scheduled operators to make their arrangements well in advance of the Games, thereby reducing the level of uncertainty involved in planning arrivals and departures for the Games.

21. Such arrangements would need to be introduced within the framework of the relevant EU and UK Regulations referred to above, and the proposals set out below have been developed on that basis. However, the Government will if necessary consider amending the UK Airport Slot Allocation Regulations in order to provide specifically for particular circumstances where temporary coordination across a range of airports is required and in that event will consult separately on any proposals to amend the Regulations.

22. The proposed approach would entail extending for a temporary period the regime currently in place at Heathrow, Gatwick, Stansted and City airports
to all other airports in the region capable of receiving relevant traffic – that is, traffic with the potential to have an impact on controlled airspace over the South East during this period. Regulation 3.7 of the Airports Slot Allocation Regulations 2006 specifically provides for the Secretary of State to determine that an airport shall be (or shall cease to be) designated as a coordinated airport.

23. Under the procedures set out in the current UK Slot Regulations, airports participating in these arrangements would need to agree and declare their relevant available capacity, taking account of advice from NATS on airspace capacity, and to appoint an independent slot coordinator to allocate that capacity between applicants in a neutral, non-discriminatory and transparent way in accordance with the provisions of the relevant Regulations.

24. Relevant capacity for these purposes would in principle relate to capacity available for traffic intending to use controlled airspace. It is not envisaged that the arrangements set out in this paper should apply in relation to traffic intending to operate outside controlled airspace under Visual Flight Rules (VFR) at all stages whilst in UK airspace.

25. The Government envisages that ACL would be appointed and approved by the Secretary of State as the single coordinating body for all such airports given its unique experience and expertise in this area, the ready availability of trained staff and computerised systems that could be adapted to accommodate the additional workload, and the fact that ACL is already the contracted coordinator or facilitator for seven of the largest airports in the region.

26. All aircraft operators wishing to use airports falling within these arrangements would be required to have pre-booked take-off and landing slots allocated by the coordinator. It is envisaged that flights plans filed with Eurocontrol would be checked against this requirement, and that non-compliant plans would be rejected.

27. The following paragraphs together with Annex A give further detail on the requirements of the relevant EU and UK legislation, and on how such an approach might work in practice, including a possible timetable.

**Questions for Respondents**

28. The proposed approach described in outline above, and in more detail at Annex A, leaves open a number of issues and questions around its implementation on which the Government would welcome the views of interested parties. The Government would also welcome views on the principle of introducing these measures before reaching a final conclusion.

- **Question 1:** Do you agree in principle that slot coordination should be introduced across South East airports during the Games period, and if not, what alternative approach would you advocate?
Coverage

29. In order to provide a level playing field and to avoid the possibility of circumvention, the scheme should in principle apply to any airport which could potentially receive traffic during the Games period that might have a significant impact on controlled airspace over South East England. An initial, indicative list of possible airports that might on this basis be included in the scheme is attached at Annex B. This has been compiled taking additionally into account the facilities available (such as the type of runway) and travel time from London. However, this should not be regarded as a definitive list, and the Government would welcome views on whether, and on what basis, airports should be added to or excluded from this list.

- **Question 2: Which airports and airfields should be included in the temporary coordination scheme, and based on what criteria? Do you have any views on possible additions to or exclusions from the indicative list of airports at Annex B?**

Duration

30. The Government’s preliminary view is that in light of the uncertainties surrounding likely travel patterns to and from the Games, particularly for those using private aircraft, the scheme should be put in place one week before the opening of the Olympic Games and remain in place until 3 days after the closing ceremony, that is from 20 July 2012 to 15 August 2012 inclusive. Current thinking is that such arrangements are not likely to be needed during the period of the Paralympic Games because the volume of air traffic movements additional to business as usual is expected to be much lower.

- **Question 3: Over what period should the scheme be put in place?**

Determination of coordination parameters and capacity declaration

31. Under existing arrangements the managing body at each currently coordinated airport determines the parameters for slot allocation biannually, taking account of all relevant technical, operational and environmental constraints. The determination of the parameters and the methodology used are first discussed in detail with the coordination committee before a “declaration” of capacity is made by the managing body.

32. EU Regulation 95/93 specifies that the determination exercise must be based on an objective analysis of the possibilities of accommodating the air traffic, taking into account the different types of traffic at the airport, the airspace congestion likely to occur during the coordination period and the capacity situation. Annex A describes in more detail how capacity is
currently determined at the UK’s existing coordinated airports, and how this might be extended to cover all South East airports.

33. The process is a collaborative one between the airport operator, the coordination committee (see below), ACL and NATS. The latter has an important role in determining airspace capacity, and this could be particularly important during the Games period when external constraints, including temporary airspace restrictions and possible interaction with the capacity of other airports, might mean that an airport’s initial proposed capacity declaration may need to be modified.

34. Some airports and airfields potentially falling within these arrangements are host to other aviation-related businesses and operations, such as flying schools and maintenance facilities. Insofar as such activities might have an impact on the airport’s declared capacity, it would be for the airport itself to determine how such activities might be accommodated within or outside that capacity in consultation with the coordination committee, NATS and other interested parties as appropriate. The same would apply to other aircraft operating entirely under VFR, and therefore not having an impact on controlled airspace: it would in the first instance be for each airport managing body to determine on a commercial basis whether it wished to set aside part of its potential capacity in order to accommodate such traffic.

35. Given the particular need to protect business as usual and to guard against negative impacts, both on airspace and on other airports, as well as potential risks of circumvention, there may be a case for giving either the Secretary of State or another independent body such as the coordinator or NATS, reserve powers to override an airport’s own capacity declaration and substitute their own if consensus cannot be reached. This would require an amendment to the Airports Slot Allocation Regulations 2006. However, it is not envisaged that this should result in the imposition of any unnecessary restrictions on an individual airport’s capacity: on the contrary, the aim of these proposals is to maximise and facilitate the use of available capacity across the South East.

– **Question 4:** Should powers be taken to enable the Secretary of State or the coordinator to be the final arbiter of a temporarily coordinated airport’s capacity if necessary?

Compliance and Enforcement

36. The success of any such measures will depend on a very high level of compliance. If significant levels of evasion or non-compliance occur in the practice, and disruption to air services ensues, then retrospective enforcement action will not be able to “undo” that disruption. The approach must therefore be geared towards prevention rather than cure, and the timely provision of information to potential operators, and effective engagement with them, will be a key component of this.
37. There will, however, be a need for enforcement measures in the form of sanctions. These must be not only fair and proportionate, but sufficiently dissuasive to deter abuse. Currently relevant EU and UK Regulations provide for the withdrawal of allocated slots and the imposition of penalties up to £20,000 where there has been repeated and intentional misuse (i.e., through operating at times or in ways significantly different from those for which the slots were allocated). Such sanctions could be utilised for repeat offenders, but additional dissuasive sanctions would also be needed to deal with cases where operators may only be using an airport once during the Games period.

38. Arrangements are therefore envisaged under which Eurocontrol would refuse to accept the filing of a flight plan for which no airport slot has been allocated or at a time which would be inconsistent with the allocated slot. ACL are currently in discussion with Eurocontrol about how this might be implemented in practice.

39. Aircraft from outside the EU operating commercially (i.e., carrying passengers or goods for “valuable consideration”) require a permit to operate from the Secretary of State for Transport. Scheduled operators normally receive a single seasonal permit; ad hoc operations are normally given specific authorisation for each flight. The Department will consider how the normal requirements might be temporarily strengthened to ensure that the requirement to pre-book slot times, and to comply with them, is respected.

40. In addition, the current financial sanctions might be supplemented by temporary amendments to the contractual arrangements in force between airports and operators. Such arrangements already apply at Luton Airport, for example, as a means of facilitating the current voluntary arrangements there. These temporary contractual arrangements might perhaps provide for a substantial penalty for individual cases of abuse of the allocated slots, or even for the airport authorities to be empowered to move an aircraft to another part of the airfield in circumstances where it was blocking the arrival and departure of other aircraft. Such arrangements could only be implemented with the full cooperation of airport operators, however.

41. Any sanctions regime would, of course, need to incorporate some flexibility and to be applied in a reasonable manner so as to avoid penalising accidental or non-significant breaches.

- **Question 5:** What measures should be introduced to encourage, and if necessary enforce, compliance so as to ensure the scheme is effective?

**Timetable for Slot Co-Ordination Arrangements**

42. The timetable which currently applies at existing coordinated airports is based on regular and well-established bi-annual cycles linked to the IATA traffic seasons and international slot conferences. For the Summer 2012
season the key dates in the normal coordination cycle are currently as follows:

<table>
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<tr>
<th>Event</th>
<th>Date</th>
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<tbody>
<tr>
<td>Initial submissions by operators</td>
<td>13 Oct 2011</td>
</tr>
<tr>
<td>IATA slots conference</td>
<td>17-20 Nov 2011</td>
</tr>
<tr>
<td>Slot return deadline</td>
<td>15 Jan 2012</td>
</tr>
<tr>
<td>Opening of slots for Business/General Aviation</td>
<td>2 Feb 2012</td>
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<tr>
<td>Season start</td>
<td>25 Mar 2012</td>
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43. For scheduled traffic it is necessary to continue to work within the normal international timetable. And at those airports where existing scheduled operators enjoy historic “grandfathered” rights under Regulation 95/93, slots are normally opened up for business or general aviation somewhat later. However, airports which handle only non-scheduled flights, including or business and general aviation, do not face the same constraints. Many operators and airports dealing with this type of traffic are understandably looking to make their plans for the Olympics period as early as possible in view of the expected level of demand and to help reduce uncertainty in forward planning. Bringing together all airports in the region - existing coordinated airports, schedule facilitated airports, and airports which currently fall into neither category - into a single scheme will inevitably cause complexity, which may also argue for a staggered implementation.

44. With these factors in mind, the key dates in the coordination cycle might be amended as follows:

<table>
<thead>
<tr>
<th>Event</th>
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<tbody>
<tr>
<td>Initial submissions for all coordinated airports except Heathrow, Gatwick, Stansted, Luton and London City</td>
<td>1 Sep 2011</td>
</tr>
<tr>
<td>Initial submissions for Heathrow, Gatwick, Stansted, Luton and London City</td>
<td>13 Oct 2011</td>
</tr>
<tr>
<td>IATA slots conference</td>
<td>17-20 Nov 2011</td>
</tr>
<tr>
<td>Opening of schedules for Business/General Aviation at Stansted, Luton and London City</td>
<td>30 Nov 2011</td>
</tr>
<tr>
<td>Slot return deadline</td>
<td>15 Jan 2012</td>
</tr>
<tr>
<td>Opening of schedules for Business/General Aviation at Heathrow and Gatwick</td>
<td>2 Feb 2012</td>
</tr>
<tr>
<td>Season start</td>
<td>25 Mar 2012</td>
</tr>
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Further details about how this timetable might work in practice are given in Annex A.

45. An alternative approach might be to standardise the opening of schedules for business/general aviation across all airports on a single date. However, for practical reasons that date would have to some time after the IATA slots conference in November 2011.

46. Views on the indicative timetable set out above, or alternative suggestions, are sought, bearing in mind the need to strike a balance between allowing

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At Gatwick Airport there are currently different arrangements whereby General Aviation is only able to apply for slots 10 days ahead

It is currently envisaged there will be no free capacity at Heathrow for these purposes.
plans and bookings to be made as early as possible, the rights of existing scheduled operators, the need to work within the normal IATA framework and the legal requirements of the EU Regulation, and the aim so far as possible to maintain a level commercial playing field.

– **Question 6: Does the indicative timetable in paragraph 44 above strike the right balance? If not, what changes would you suggest?**

Speculative Applications and Over-Booking

47. There is a significant risk that, faced with pressure to book early due to anticipated demand, and the possibility of late changes of plan, operators will be incentivised to make speculative and/or multiple bookings in the expectation that some or all can be cancelled at the last moment. The booking of “ghost slots” in this way could seriously undermine the aims of maximising use of the limited capacity available, and increasing certainty for all concerned. Safeguards therefore need to be built into the arrangements that will dissuade applicants from such behaviour.

48. One response would be to apply the provisions of Article 7(2) of Regulation 95/93 which allows the coordinator to disregard slot requests where false or misleading information is provided. In principle this might be applied to all associated slot requests from an offending party.

49. Additionally, individual airports might elect to charge initial booking reservation fees as part of their terms and conditions of use. This could help them to guard against under-use of their available capacity through abuse of the scheme.

– **Question 7: What arrangements would you advocate to help deter deliberate abuse of the scheme?**

Preserving Flexibility

50. Even with the best of intentions, operators will not always be able to keep exactly to allocated slot times because of factors outside their control. Clearly some flexibility needs to be built in to allow for such circumstances, and nor is it the intention that this scheme should prevent operators from changing their plans provided it is practicable for then to do so.

51. At existing coordinated airports ACL monitors the use of slots by comparing the actual operating times to the coordinated slot time, and identifies any significant discrepancies for investigation. However, while intentional off-slot” operations are not permissible, minor on-the-day delays for operational reasons do not require the re-clearance of a slot.

52. ACL operates an online coordination system that allows slots to be changed and “re-cleared” automatically, where possible, on a 24/7 basis. This will help give operators flexibility to change their plans within the
available airport and airspace capacity as required to meet the needs of their customers.

- Question 8: What measures could be used to ensure sufficient operating flexibility within the system, without undermining the purposes of the scheme?

Coordination Committee

53. Under the Airports Slot Allocation Regulations 2006 the managing body of any airport designated as coordinated is required to ensure that a coordination committee is set up to carry out the functions set out in Article 5 of Regulation 95/93, including providing advice to the coordinator, mediating between interested parties, and the development of local guidelines on the allocation of slots and monitoring of their use.

54. Membership of the coordination committee is open as a minimum to:
   - the air carriers regularly using the airport(s) in question and their representative organisations;
   - the managing body of the airport(s);
   - NATS; and
   - representatives of general aviation using the airport regularly.

55. For the purposes of implementing these proposed arrangements it is envisaged that a single temporary coordination committee should be set up and designated for all the airports concerned. The possibility that the same coordination committee may be designated for more than one airport is expressly provided for in Regulation 95/93. Establishing separate committees for each of the airports likely to be involved in this scheme would not seem a practical proposition. A single committee would enable common approaches to be taken, where appropriate, across all coordinated airports, and would provide a mechanism for handling the interactional effects of neighbouring airports. For currently coordinated airports this could either supplement or temporarily replace their existing committees.

56. An alternative option would be to set up a number of combined coordination committees for geographical groupings of airports covered by the scheme, taking account of those most likely to interact on each others’ airspace.

57. As regards responsibility for “establishing and maintaining” the temporary coordination committee or committees, one option would be for a single airport to undertake this on behalf of all other coordinated airports under the scheme, or of others in the sub-region. Funding requirements are unlikely to be onerous, but arrangements for reimbursement could be agreed between the airports concerned if necessary. Alternatively, the Secretary of State could take powers to designate a joint committee and determine arrangements for its management and maintenance. This would require an amendment to the Airports Slot Allocation Regulations 2006.
Question 9: Do you agree that a single coordination committee should be temporarily designated for all coordinated airports in the South East? If so, how should it be established and maintained? If not, what alternative would you propose?

“State” Flights

58. A substantial number of private aircraft movements associated with Heads of State or Government attending the Games is currently anticipated. Such visitors will for the most part be attending as guests of their national Olympic Committees rather than on state visits. Given that these movements are most likely to occur around peak traffic periods, and in order to help ensure their orderly arrival and departure, the Government proposes that such flights should be included within the slot allocation requirements. Accordingly, all such flights arriving at coordinated airports would during this period would be required to have pre-booked take-off and landing slots. This will also facilitate the provision of appropriate security and other land-side arrangements for such visitors.

Question 10: Do you have any comments on the proposal that flights carrying Heads of State or Heads of Government should not be exempt from the proposed arrangements?

Costs

59. ACL is a non-profit-making company whose funding is derived from its airport customers, its airline members and data sales. Temporarily extending coordination to a substantial number of additional airports would create additional financial cost to ACL. The costs would include new software development, training and support for airport staff, modelling, monitoring and enforcing compliance, and coordinating and allocating slots in liaison with airports, operators and handling agents. It is anticipated that ACL may need to operate on a 24/7 basis during at least part of the Games period.

60. A mechanism will need to be identified whereby ACL could recover its additional costs in a fair, equitable and practicable way. In line with the user pays principle, the Government does not believe that ACL’s existing airport customers should be asked to absorb the full costs. However, bearing in mind that a primary purpose of these proposals is to protect business as usual, it does believe that costs should be borne ultimately by all flight operators, and not just those involved in Olympics-related operations (even if these could be separately defined). Accordingly it is proposed that ACL’s additional costs should be charged to all the South East airports coordinated for the Games period in a fair and equitable way which takes into account, inter alia, the total number of coordinated movements at each airport.

61. ACL’s own initial estimate is that the incremental additional costs incurred are likely to fall within the range between £50,000 and £150,000. The total
number of flights estimated in the report referred to above during the Games period is about 117,000. The airports would be able to choose whether and how to pass such costs on to airport users.

62. The operation of such a charging scheme could be agreed through cooperation with and between airport operators, or alternatively directed by the Secretary of State. The latter would require an amendment to the Airports Slot Allocation Regulations 2006.

– Question 11: Do you agree that the coordinator’s additional costs should be in principle be borne by all operators using coordinated airports during the Games period, taking into account the number of movements at each airport? If not, what alternative proposal would you suggest for recovering ACL’s additional costs?

Impacts

63. The Government is keen to understand the likely costs and benefits to business of implementing the proposals set out in this paper, as against “do nothing” or other options, before reaching final decisions. Where quantified estimates can be given for your business, if appropriate, please give a breakdown or brief description of how these have been derived.

– Question 12: (If appropriate) What are the likely net costs or net benefits to your business of the proposals set out in this paper, as against the status quo or other options?

Other issues?

– Question 13: Are there any other relevant issues which you feel have not been addressed in this paper, or any other suggestions or comments you would like to put forward?

Responses to Consultation

64. Responses to this paper are invited by 7 January 2011. Respondents are particularly invited to address the specific questions raised, which are listed for convenience below.

65. Responses should be sent by e-mail to 2012slotsconsultation@dft.gsi.gov.uk

or addressed to:

George Clarkson
Department for Transport
1/25 Great Minster House
76 Marsham Street
London SW1P 4 DR
Please indicate clearly on whose behalf the response is sent, where appropriate.

66. Please be aware that information provided may be subject to publication or disclosure under access to information provisions, subject to the statutory code of practice under the Freedom of Information Act which deals, amongst other things, with obligations of confidence. If you wish information provided to be treated in confidence, please explain why you regard it as confidential. If we receive a request for disclosure of information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances.
List of Questions

– Question 1: Do you agree in principle that slot coordination should be introduced across South East airports during the Games period, and if not, what alternative approach would you advocate?

– Question 2: Which airports and airfields should be included in the temporary coordination scheme, and based on what criteria? Do you have any views on possible additions to or exclusions from the initial list of airports at Annex B?

– Question 3: Over what period should the scheme be put in place?

– Question 4: Should powers be taken to enable the Secretary of State or the coordinator to be the final arbiter of a temporarily coordinated airport’s capacity if necessary?

– Question 5: What measures should be introduced to encourage and if necessary enforce compliance so as to ensure the scheme is effective?

– Question 6: Does the indicative timetable in paragraph 44 above strike the right balance? If not, what changes would you suggest?

– Question 7: What arrangements would you advocate to help deter deliberate abuse of the scheme?

– Question 8: What measures could be used to ensure sufficient operating flexibility within the system, without undermining the purposes of the scheme?

– Question 9: Do you agree that a single coordination committee should be temporarily designated for all coordinated airports in the South East? If so, how should it be established and maintained? If not, what alternative would you propose?

– Question 10: Do you have any comments on the proposal that flights carrying Heads of State or Heads of Government should not be exempt from the proposed arrangements?
Question 11: Do you agree that the coordinator’s additional costs should be in principle be borne by all operators using coordinated airports during the Games period? If not, what alternative proposal would you suggest for recovering ACL’s additional costs?

Question 12: (If appropriate) What are the likely net costs or net benefits to your business of the proposals set out in this paper, as against the status quo or other options?

Question 13: Are there any other relevant issues which you feel have not been addressed in this paper, or any other suggestions or comments you would like to put forward?
Annex A

How Temporary Coordination across South East England Airports Could Work in Practice

Establishment of New Temporary Arrangements

A1. Following the outcome of this consultation, if the decision by the Secretary of State for Transport is to designate the agreed airports in South East England coordinated under Article 4 of EU Regulation 95/93, a slot coordinator will need to be appointed whose role would be to allocate available slots in accordance with the Regulations and to monitor the conformity of air carriers’ operations with the slots allocated to them. Such appointment needs to be approved by the Secretary of State under the Airports Slot Allocation Regulations 2006. For these purposes, the Government would expect to ACL be appointed as the single coordinator across all relevant airports because of its existing experience, expertise and resources in this area.

A2. A temporary Coordination Committee would also be set up in accordance with Article 5 of Regulation 95/93, which it is proposed should cover all the coordinated airports (including those which are already coordinated). The Coordination Committee would draw up rules of procedure. The Committee could also, at the request of the coordinator, develop guidelines (“local rules”) under Article 5 concerning the allocation and monitoring of slots. Heathrow, Gatwick, Stansted and London City already have Coordination Committees, so any temporary new joint rules would require the cooperation of those existing committees.

Determination of Coordination Parameters and Capacity

A3. The slot coordinator would review the available airport capacity for each coordinated airport with the managing body of the airport, with the Coordination Committee, and with NATS. NATS would then advise the Coordination Committee of the available airspace and runway capacity at each airport based on joint analysis with the coordinator. The airport managing bodies would advise on stand and terminal capacities based on terminal size, check-in, baggage delivery and immigration.

A4. The availability of aircraft parking space has been identified as a potentially significant capacity constraint at many airports during the Games period. Airports would manage their own parking capacity, but would also need to assess the parking available and declare the available parking capacity for each type (size) of aircraft using the ICAO Annex 14 aircraft size categories.

A5. Under current arrangements, it is for the managing body ultimately to determine the coordination parameters – and therefore the capacity – at each airport, taking account of all relevant technical, operational and environmental constraints, as discussed with the Coordination Committee. Following
consultation, a decision may be taken to amend the Airports Slot Regulations 2006 to enable the Secretary of State or the coordinator to be the final arbiter of a temporarily coordinated airport’s capacity. The managing body of the airport, taking account of all above factors, would still determine the parameters for coordination but the Secretary of State or the coordinator would be able to modify this determination if necessary. This would allow them to settle any differences of view between the various interested parties or to resolve any potential conflicts between the declared capacities at neighbouring airports.

A6. Stansted, Heathrow, Gatwick and London City are already Coordinated (level 3) airports, and London-Luton and Southampton are currently Schedules Facilitated (Level 2) airports, as defined in Regulation 95/93. These airports already declare their capacities to ACL as a matter of course. However, their temporary capacities during the Games period would also need to be reviewed, for example in light of any temporary airspace arrangements introducing either additional capacity or restrictions, that may be expected to be in force during this period.

A7. Once the capacities are declared they would be incorporated into the coordinator’s data base.

Coordination timetable

A8. For existing coordinated (Level 3) airports (Heathrow, Gatwick Stansted and London City), scheduled air carriers enjoy “grandfather” rights to continuous use of their historic slots provided the conditions set down in Regulation 95/93 are met. At these airports these historic slots would be allocated first before any remaining slots are allocated. Similarly at existing Schedules facilitated (level 2) airports (London-Luton and Southampton) and at Bournemouth, which is a “Data collection” (level 1) airport, base schedules already exist, and in these cases the schedules of existing operators would be allowed to carry over from previous seasons before any additional slot requests are determined.

A9. The IATA scheduling conferences play a crucial role in this process, not least in determining the availability of suitable slots at both ends of the flight. The relevant scheduling conference for the Summer 2012 operating season will take place in November 2011. It is therefore not likely to be feasible to open these airports for additional slots reservations for non-scheduled operations until late November 2011. It is envisaged that Heathrow and Gatwick would be opened for non-scheduled reservations only after the deadline for return of allocated slots - in February 2012 - given the very limited free capacity that is likely to be available at these two airports.

A10. Other airports that may be subject to temporary coordination currently have no status under Regulation 95/93 and no historic “grandfather” slots to allocate during the coordination process. It may therefore be possible to open the schedules for slot reservations at these airports at an earlier date – possibly as soon their capacities were incorporated into the coordinator’s data base. This would clearly bring important advantages in terms of forward
planning for the Olympics period, and would help to spread the coordinator’s workload. On the other hand, there may be merits in terms of a commercial level playing field in opening the schedules for all these airports simultaneously, say in September 2011.

ACL’s Slot Allocation Arrangements

A11 ACL uses its SCORE database to coordinate airports currently in its portfolio. Assuming ACL was to become the slot coordinator for these purposes, it envisions training the relevant airport operational staff and/or handling agents to use ‘Online Coordination’, a web link to the SCORE database. The trained staff that will operate the slot reservations at each airport would have a sign in and password. The trained staff would only have access to their own airport slot reservation data.

A12 Under normal procedures an aircraft operator will request slots via e-mail, SITA or telephone to the relevant airport. The airport will determine if the aircraft can be parked for the requested duration and will also check for terminal capacity. Once this has been checked, slot requests are entered by trained airport staff into the ACL’s Online Coordination System (ACS) to book a runway/airspace slot.

A13 The system can be used not only for the input of new flights, but also for changes to flight details when the operator wants to amend arrival or departure times, and for flight deletions when the operator decides not to operate and thus puts valuable capacity back into the system. The database will check the new flight and changes against the airspace and runway capacity of the airport, and if declared capacity constraints are not breached, will approve the slot reservation. If the flight is blocked by a constraint the system will offer an alternative time where the flight can operate. Finally if the flight is unable to find a suitable time there is a ‘ask us’ option, which will generate a message request for manual processing by an ACL coordinator.

A14 The system will give immediate answers where the capacity is available. When an ACL coordinator becomes involved in the transaction the aim is to respond within 24 hours. Once slots are confirmed, the airport will confirm the slot times back to the Operator. The Airport or the handling agent is able to download reports from Online Coordination and manipulate the data in Excel; ACL will provide a MACRO for use once the data is in Excel to enable production of a “may-fly” report. ACL is planning to work 24/7 during at least part of the Games period.
The Slot Allocation Process from an Operator’s Perspective

1. The aircraft operator will contact the handling agent or airport where they intend to operate and request parking and ground handling; this will be arranged by the airport.

2. The airport or handling agent will input the operating times into the OCS for a runway/airspace slot. If a slot is available the system will allocate it. Where a slot cannot be allocated OCS will offer the nearest slots available. The airport/handling agent will advise the slots offered to the operator and confirm them in writing either by SITA/e-mail or fax.

3. If the airport/handling agent finds it impossible to allocate a slot an ACL coordinator will manually input the flight and confirm the times to the airport/handling agent.

4. The aircraft operator will be advised by the airport/handling agent of the times and confirm them in writing either by SITA/e-mail or fax.

5. If it is not possible to offer any times to the operator ACL will advise which other airports have capacity available near the original requested operating times.
The Coordination process-Flow diagram

GA/BA CUSTOMER CONTACTS THE AIRPORT

- E-mail
- Telephone
- SITA

The Airport/Handling agent receives a slot request from a customer. The airport checks for parking availability for the proposed duration and terminal capacity and if available. The airport then requests the RWY/Airspace Slot(s).

OCS

Data base all airports and capacities

Checks the requested Airport

Airspace Capacities and RWY Capacities

Slot/time request allocated automatically or nearest slot times available are offered

Manual process - slot offer/time offer

OR

Alternate airport where capacity is available

On the day dynamic update

Slot confirmation

In Excel format to use as a May-fly

The airport downloads a report using OCS as and when required.

Manual process - slot offer/time offer

Data base unable to process automatically or make an offer

Airport operations Receive a confirmation message or a change message
Compliance

A15. An important part of the coordinator’s role is to monitor use of slots so as to ensure compliance. If the temporary slot coordination arrangements are to work in a fair and non-discriminatory manner so as to deliver efficient use of available capacity during the Games period, then additional measures to dissuade slot abuse and non-compliance will be required above and beyond the normal enforcement measures, which are directed at repeated misuse of slots.

A16. Experience from previous ‘special events’ suggests that the most effective method to ensure that slot abuse is kept to a minimum is to link the airport slot to the operator’s flight plan and to reject the flight plan if there is no airport slot. Article 14.1 of EU Regulation 95/93 provides that:

An air carrier’s flight plan may be rejected by the competent Air Traffic Management authorities if the air carrier intends to land or take off at a coordinated airport, during the periods for which it is coordinated, without having a slot allocated by the coordinator.

It is proposed that flight plans and coordinated slots will be matched as the flight plans are filed. All operators allocated slots to coordinated airports will be issued with a slot number to file in field 18 on the flight plan. ACL are currently examining two different available systems which can carry out the necessary matching of call signs, registrations and slot number, one operated within Eurocontrol and one used by German air traffic control.

A17. The systems generate an alert to both the operator and the coordinator if it does not find a matching coordinated slot-time or there is a significant discrepancy between the allocated arrival or departure time and that shown on the flight plan. The alert will contain a warning to the operator that the flight plan may be cancelled or a financial sanction applied unless the operator obtains a slot that matches the flight plan at the intended destination airfield or adjusts the flight plan to match the allocated slot where a time discrepancy is found. The operator must contact the airport, handling agent or the coordinator to resolve the issue. At the same time the coordinator will check the database to establish if the alert is a genuine or just the result of a matching error. In the former case the operator will be warned [again] of a potential financial sanction. The Flight Plan may also be cancelled by Eurocontrol if so directed.
The Misuse of Slots Enforcement Code

The UK is required under article 14.5 of EC Regulation 95/93 (as amended) to introduce a scheme of sanctions to control air carriers that repeatedly and intentionally misuse airport slots at the UK’s five coordinated airports (currently; Heathrow, Gatwick, Stansted, Manchester and London City).

In July 2005 the Department for Transport consulted with industry stakeholders on the best means of controlling the misuse of slots at the coordinated airports in the UK. Following the consultation, the DfT concluded that a sanctions scheme, including financial sanctions, was necessary and that ACL as the coordinator at the UK’s coordinated airports should administer the scheme.

On 1 January 2007 the Airport Slot Allocation Regulations 2006 (SI 2006 No. 2665 – the ‘UK Regulations’) came into effect. Regulations 14-19 give to ACL, as the appointed Coordinator, powers to deal with misuse of slots by imposing fines or in some cases to issue ‘directions’ to achieve this objective. ACL has also been given powers to impose fines where schedule information it has requested is not properly provided in respect of both the schedules facilitated and the coordinated airports in the UK.

The Regulations are supplemented by the Misuse of Slots Enforcement Code (the Code), which sets out the processes which the Coordinator and Schedules Facilitator must follow when exercising their powers under the UK Regulation. The Code was updated in September 2008 following a further consultation by ACL in order to clarify and improve the Code.
Annex B – Indicative List of Airports to Be Covered

Biggin Hill
Blackbushe
Bournemouth
Cambridge
Chalgrove
Cranfield
Damyns Hall
Denham
Duxford
Elstree
Fairoaks
Farnborough
Gatwick
Heathrow
Kemble
Leicester
London City
Luton
Lydd (London Ashford)
Manston
Northampton
Northolt
North Weald
Oxford
Peterborough
Rochester
Shoreham
Southampton
Southend
Stansted
Stapleford
White Waltham
Wycombe