Open Floor Hearing Submission with Supporting Evidence:
Samara Jones-Hall with registration identification: 20013220

Airspace Change Proposal (ACP)

At the recent Preliminary Hearing I said that I had an email from the CAA stating that as of first week of January 2019 it had not received a formal ACP from the Applicant[1]. The CAA confirmed to me on 14 January 2019 that: "(1) *To date, no formal ACP has been received by [CAA]. However, a "Statement of Need" was sent to us on 9 Nov 2018. The reason why the Manston ACP details do not yet appear on the CAA Portal is because the ACP Sponsor [RiverOak Strategic Partners Limited] has failed to obtain the necessary Portal access permissions from us as required by the requirements of CAP 1916 [sic]. The Sponsor has been hastened on this requirement. Once Portal access has been granted the Sponsor will then be able to update the information and the Portal will reflect the ACP progress…*[2]"

In contrast London Heathrow submitted their ACP for the Third Runway on 1 October 2018 at least 12 months before submitting its DCO application to the Planning Inspectorate.

The timescale for an ACP is 110 weeks[3]. The Manston DCO was submitted on 18 July 2018 consequently 6 months (26 weeks) have already passed and pushing receipt of ACP to around March 2021.

Worst Case Scenario – Environmental (Aircraft, HGV, development and operation etc)

The worst case scenario in relation to environmental matters must be based upon the Applicant's own statements that "*the* ***increase in capability is therefore 83,220 movements per year of cargo aircraft****…*[4] and further that "*The assessed number of 17,170 flights is* ***therefore not, and is not likely to become, a cap*** *on the capability of the Proposed Development*[5]".

Worst Case Scenario – Jobs

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[1] CAA (3 January 2019) Emailed received from the CAA Attached **SJH_ACP1**
[2] CAA (14 January 2019) Emailed received from the CAA Attached **SJH_ACP2**
[3] CAA (2018) Airspace Design: Guidance on the regulatory process for changing airspace design including community engagement requirements CAP1616 Page 29 **Attached SJH_ACP3**
[4] RiverOak Strategic Partners (2018) *2.3 NSIP Justification TR020002/App/2.3* at Clause 24
[5] *ibid* at Clause 33

The worst case scenarios in relation to jobs must be quantified to determine the real 'benefit' and the net impact on jobs created –vs- jobs lost in the event of the DCO being granted:

(a) an automatic job loss of circa 2000 direct jobs will result as there is currently an alternative development put forward by the UK lawful owner with direct jobs attached;

(b) job losses as result of businesses pulling out and/or closing down due to impact of regular flights over the town at altitudes of around 400-600ft. This will particularly impact currently thriving tourism, leisure, hospitality, restaurant, café and creative businesses;

(c) job losses due to opportunity cost of potential investors and developers being deterred from investing in Ramsgate due to risks presented by airport, as above. This will be amplified due to the Applicant's poor handling of the Airspace Change Process, resulting in airport operations being delayed until at least 2022, and lack of credible evidence of funding, which is likely to further delay the start of airport operations

Loss of Housing Land

A draft Local Plan Examination is currently underway with the Secretary of State for Communities and Local Government. This is of note as risks were identified by Thanet District Council before its submission of the draft Local Plan that it did not fully align with the Council's own evidence base, the follow up AviaSolutions Report of August 2017[6] and the AviaSolutions Viability Study of 2016[7] concluded that "*airport operations at Manston are very unlikely to be financially viable in the longer term, and almost certainly not possible in the period to 2031*".

As such the draft Local Plan carries a reasonable risk of being found unsound and further the draft Local Plan removed all policies to protect the airport on the basis of the aforementioned reports. Thus the land at Manston Airport is now essentially marked for mixed-use development.

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[6] AviaSolutions (2017) *Review of Azimuth and Northpoint Forecast for Manston Airport – Final Report,* (https://www.thanet.gov.uk//wp-content/uploads/2018/03/AviaSolutions-Analysis-of-Manston-Airport-Report-by-Azimuth-Northpoint-2017a.pdf)

[7] AviaSolutions (2016) *Commercial Viability of Manston Airport AviaSolutions Final Report for Thanet District Council*, Page 11 (https://www.thanet.gov.uk/wp-content/uploads/2018/03/Final-Report-for-TDC-Manston-Airport-Viability-2016_2.pdf)

Attached SJH_01

Currently the UK owners have a planning application in motion for housing for all ages (including social houses), sports pitches, business space, medical facilities, village greens, schools and with a heritage runway[8] on the land at Manston airport.

Road Infrastructure

Aircargo is used for serving markets that demand speed and reliability of transport of goods. It is unclear how the Applicant will meet these fundamental criteria as it is solely reliant on a poor road infrastructure with an HGV journey time of around two and half hours to London.

The land at Manston airport can be reached by road only. All air-cargo will need to be ferried on Kent's strategic corridors M2/A2 by HGV.

Unlike most airports, there is no fuel pipeline at Manston airport[9] and as such all fuel will also need to travel by road tankers. In 2012, Manchester airport had 160,473 ATMs a year[10] and required three million litres of aviation fuel a day (equivalent to 79 road tankers' worth of fuel a day)[11]. The Applicant has put in an application based on 83, 220 ATMs a year. It is unclear how, when and where it will stockpile a sufficient amount of fuel[12].

Further, it is unclear how many HGVs carrying air-cargo will be required to fulfill the capacity of 83, 220 ATMs, although as recently as 25 November 2018, the Applicant has publicly stated on video an estimate of around 400-500 HGVs per day based on 17,170 ATMs.

No Railway Infrastructure

There is no rail freight station. Further, neither Manston nor Thanet have been identified in Network Railway's Strategic Freight Network "*15-year Freight Plan[13]*" and

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[8] http://www.stonehillpark.co.uk/consultation

[9] *Ministry of Defence Legislation to Enable Sale of the Government Pipeline and Storage System*, Page 3 (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/35893/gpss_booklet.pdf)

[10] AirportWatch (2012) *Recent airport passenger figures.pdf* (http://www.airportwatch.org.uk/recenta airporta figures/) **Attached SJH_03**

[11] BBC (2012) *Who, what, why: How can an airport run out of fuel?* (https://www.bbc.co.uk/news/magazinea 18355592) **Attached SJH_04**

[12] *ibid*

[13] Network Rail (February 2018) *Freight & National Passenger Operators Route Strategic Plan* (https://cdn.networkrail.co.uk/wp-content/uploads/2018/02/FNPO-Route-Strategic-Plan.pdf)

Network Railway's most recent five-year plan until 31 March 2024, also has no mention of Manston nor Thanet[14].

There is no railway station in walking distance of Manston airport. It would take approximately 10-15 minutes by cab or about half an hour by bus to reach Manston airport from Ramsgate Station.

Ramsgate station is a passenger station with very limited parking and narrow road access unsuited for HGVs. A return ticket during peak times to or from London to Ramsgate costs between £87 to £79 and takes between 2 hours and 17 minutes to one hour and 18 minutes[15].

Orientation of the Runway Over the Town and Beaches

The orientation of Manston airport's runway means that the flightpath is not only very low flying but also directly over the residential areas, town centre, businesses, tourist attractions, Royal Harbour and marina and our sandy beaches. Other regional airports runways are not oriented in this manner.

Location of Manston Airport

There is no local supply chain infrastructure for air freight operations located near Manston airport.

Public Safety Zones

The Applicant has not provided Public Safety Zones at either end of the runway. Given Ramsgate's residences' proximity to the runway and that the "*2 passenger airliner accidents in February 2018 unfortunately provides a reality check that such catastrophes are not a thing of the past, and a forceful reminder of the human cost of such tragedies*[16]" this cannot be sound or safe.

A&E and Emergency Centers

The NHS in East Kent has announced specific changes to the accident and emergency services. These changes would result in either a major emergency center at William

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[14] *ibid*

[15] https://www.thetrainline.com/

[16] Air Accidents Investigation Branch (2017) Annual Safety Review (https://assets.publishing.service.gov.uk/media/5a9ff085ed915d07a3b5dd3a/AAIB_Annual_Safety_Review_2017_Lo_res.pdf) Foreward Page (i) **Attached SJH_05**

Harvey Hospital in Ashford or Canterbury[17]. There are no A&E services located in Ramsgate. It is unclear how quickly emergency services could be engaged particularly as Ashford is around an hour away by road and Canterbury is around half an hour away by road. These are the same roads that will be subject to further congestion from the aforementioned HGV and fuel tanker traffic.

People of Ramsgate

Manston airport has been closed since March 2014. This means that for nearly 5 years there has been no airport noise at all. Children have been born during this time, people have relocated here and all of them have not experienced Manston aviation noise. With operations not to start until March 2022 (provided yet-to-be-evidenced financing is in place) this means there will have been a period of at least 8 years without airport noise.

Further, *"Thanet faces a number of key challenges in relation to access to care, quality of care, health inequalities and complex vulnerable patients[18]."* Individuals present with *"significant Health Inequalities: life expectancy lower than national average"* and "*high incidence of CVD [Cardiovascular Disease] and COPD [Chronic Obstructive Pulmonary Disease]"*, there are "*concerns re numbers of late presentations of Cancer",* as well as the fact that *"frailty affects patients earlier ie 50 years in some wards"* and "*mental health is a concern with higher than average levels of depressions and self harm…[19]".*

The Town of Ramsgate

Ramsgate has a glorious architectural heritage, which I will write of further in my written representation. It is the largest conservation area in Kent and has been "*assessed 'at risk' by the Council and Historic England[20]"*. Further "*much of the 19th century townscape survives and, apart from a few intrusive modern exceptions, the town preserves its historic scale of 3-4-storey terraces, with ground floor shops in the main streets[21]*." Due to Ramsgate's type of housing, listed builidngs and retail stock noise mitigation by way of double-glazing etc is either not possible or prohibitively expensive.

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[17] https://kentandmedway.nhs.uk/latest-news/update-on-east-kent-listening-events/

[18] Thanet Clinical Commissioning Group Governing Body *Agenda (12 June 2018) Local Care Plan Report and Integrating Health and Social Care in Thanet April 2018* Overall Page 40 of 220 **Attached SJH_06**

[19] *ibid*

[20] Colliers International (October 2018) *Creative Industries in Historic Buildings and Environments Conservation Area Case Studies* Page 81 (https://historicengland.org.uk/content/docs/research/creativea industriesa casea studies/) **Attached SJH_07**

[21] *ibid,* Page 76

Economy and Way of Life of Ramsgate

Ramsgate has an economy based on tourism, leisure, heritage, creative industries, café culture, hospitality and more many of which takes place outdoors – enjoying our many parks, our sandy beaches, walking along the Eastcliff and Westcliff beach promenades, Royal Harbour and marina, in, on and around the sea (sailing, kayaking, canoeing, diving, seal boat trips, bird watching), walking, cycling, golfing, horse riding and playing tennis.

Ramsgate held the British Kite Surfing Championships 2018[22], was voted in the top 100 ITV British walks (2018)[23], Active Ramsgate was awarded GOLD in the Community Care Award in 2017[24] and Explore Kent awarded Ramsgate in 2016 with the first "We Love Walkers and Cyclists" accreditation status[25]. During the Christmas season boat owners have decorated their boats and lit up the UK's only Royal Harbour since December 2014[26].

These events, traditions, awards and accolades have been won, initiated or presented after Manston airport's closure. We also hold the second largest international regatta in the UK from the marina Ramsgate Week and the Regatta[27], Winter Wassail (since 2018) and the Christmas laser light show (since 2018)[28]. It is unclear how any of these will be able to continue with a dedicated air cargo airport above and with planes flying at altitudes of around 400ft – 600ft from the main area of town to the harbour.

The Applicant

The Applicant is a start-up company with no track record at all, no assets, no trading history, no expertise, no experience in running an airport, no employees, no evidenced funding or financing, no accounts, no UK office and with directors at its helm with experience only in "*opportunistic real estate investments in the United States, United Kingdom and Europe"*[29] and in "*negotiating commercial real estate acquisitions for private*

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[22] https://www.britishkitesports.org/news/2018-competition-dates/
[23] https://getoutside.ordnancesurvey.co.uk/itvs-britains-100-favourite-walks/
[24] https://www.ramsgatetown.org/ramsgate/accolades
[25] https://www.ramsgatetown.org/ramsgate/accolades
[26] https://theisleofthanetnews.com/2018/12/22/winners-of-ramsgate-harbour-christmas-lights-competition-announced/
[27] http://www.ramsgateweek.com/
[28] https://theisleofthanetnews.com/2018/12/22/winners-of-ramsgate-harbour-christmas-lightsa competitiona announced/
[29] http://www.riveroakic.com/bios/n_lawlor.html (Niall Lawlor) **Attached SJH_08**

placement[30]*"* in America[31], rather than in running a complex and heavily regulated dedicated air freight facility or any other major infrastructure project.

The only UK director has a chequered financial and reputational past previously [redacted] and with [redacted][3]. According to Companies House one of these 8 is a creditors voluntary liquidation and administration in December 2013 - Travel Club Limited[34] the other a compulsory liquidation as well as administration - Un packaged Holidays Limited[35] as recently as May 2016.

Belize

One of the most secret tax havens – Belize – is being used for the parent company situs to hold 90% of the Applicant's ownership. The use of a Belize entity presents at least 4 issues: (1) competing airports for freight business such as the East Midlands, Stansted and Heathrow are British owned, (2) favourable tax regime at the expense of HMRC, (3) no requirement to file and submit any financial statements or tax returns, (4) strict confidentiality regime with respect to its beneficial owners. Information on beneficial shareholders and directors of the company is not publicly available and no third parties can gain access to the shareholders register[36].

It would seem prudent to know who are the beneficial owners and to have sight of the investment document particularly as we are talking about an airport.

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[30] http://www.riveroakic.com/html/gyresume.pdf (George Yerrall) **Attached SJH_09**

[31] http://www.riveroakic.com/

[32] In the Matter of [redacted] and (solicitor) and In the Matter of the Solicitors Act 1974 *with the Tribunals decision quashed on appeal to the Queens Bench Division in the High Court of Justice and an order that the Respondent ([redacted]) be struck off the roll was substituted 22 October 1993* **Attached SJH_10**

[33] https://beta.companieshouse.gov.uk/officers/cDnDfKIFMqna9n_Wkguq4HIC4s/appointments **Attached SJH_11**

[34] https://beta.companieshouse.gov.uk/company/00517063 **Attached SJH_12**

[35] https://beta.companieshouse.gov.uk/company/02439664 **Attached SJH_13**

[36] http://www.mondaq.com/x/661036/offshore+company+formation/Company+Formation+In+Belize

SJH_ACP1

Gmail

Samara Jones-Hall [redacted]

FCS 1521 Form Submission id: 241813 - Manston Airport Reactivation - (Enquiry Ms S Jones-Hall)

Airspace User Response <Airspace.UserResponse@caa.co.uk> Thu, Jan 3, 2019 at 9:19 AM
To: [redacted]

Dear Ms Jones-Hall

Thank you for your email dated 21st December 2018, the contents of which are noted.

We refer you to our initial response dated 27th November 2018 in which we explain the process **if and when** we receive a formal Airspace Change Proposal from Manston. As we also explained it would not be appropriate for us to comment further at this moment in time as to do so could risk prejudicing the outcome of our regulatory assessment of any such proposal.

Finally, and as you are aware, the CAA is tasked by the Government to provide a focal point for Aviation Related Environmental Enquiries and Complaints, the details of your email have been logged onto our complaints and enquiries database for future reference as may be required.

Thank you again for contacting the CAA.

Yours sincerely,

Aviation Related Environmental Enquiry (AREE)

Airspace Regulator (Co-ordination)

Airspace, ATM and Aerodromes

Safety and Airspace Regulation Group

Civil Aviation Authority

From: Samara Jones-Hall [redacted]
Sent: 21 December 2018 11:53

[Quoted text hidden]

[Quoted text hidden]

SJH_ACP2

Gmail

Samara Jones-Hall <[redacted]>

FCS 1521 Form Submission id: 241813 - Manston Airport Reactivation - (Enquiry Ms S Jones-Hall)

Airspace User Response <Airspace.UserResponse@caa.co.uk> Mon, Jan 14, 2019 at 10:51 AM
To: [redacted]

Dear Ms Jones-Hall,

Thank you for the e-mail message below in which you pose questions related to the Manston Airport ACP. The answers are as follows:

1. To date, no formal ACP has been received by us. However, a "Statement of Need" was sent to us on 9 Nov 2018. The reason why the Manston ACP details do not yet appear on the CAA Portal is because the ACP Sponsor has failed to obtain the necessary Portal access permissions from us as required by the requirements of CAP 1916. The Sponsor has been hastened on this requirement. Once Portal access has been granted the Sponsor will then be able to update the information and the Portal will reflect the ACP progress.

2. As the ACP has not yet been received by us, a case officer has yet to be assigned. We will endeavour to publish time scales once the scope of the airspace change and work load required has been assessed.

Thank you again for contacting the CAA,

Yours sincerely,

Aviation Related Environmental Enquiry (AREE)

Airspace Regulator (Co-ordination)

Airspace, ATM and Aerodromes

Safety and Airspace Regulation Group

Civil Aviation Authority

From: Samara Jones-Hall[redacted]
Sent: 09 January 2019 19:54

[Quoted text hidden]

[Quoted text hidden]

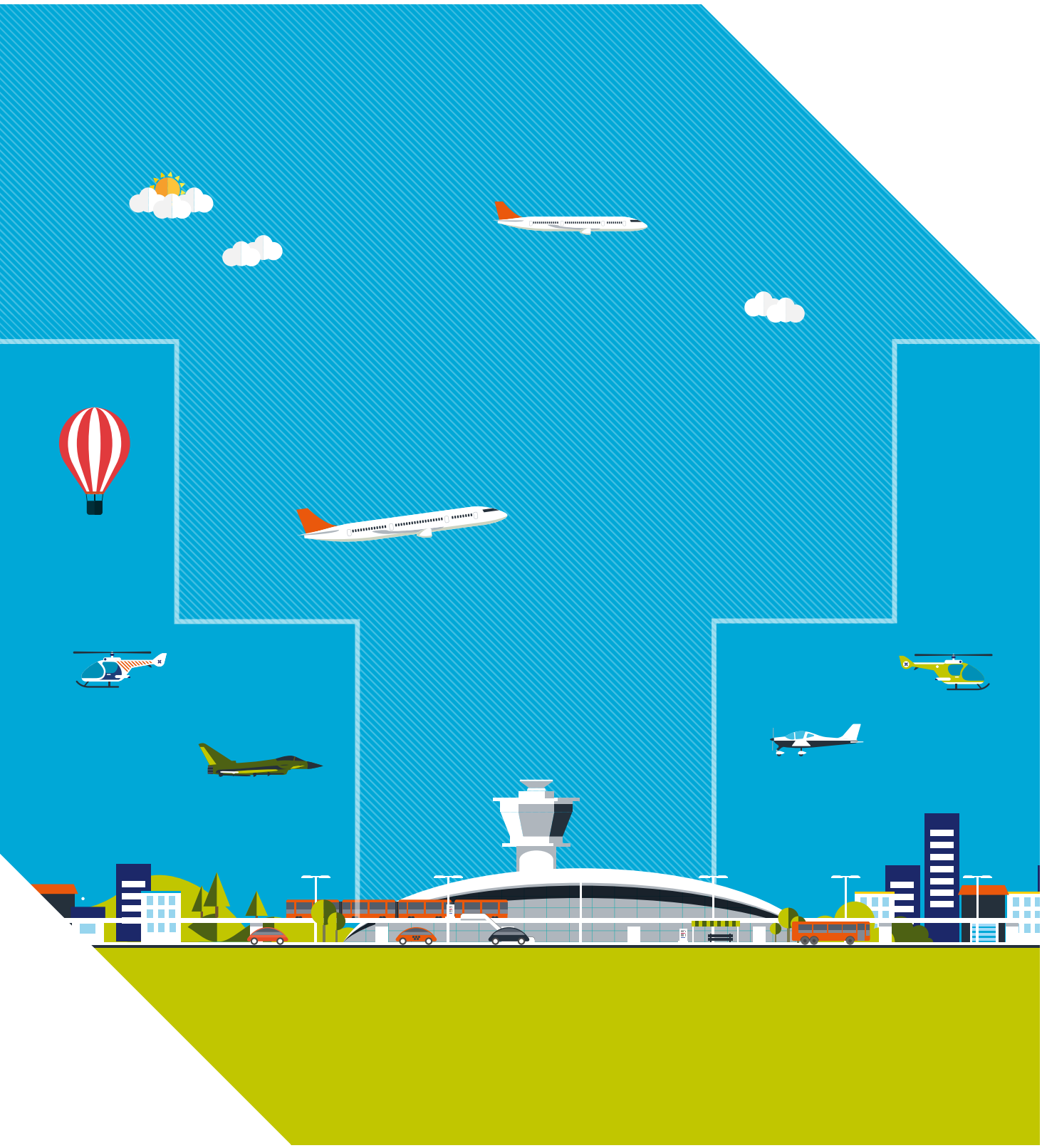
SJH_ACP3

Civil Aviation Authority

Airspace Design:

Guidance on the regulatory process for changing airspace design including community engagement requirements

CAP 1616



Published by the Civil Aviation Authority November 2018

Civil Aviation Authority
Aviation House
Gatwick Airport South
West Sussex
RH6 0YR

You can copy and use this text, but please ensure that you always use the most up-to-date version, use it in context so as not to be misleading, and credit the CAA.

First edition published December 2017
Second edition published November 2018

This edition of the guidance takes effect 1 December 2018

Enquiries regarding the content of this publication should be addressed to:
airspace.policy@caa.co.uk

This document is updated periodically to incorporate cross-references, hyperlinks or minor editorial changes. Any changes are shown in the revision history on page 3. Readers should always check the CAA website for the latest version.

The latest version of this document is available in electronic format at www.caa.co.uk, where you may also register for e-mail notification of amendments.

Revision history

First edition published December 2017
Second edition published November 2018

The second edition incorporates:

- a revised process for the call-in of an airspace change proposal by the Secretary of State at Stage 5, reflecting new government directions to the CAA
- an updated placeholder for a forthcoming process whereby the CAA will consider and determine proposals for the 'planned and permanent redistribution of air traffic through changes in air traffic control operational procedure', reflecting new government directions to the CAA
- clarification of how the airspace change process is scaled, including the description of 'Levels'
- re-ordering of paragraphs and appropriate wording changes to describe more clearly the three phases of options appraisal in Step 2B and in Appendix E, including a revised worked example in Appendix E, and correcting references to where a safety assessment is required during options appraisal
- adding appropriate references to the CAA's December 2018 Airspace Modernisation Strategy in Appendices A and F
- updated requirements for complying with new EU legislation on aeronautical data quality in Appendix F
- updated wording to better reflect the current functionality of the CAA's online airspace change portal
- minor wording changes to improve the clarity and consistency of the document
- updated hyperlinks or cross-references to other documents
- corrections of typographical, editorial or production errors that have come to light since the first edition.

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- **the law and who is involved**

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For more information about:
- **categories of airspace change**

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For more information about:
- **appraisals of airspace design options**

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For more information about:
- **consultation and engagement**

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For more information about:
- **environmental metrics and assessment**

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For more information about:
- **airspace acronyms and technical terms**

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For more information about:
- **current and past airspace change proposals**

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For more information about:
- **airspace**
- **the CAA's role**

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Introduction

What is airspace?

1. In its simplest terms, airspace is the portion of the atmosphere controlled by a State above its territory and areas over the sea within which a State is committed by international treaty to provide air navigation services (which includes air traffic control). It is an invisible national asset. For air traffic control purposes, airspace can be divided into two main categories, controlled and uncontrolled. Controlled airspace is where air traffic control needs to have positive control over aircraft flying in that airspace to maintain safe separation between them. Uncontrolled airspace is airspace where aircraft are able to fly freely without being required to abide by instructions in routeing or by air traffic control, although they may request information or a service.

2. Controlled airspace contains a network of corridors, or airways. They link the busy areas of airspace above major airports. At a lower level, control zones are established around each airport. These portions are therefore nearer the ground and closer to population centres. The CAA has a policy of keeping the volume of controlled airspace to the minimum necessary to meet the needs of UK airspace users and to comply with its international obligations.

3. The defined blocks of controlled airspace, and flight procedures and routes within them such as standard departure and arrival routes, are together part of the overall airspace design. This airspace design is published in the UK Aeronautical Information Publication (AIP).

Changes to airspace

4. Changes to the design of UK airspace are proposed by an airspace change sponsor, usually an airport or a provider of air navigation services (including air traffic control). The CAA requires the change sponsor of any permanent change to the published airspace design to follow our **airspace change process**.

5. Airspace change proposals vary greatly in terms of size, scale of impact and complexity. Some may have little noticeable operational or environmental impact. Others may require a complex restructuring of airspace with consequences both for airspace users and the environment, including people on the ground impacted by noise. Because controlled airspace carries with it requirements that affect the aircraft and pilots that fly in it, an airspace change can impact airspace users in different ways. In addition, a revision to air traffic control procedures may not involve a change to the design of UK airspace, but it may still have consequences for other airspace users, the environment and people on the ground.

6. Subject to operational constraints (including safety), the design of airspace, and the airspace change process, do not specify, or limit future increases in, the volume of air traffic using a piece of airspace at any given point in time. The volume of air traffic using an airport may however be addressed by land-use planning conditions, where relevant.

CAA role

7. The CAA, as the UK's independent aviation regulator, has responsibility for deciding whether to approve changes proposed to the design of airspace over the UK – the airspace structure and instrument flight procedures within it that are used by aircraft. The design of airspace includes new and established air traffic routes and the areas which commercial aircraft use to fly into and out of airports, and the airspace allocated for use by military flights and General Aviation (i.e. private or recreational) flyers.[1]

1. The definition of General Aviation varies, but is essentially all civil flying other than commercial airline operations. It therefore encompasses a wide range of aviation activity from powered parachutes, gliding and ballooning to corporate business jets, including all sport and recreational flying.

Introduction

8. We make these decisions in accordance with legal requirements to consider certain factors which include safety, the environment and the needs of users of airspace. For example, changes may be proposed to enable UK airspace to accommodate more flights, to incorporate new technology, to mitigate the effects of aircraft noise, to allow aircraft to fly more direct routes or to keep them away from particular areas. When we are asked to consider a change to the design of UK airspace, we will consider the objective of the change. Before deciding whether to agree any change we then have to consider a range of factors set out in section 70 of the Transport Act 2000, including safety, security, operational and environmental impacts such as aircraft noise and emissions.

For more information about:
- **airspace**
- **the CAA's role**

CLICK HERE

9. The Government's consultation on airspace policy published in February 2017 proposed a wholly new category of airspace change, on which it would direct the CAA to have a decision-making role. In October 2017 the Government confirmed that it would go ahead with this proposal. This category is for air traffic control operational procedure changes which alter the way the airspace is used within an **existing** airspace design. Whereas changes to airspace design are subject to the airspace change process and are consulted on, air traffic control procedure changes can be implemented without consultation, even where the noise impacts are similar to those of a change in airspace design. In other words, because changes to procedures alone form part of an existing, unchanged airspace design, they are currently outside the airspace change process.

10. In October 2018 the Secretary of State amended the Air Navigation Directions 2017 with effect from 1 November 2019 to require the CAA to develop and publish procedures, and guidance on such procedures, for the development, consideration and determination of certain types of these proposals.[2] Consequently, from 1 November 2019, an air navigation service provider will need to assess whether a proposal to amend certain types of operational procedures might lead to a planned and permanent redistribution of air traffic, and such a change will then be subject to the CAA's approval. We expect to seek views on draft procedures in early 2019. We will then issue another update to this guidance, but for the moment we have inserted placeholders pending this new CAA function. These appear in the section headed 'Planned and permanent redistribution of air traffic' on page 96 which is linked to the tab 'Other categories'.

11. In 2017 the Secretary of State gave the CAA another new role to set guidance for the aviation industry to follow to give local communities better information about the noise impacts from other factors causing a change in the distribution of flights over time, including information on potential ways to mitigate adverse impacts. These factors include new destinations, new aircraft types, increasing demand by airspace users, and the introduction of new technology. The CAA has no approval role or legal enforcement powers here, but will promote best practice and improve transparency. We refer to this as **airspace information: transparency about airspace use and aircraft movements**. See page 96 which is linked to the tab 'Other categories'.

For more information about:
- **categories of airspace change**

CLICK HERE

2. The Civil Aviation Authority (Air Navigation) (Amendment) Directions 2018. These amend The Civil Aviation Authority (Air Navigation) Directions 2017, a copy of which is included as an annex to the Air Navigation Guidance 2017 https://www.gov.uk/government/publications/uk-air-navigation-guidance-2017. For ease of reference, the CAA has published a consolidated version of the directions https://www.caa.co.uk/Commercial-industry/Airspace/Airspace-change/Airspace-Change/.

Introduction

12. The CAA has reformed the airspace change process to ensure that it meets modern standards for regulatory decision-making, and is fair, transparent, consistent and proportionate. The process must be impartial and evidence-based, and must take account of the needs and interests of all affected stakeholders.

13. While not everyone will agree with every potential decision that changes the UK's airspace design, we want the methods used to reach those decisions to be well understood and respected.

> **For more information about:**
> - **current and past airspace change proposals**
>
> **CLICK HERE**

14. To ensure that the needs of all stakeholders are met, the process emphasises the importance of engagement. Engagement is the catch-all term we use to mean developing relationships with stakeholders, covering a variety of activities. Consultation, or a formal, notified period seeking input from stakeholders on proposals, is one element of engagement within the process, but engagement can also include information provision, regular and one-off meetings and fora, workshops, and 'town hall' discussions and other contact with third parties. We refer to the overall programme as the change sponsor's 'consultation strategy'. The CAA takes a prominent role in approving the change sponsor's consultation strategy.

15. Outside the airspace change process, the CAA undertakes regular stakeholder engagement with local communities, airports, air navigation service providers, General Aviation and the military at which national policy or process issues can be discussed. The responsibility for engaging with and informing communities about specific airspace change proposals rests with the change sponsor. The CAA should only engage with stakeholders at defined points in the process, and then in a fair and transparent way.

Community engagement requirements

16. The Air Navigation Guidance 2017[3] creates new expectations for the aviation industry in relation to transparency about its ongoing operations, and specifically requirements concerning proactive engagement with local communities about noise impacts. These cover:

    - requirements to highlight and explain aircraft operational changes retrospectively through the production of information, and
    - proactive expectations to make information available relating to aircraft movements.

    The CAA is required by the Government to prepare and publish guidance to help industry meet government expectations in respect of this community engagement, and this guidance (which we group under the heading 'airspace information') forms part of this document.

Who is this document for?

17. This document is intended to be read by the following stakeholders with an interest in changes that impact airspace, in no particular order:

    - Sponsors of airspace change proposals. The change sponsor is usually an airport operator or an air navigation service provider, or the two in partnership may put forward a joint proposal. But a proposal can be put forward by anyone, including the Ministry of Defence, General Aviation stakeholders, or members of a local community.

3. Air Navigation Guidance 2017: Guidance to the CAA on its environmental objectives when carrying out its air navigation functions, and to the CAA and wider industry on airspace and noise management https://www.gov.uk/government/publications/uk-air-navigation-guidance-2017

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- Communities affected by aviation noise or other environmental impacts, their representatives, councils and other elected representatives, bodies with an interest in aviation's environmental impact
- Other service providers such as air traffic control and airports
- Airspace users, including airlines and other commercial operators, General Aviation and the Ministry of Defence
- The users of air transport services, i.e. passengers and shippers.

How to read this guidance document

18. This guidance document is divided into categories of airspace change – permanent, temporary and airspace trials.

19. The main part of this guidance document concerns the seven-stage airspace change process used for permanent changes to the published airspace design. The document guides you through each stage and describes what will happen at each stage of it, and why.

20. There are other ways that the airspace design or the way it is used can change, and the impacts of such changes can also vary greatly. Therefore this guidance also has shorter sections on the processes that apply to the other categories covering temporary airspace design changes and airspace trials.

21. The appendices go into more detail about how to undertake or engage in various tasks associated with these processes. The appendices include the templates that need to be used, information about aspects that might need to be considered, and examples of best practice. The subjects covered by these appendices are:

- preparing the Statement of Need (appendix A)
- environmental assessment of the impacts of the proposed change – including noise, CO_2 emissions and local air quality – and the metrics used (appendix B)
- consultation and engagement with stakeholders (appendix C)
- airspace design principles (appendix D)
- options appraisal (appendix E)
- preparing a formal proposal for submission to the CAA (appendix F)
- post-implementation review of the change (appendix H).

22. There are also two appendices for reference:

- CAA decision criteria (appendix G)
- a glossary of terms used in airspace change (appendix I).

Webpages with factual information

23. If you have questions about the process which this guidance does not answer, first look at the information on the CAA website at www.caa.co.uk/airspacechange. The CAA website has several pages of related factual information, including:

- what is airspace and what is an airspace change?
- the airspace change portal, including the CAA's policy on moderating material uploaded to the portal and our obligations to disclose information[4]
- the Airspace Modernisation Strategy, which supersedes the Future Airspace Strategy

4. Information held by the CAA is subject to legislation that requires us to consider disclosing it on request – the Freedom of Information Act 2000 and Environmental Information Regulations 2004. See https://www.caa.co.uk/Our-work/Information-requests/Freedom-of-Information/

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- the legal and policy context within which the CAA must work, including the Air Navigation Directions, the CAA's statutory objectives when carrying out this task and environmental guidance and policy from government which the CAA must take account of.

24. If you need more help in understanding any of these issues, then please email us at airspace.policy@caa.co.uk, but please be aware that we will only answer questions about national policy and process through this address, and not issues about specific airspace change proposals.

Legal framework

25. Under section 66 of the Transport Act 2000, the Secretary of State has given the CAA[5] a number of airspace-related functions including: the duty to develop policy and strategy on the classification and use of airspace; to publish the UK airspace design; and to approve changes to it or in some cases to the procedures for using it. Under section 70 of the Transport Act 2000, we have a duty to take a number of factors into account when considering whether to agree to an airspace change proposal, including taking account of specific guidance on our environmental objectives contained within the Air Navigation Guidance 2017.[6]

For more information about:
• the law and who is involved
CLICK HERE

Purpose of this guidance

26. The CAA's airspace change process in this published guidance sets out how we give effect to our role to approve changes to airspace design, and to the law and policy which govern our role. This guidance sets out the framework for the stages of the process and activities involved, from the conception of the need for a change to the airspace design, to consulting and engaging with those potentially impacted, assessing the impacts of different design options from a safety, operational and environmental perspective, and ultimately regulatory decision. Additionally, if the change is approved, this guidance covers implementation and subsequent review of that change.

27. All airspace change proposals are different, and often there are differing requirements and interests that may conflict. Where this happens, the law requires us to consider certain relevant factors and make our decision, having regard to those factors as a whole. This means considering the needs of those requesting the change together with those affected by an airspace change proposal, whether they be other airspace users, service providers like airports, or those on the ground. It is therefore important for all parties to understand how the airspace change process works and how the CAA will reach its decision both in terms of process and the decision-making criteria.

28. It is therefore essential that the CAA publishes comprehensive, effective and accessible guidance material setting out:

- any government or CAA policies we are applying when making our decision
- the process we will follow
- what we expect from airspace change sponsors or others involved in the process
- how we scale the process so that it remains proportionate to the aims.

5. The Civil Aviation Authority (Air Navigation) Directions 2017, as amended by The Civil Aviation Authority (Air Navigation) (Amendment) Directions 2018, and referred to in this document as Air Navigation Directions 2017.
6. Air Navigation Guidance 2017: Guidance to the CAA on its environmental objectives when carrying out its air navigation functions, and to the CAA and wider industry on airspace and noise management https://www.gov.uk/government/publications/uk-air-navigation-guidance-2017

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29. A clear and consistent airspace change process requires effective guidance material. A lack of specific guidance could otherwise create variation in the approaches to airspace change proposals. For example, variation in the content of consultation documents can be interpreted as the change sponsor deliberately attempting to hide or obfuscate information, and the need for material to be clarified tends to lengthen the process. Our guidance also needs to be comprehensive, transparent, easy to use, and comprehensible to different audiences. It cross-references relevant reference documents for the technical design criteria that a change sponsor must adhere to.

30. This single guidance document is intended to be comprehensive. However, it will inevitably not anticipate all circumstances nor provide all of the answers that interested parties may need. Some issues will be local in nature or specific to a particular change where there is little past precedent. This is why the CAA assigns a case officer from its Airspace Regulation team to a specific change proposal to act as a focal point to provide such additional clarification and advice to the airspace change sponsor on how to implement the guidance where needed. Should it be necessary for the CAA to provide additional guidance to the change sponsor, the CAA will publish it.

31. Throughout this document, the degree of compliance we expect is based on the following definitions:

- 'will' or 'must' means meeting the requirements in full is mandatory unless there is sufficient reason agreed in advance with the CAA and recorded in the relevant documentation published on the online portal
- 'will normally' or 'must normally' means the requirements must be met in full, unless the CAA determines that the facts in this situation require otherwise
- 'may' means that there is discretion for the sponsor or relevant party to decide whether the guidance concerned is appropriate to the circumstances of the airspace change or activity.

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The relationship between CAA guidance and Government policy

32. It is important to recognise the difference between this process and the law and government policy concerning airspace (and in particular that concerning environmental impacts). The CAA's airspace change process must operate within the Government's policy framework. The CAA works closely with the Government to ensure clarity around our respective policy and decision roles in the airspace change process. However, the CAA cannot review government policy, nor can it make an airspace change decision that does not give effect to that policy.

33. The airspace change process is not designed to be a referendum on views, but it is designed to reach an outcome fairly having regard for the views of all the various stakeholder groups and having considered those views in accordance with our duties in section 70 of the Transport Act 2000. To achieve this outcome and reach a decision, there will have to be trade-offs where there are conflicting objectives, which could mean that some parties are more affected than others.

34. Every airspace change proposal is different and each is considered on a case-by-case basis. Some trade-offs are the subject of over-arching government policy, such as the altitude-based priorities, which determine how competing environmental priorities should be handled (see Appendix B for more information).

35. Although the Ministry of Defence is part of the Government, it can also be a change sponsor in its own right. Further, a civil change sponsor should treat the Ministry of Defence as an interested stakeholder and thus include it among the consultees in any consultation about an airspace change proposal. The CAA also has its own statutory obligations with regard to national security that will involve the Ministry of Defence.

Categories of airspace change

Introduction

36. There are many different ways that airspace design or the way airspace is used can change. The impacts of such changes will also vary greatly. A formal change to the airspace design may be just a change in nomenclature used by the aviation industry that has no effect other than an update of the relevant systems and manuals. Whereas, in contrast, it is possible for the airspace design to remain unchanged but the noise impacts on the ground to be altered considerably if aircraft are directed by air traffic control in a different way from before.

37. This section explains how these different changes are categorised in line with directions from the Secretary of State.[7]

Categories of airspace change

38. The Secretary of State has given the CAA a decision-making role in respect of three categories of change in airspace design. These are:

    - a permanent change to the published (notified) airspace design
    - a temporary change to the published (notified) airspace design (usually less than 90 days, except in extraordinary circumstances)
    - an airspace trial – a trial of airspace design, which may or may not lead to a proposal for a permanent change or of air traffic control procedures or both.[8]

39. The largest section of this guidance concerns the formal airspace change process which the change sponsor is required to follow for a permanent change to airspace design. It also sets out the separate processes for temporary changes and trials.

40. The Government has given the CAA a new decision-making role where an air navigation service provider proposes to make particular changes to air traffic control operational procedures that are anticipated to give rise to a planned and permanent redistribution of air traffic. This role takes effect from 1 November 2019, and consequently this guidance document includes placeholders pending the introduction of a process for such changes. These appear in the section headed 'Planned and permanent redistribution of air traffic' on page 96 which is linked to the tab 'Other categories'.

41. The CAA also has a role publishing best-practice guidance on airspace information. This relates to transparency about airspace use and aircraft movements. This is to help people identify where there is a noticeable shift in the distribution of flights over a period of time, caused not by a change to the design of airspace or the procedures for using it, but by a change in airline or airport operations as a result of weather, commercial decisions (such as routes flown or aircraft type) or changing traffic volumes. The CAA has no direct regulatory role in respect of such changes (that is, no decision-making or enforcement powers), but will seek to influence the industry's behaviour regarding those changes through the guidance on best practice in this document. See the section headed 'Airspace information' on page 96 which is linked to the tab 'Other categories'.

42. Table 1 on the next page sets out the Government's structure for categorising changes to the design of airspace or the way airspace is used.

7. The Civil Aviation Authority (Air Navigation) Directions 2017, as amended by The Civil Aviation Authority (Air Navigation) (Amendment) Directions 2018, and referred to in this document as Air Navigation Directions 2017.
8. The definition of an airspace trial in the Air Navigation Directions 2017 reads as follows: (a) changes to airspace design, or air traffic control operational procedures, for the purposes of investigating the feasibility of, or validating proposals for, innovative airspace design, technology or air traffic control operational procedures; or (b) a test of an airspace design or an air traffic control operational practice, in order to assess its performance and effect.

Categories of airspace change

Table 1: Categories of airspace change

Category of change	Process applying
Changes to the notified airspace design	
A permanent change to the notified airspace design	The airspace change process described in this guidance document
A temporary change to the notified airspace design (usually less than 90 days, except in extraordinary circumstances)	Before implementation: Stages 1, 3, 4 and 5 of the airspace change process During operation: engagement, monitoring and feedback to the CAA
An airspace trial	Before implementation: Stage 1 and information provision During trial: engagement, monitoring and feedback to the CAA
No change to the notified airspace design	
A planned and permanent redistribution of air traffic through changes in air traffic control operational procedure by an air navigation service provider, without changing the notified airspace design	*[Note: The CAA will introduce a suitable process for such changes from 1 November 2019]*
Airspace information: transparency about airspace use and aircraft movements	
A noticeable shift over a period of time in the distribution of flights or aircraft types being flown, caused not by a change to the design of airspace or the procedures for using it, but by a change in airline or airport operations as a result of weather, commercial decisions (such as routes flown or fleet deployment) or changing traffic volumes	Best-practice guidance on transparency by airports and air navigation service providers

The airspace change process (permanent changes to the notified airspace design)

Overview

43. The previous section (Categories of airspace change) explained that there are different ways that the airspace design or the way it is used can change. Table 1 sets out the Government's categorisation.

44. This section concerns permanent changes to the notified airspace design, which require the CAA's approval. For such changes the CAA requires the change sponsor to follow the formal airspace change process, which is in seven stages, some of which have more than one step. However, these changes can vary hugely in size, scale and complexity, as explained later in this section. This variation has led the CAA to scale our process appropriately. This scaling ensures that change sponsors are not deterred by unduly onerous process or information requirements from bringing forward airspace changes which benefit or have a neutral effect on all stakeholders.

45. There are 'gateways' at four points in the process. At each gateway the change sponsor must satisfy the CAA that it has followed the process correctly before it can move to the next stage in the process. This guidance sets out what is needed to proceed to the next gateway.

46. It is important to note that passing a gateway successfully does not predetermine the CAA's final decision on the airspace change proposal. What it does is give more certainty to those interested in the proposal that the CAA has agreed to the steps taken to reach that point in the process.

47. This section is only about permanent changes to airspace design. The processes for temporary changes to airspace design and trials are described separately later in this guidance.

The seven-stage airspace change process

48. The seven-stage process begins with the change sponsor preparing a Statement of Need setting out what issue or opportunity it is seeking to address and meeting the CAA to discuss it. This is followed by engagement by the change sponsor with those potentially affected by the proposed change on the underlying design principles (**Stage 1** – completion of the 'Define' gateway). At this point, the CAA will agree with the change sponsor the timeline against which we can accept the proposal, having regard to submissions by other parties. This is essential if we are to give certainty to the timescales set out in this guidance.

49. Continuing to liaise with stakeholders, the change sponsor develops one or more options and carries out an initial appraisal of the impacts, both positive and negative (**Stage 2** – completion of the 'Develop and assess' gateway). The change sponsor then prepares a consultation and assesses who should be consulted (**Stage 3** – Steps 3A and 3B – completion of the 'Consult' gateway). The change sponsor consults with those interested parties, including, where appropriate, local communities (**Stage 3** – Step 3C). In the light of responses (categorised in **Stage 3** – Step 3D), the change sponsor may modify the proposals before making a formal submission of the proposal to the CAA for a decision (**Stage 4**).

50. The CAA assesses the proposal, may hold a Public Evidence Session, may issue a draft decision and subsequently will issue a final decision, or alternatively a 'minded to' decision at the request of the Secretary of State who may have 'called in' the proposal (**Stage 5**). If the proposal is approved, and after it has been implemented (**Stage 6**), the CAA carries out a review of the change (**Stage 7**), usually after 12 months of operation.

The airspace change process (permanent changes to the notified airspace design)

51. A change sponsor may choose to withdraw or pause a proposal at any point during the process , but will be required to explain why. If this occurs, all the information produced to date will remain available on the CAA's online portal, along with a notification that the proposal has been withdrawn or paused, and an explanation of why. A new timeline must be agreed with the CAA, and this will be published on the portal.

52. Figure 1 gives an overview of the different stages of the process.

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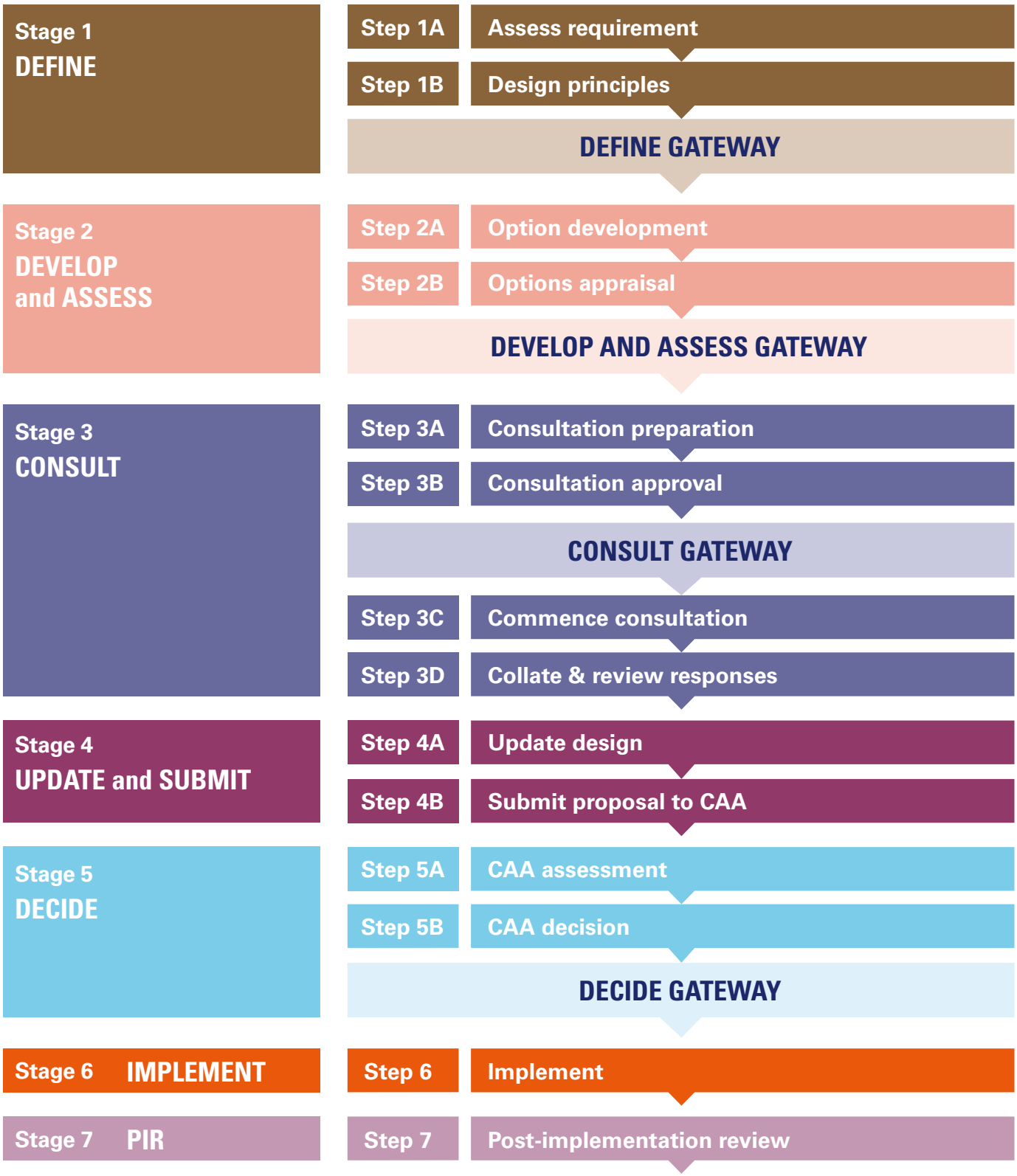
The airspace change process (permanent changes to the notified airspace design)

Figure 1: Overview of the airspace change process



The airspace change process (permanent changes to the notified airspace design)

Roles and responsibilities

53. The key participants involved in the airspace change process will have the following roles and responsibilities:

- **The CAA** is airspace regulator and primary decision-maker, and responsible for administering the airspace change process and providing guidance on the process to stakeholders. The CAA is bound by statutory duties and must adhere to directions and environmental guidance provided by the Secretary of State. The CAA runs an online airspace portal[9] where airspace changes are submitted and monitored, stakeholder comments can be made and viewed, and relevant documentation can be viewed. The CAA will normally assign a case officer from the Airspace Regulation team who will act as a focal point for the airspace change sponsor in respect of a specific airspace change proposal. The CAA is not responsible for developing airspace designs or instigating airspace changes, other than in exceptional circumstances. Such circumstances may include a change to meet international obligations where no individual change sponsor can be identified.
- **The change sponsor** owns the airspace change proposal and is responsible for developing it, including taking into account feedback from relevant stakeholders, in accordance with the CAA's airspace change process and the guidance provided by the CAA and by the Government. Anyone can sponsor an airspace change proposal – although it is most typically an airport or an air navigation service provider.
- **Stakeholders who may be impacted by airspace change** will normally (and subject to the terms of the applicable process set out in this guidance) have the opportunity to discuss with change sponsors the principles underlying the airspace change and the development of options for the change. They will normally be consulted formally on a proposal and be able to submit information and views on all aspects of the process, in some cases directly to the CAA at a Public Evidence Session held after the final proposal has been submitted to the CAA. They will have access to all relevant documentation, except for commercially (or national security) sensitive material, on the online portal.[10]
- **Parliament and the Government** are responsible for setting the CAA's statutory objectives, outlining the CAA's functions and responsibilities and providing guidance to the CAA. For certain types of airspace change, the Secretary of State may also decide to call-in a particular airspace change proposal and to make a decision instead of the CAA.
- **Independent Commission on Civil Aviation Noise** – see overleaf.

9. Older airspace change proposals that the CAA has agreed can continue to follow the previous CAP 725 process can be found on the CAA website rather than the online portal.

10. Subject to legislation that requires the CAA to consider requests for us to disclose information that we hold – the Freedom of Information Act 2000 and Environmental Information Regulations 2004. See https://www.caa.co.uk/Our-work/Information-requests/Freedom-of-Information/

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The airspace change process (permanent changes to the notified airspace design)

Independent Commission on Civil Aviation Noise

54. In October 2017 the Government confirmed that in 2018 it would set up the Independent Commission on Civil Aviation Noise (ICCAN). ICCAN will become the independent UK body responsible for creating, compiling and disseminating best practice to the aviation industry on the management of civil aviation noise and advising government in this area. The Secretary of State's Air Navigation Guidance 2017 requires the CAA, in exercising its air navigation functions, also to take account of any best-practice guidance which ICCAN may publish on aspects of aviation noise.

55. ICCAN will be involved with airspace change proposals at various points within the process alongside producing best-practice guidance on all aspects of aviation noise.

56. Within the airspace change process, ICCAN's role is to:

- provide best-practice guidance on the best noise management techniques
- provide best-practice guidance on the accessibility of noise information.

57. The CAA expects change sponsors to be mindful of ICCAN's role and guidance throughout the process, with particular emphasis at the following points:

Stage 3; Step 3C	The airspace change process described in this guidance document
Stage 3; Step 3D & Stage 4	The change sponsor must set out how it has treated ICCAN's response. If a change sponsor categorises ICCAN's guidance and recommendations as potentially impacting on the final proposal, but subsequently elects not to incorporate the guidance and recommendations into its final proposal, it must set out its reasoning for doing so. In assessing the proposal, the CAA will consider both ICCAN's guidance and recommendations and the change sponsor's reasoning for deviating from them.
Stage 5	Where a proposal is called-in for decision by the Secretary of State, the senior Department for Transport official making a recommendation to the Secretary of State, in considering the evidence, will seek to take account of the views of ICCAN.
Stage 7	Any relevant best practice published by ICCAN will be taken into account by the CAA as part of its post-implementation review.

58. In addition, ICCAN is expected to produce best-practice guidance on managing aviation noise. The CAA expects airspace change sponsors to be mindful of current best practice and to factor it into a proposal where relevant.

The airspace change process (permanent changes to the notified airspace design)

Key principles

59. To progress an airspace change proposal to the point where a final decision whether to accept the proposed change is made, the change sponsor must satisfy the requirements set out in this guidance. In particular, the change sponsor must demonstrate:

- a genuine need for the airspace change
- that relevant options have been devised with the input of those affected
- that the impacts of those options have been properly assessed through the quality of the safety, operational and environmental analysis
- that a thorough consultation on the chosen option has been carried out and feedback taken into account
- that the formal submission to the CAA as a fully developed airspace change proposal contains all the information that the CAA and other stakeholders need in the right format.

60. If these things do not happen, then the CAA will not allow a gateway in the process to be passed.

Gateway sign-offs

61. To help change sponsors and affected stakeholders track how a proposal is progressing and to give greater certainty that the change sponsor is following the process correctly, the CAA applies a series of four gateway sign-offs during the seven-stage process. A sign-off provides the CAA's approval that relevant process requirements and guidance have been followed up to that point, and gives the change sponsor the CAA's approval to move to the next stage in the process. The purpose is to minimise any work having to be repeated, particularly in getting the supporting documentation for consultation right.

Passing a gateway successfully does not predetermine the CAA's later final decision on whether to accept the airspace change proposal. Where the CAA is not satisfied that the requirements have been met, it is likely that the change sponsor would need to revisit the stage(s) concerned. It is entirely at the CAA's discretion whether to give approval for the change sponsor to move beyond the gateway.

62. The criteria a change sponsor must meet for passing each of the four gateways and how we expect these to be achieved are set out at the relevant points in this guidance. The gateway assessment is an exercise in which the CAA will review and sign-off documentation evidencing that the criteria have been met. Where documentation contains material that the change sponsor is asking to be redacted, the sponsor must upload the redacted version to the online portal and submit the unredacted version to acp.submission@caa.co.uk (see 'Transparency' on page 22). The four gateways and related change sponsor and CAA documents uploaded to the portal are:

- After Stage 1 Define: (a) The change sponsor will upload a short document setting out why the airspace change is an appropriate response to a specified problem or opportunity, and (b) design principles that the change sponsor has developed with stakeholders and will take into account in the design. The CAA will upload a statement accepting the design principles.
- After Stage 2 Develop and assess: an 'Initial' appraisal of each viable design option will be uploaded by the change sponsor and the CAA will upload an assessment of that appraisal.
- After Step 3B of Stage 3 Consultation: a fair, open and transparent consultation strategy and supporting documentation (including a 'Full' options appraisal) will be uploaded by the change sponsor. The CAA will upload its approval of the consultation strategy and documents including an assessment of the Full options appraisal.

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The airspace change process (permanent changes to the notified airspace design)

- After Stage 5 Decision: a document setting out the CAA's decision on the airspace change proposal and the reasons for it.

63. For all gateways except the fourth ('Decision') gateway, the CAA will hold internal monthly 'gateway assessment' sessions, according to a schedule published annually. These assessment sessions are a single, monthly opportunity for a change sponsor to pass a gateway. The annual schedule will ensure that all parties are aware of the potential timelines. The schedule will include deadlines that a change sponsor must meet for its proposal to be considered at each gateway meeting (for example, all materials being submitted at least two weeks in advance). Subject to the relevant deadline specified by the CAA being met, the CAA will commit to making a decision about whether a gateway has been successfully passed in that meeting (as explained above, gateway sign-off is on process, not on the merits of a proposal). The CAA will record on the online portal whether a gateway has been passed or not.

64. If the CAA deems that a change proposal does not pass a gateway, the CAA will communicate this directly to the change sponsor and record the fact on the online portal, with a clear explanation as to why.

65. The purpose of gateways is to provide certainty to all stakeholders, including the change sponsor. In the majority of cases, passing through a gateway will mean that the CAA has concluded that the process followed up to that point is satisfactory, and will not therefore be a reason **in itself** for the CAA not to accept any ultimate proposal. However, in certain cases where there is a change in the underlying factors, the CAA could reject the ultimate proposal on those grounds, or require elements of the process up to that gateway to be carried out again. An example of such a case would be where the Secretary of State's directions to the CAA change prior to the sponsor formally submitting its proposal to the CAA.

Transparency

66. A prime objective of the airspace change process is that it is as transparent as possible throughout. Those potentially affected by a change in airspace design should feel confident that their voice has a formal place in the process, if trust is not to be eroded. Openness also allows change sponsors to see more clearly what is expected from them.

67. The default position is therefore that all required documents in relation to a proposal are published, including documents from and notes of meetings, and the CAA monitors that this is happening. We will consider withholding material:

- for reasons of national security
- which the CAA has agreed with the change sponsor should not be made public, in order to protect the legitimate commercial interests of a person or business (in the same way that we are obliged to apply the Freedom of Information Act to any information held by the CAA)
- containing personal information, in accordance with data protection law.

68. However, we do not anticipate agreeing to withhold large amounts of information and would only accept redaction of the minimum information necessary to comply with our obligations.

69. For the purpose of transparency, the CAA runs an online portal. The portal holds all relevant information on airspace change proposals, including consultation responses. Where any documentation contains material that the change sponsor is asking to be redacted, the sponsor must upload the redacted version to the portal and submit the unredacted version to acp.submission@caa.co.uk. Thus, in particular, interested parties are able to see, and be consulted on where appropriate:

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The airspace change process (permanent changes to the notified airspace design)

- the original identified need as to why a change in airspace design is being considered
- how (if at all) the CAA has agreed to scale the process for the application concerned
- progress of a proposal through defined incremental 'gateways'
- the principles underlying the airspace design, the options derived from those principles and the appraisal of those options
- consultation material and any supporting documentation in an accessible format, adhering to best practice consultation principles
- responses to the consultation (in batches, during the consultation period, but subject to moderation to remove material not appropriate for publication)
- the change sponsor's assessment of those responses and modifications to the proposal in the light of responses
- the formal proposal (and any final adjustments made to it) submitted to the CAA, including an executive summary, the deadline for stakeholders to ask the Secretary of State to call-in a proposal and (in relevant cases) the details of a Public Evidence Session
- a CAA draft decision, where applicable, and comments received on that draft
- the fact that the Secretary of State has deemed it necessary to call-in a proposal, where applicable
- the CAA's (or Secretary of State's) decision including the underlying analysis and reasoning
- analysis from the post-implementation review, stakeholder feedback and the CAA's conclusions.

Stakeholder engagement

70. In contemplating any airspace change proposal, the change sponsor must consider the impacts on others and the implications those impacts may have, and engage with them appropriately. Depending on the level of the change, this may include the general public, their elected representatives and environmental interest groups; other airspace users; airport operators; and air navigation service providers. All materials must be made available in a manner which is clear and accessible to stakeholders. This document sets out requirements and provides guidance on what is expected at each stage, with more detail in Appendix C.

Safety assessment in the airspace change process

71. Each option for an airspace change proposal identified during Step 2B will need a qualitative assessment of the potential safety considerations at that step, and a detailed final safety assessment must be completed by the change sponsor prior to Step 4B and reviewed by the CAA during Stage 5. A plain English summary of the final safety assessment and of the CAA's review are published on the online portal. This final safety assessment will:
    - describe the scope of the proposed airspace change
    - identify new and changing hazards
    - identify and quantify risks arising from those hazards
    - set mitigations for those risks.
72. The CAA has published separate guidance (CAP 760) about the safety assessment.[11]

11. CAP 760 Guidance on the Conduct of Hazard Identification, Risk Assessment and the Production of Safety Cases: For Aerodrome Operators and Air Traffic Service Providers www.caa.co.uk/cap760

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The airspace change process (permanent changes to the notified airspace design)

Scaling the process by assigning a 'Level' to each change proposal

73. It is important to recognise that airspace change proposals vary greatly in terms of size and complexity. A minor change to the boundaries of high-altitude airspace over the sea will be significantly different from a major reorganisation of flightpaths at lower altitudes or over a built-up area near airports. Therefore the airspace change process must be sufficiently scalable to accommodate different types of proposal. By scalable, we mean that not all airspace change proposals necessarily need to be subjected to each and every element of the process. Consequently it is also very important that we set out clearly for change sponsors and those potentially impacted where the process may be subject to scaling.

74. Table 2 on page 27 illustrates how we categorise proposals for a permanent change to the airspace design into four 'Levels' depending on the characteristics of the change. For each Level we then apply the requirements of the process in a proportionate way. The CAA is under a legal duty not to apply the process in a manner that cannot accommodate any flexibility. We will therefore consider scaling the process further when there is a good reason and it is proportionate to do so. If a change sponsor considers that a specific proposal warrants a departure from the process, it must raise and minute this request at the assessment meeting. Any proposed changes to the process must be approved and published by the CAA.

75. The Levels are in part based on the altitude and area in which the changes occur. Broadly, the impact of any permanent change to the notified airspace design in the Aeronautical Information Publication will fall into one of these categories:

- **Level 0:** a change to an existing published airspace design (i.e. the airspace structure and flight procedures) that concerns solely
  - nomenclature, or
  - qualifying remarks[12]

  in the Aeronautical Information Publication, and therefore will not alter traffic patterns.

  In view of the minimal CAA discretion needed to consider such a change, the change sponsor is only required to complete Step 1A (of Stage 1) before the CAA makes its decision. A list of the types of change to which Level 0 could apply is set out in Table A2 in Appendix A. The process is described in Appendix A and paragraph 81 below.

- **Level 1**: a change to the notified airspace design in the Aeronautical Information Publication that has the potential to alter traffic patterns below 7,000 feet over an inhabited area[13] (this altitude accords with the altitude-based priorities in the Air Navigation Guidance 2017)

- **Level 2:** a change to the notified airspace design that does not have the potential to alter traffic patterns below 7,000 feet over an inhabited area; Level 2 is further sub-divided into Levels **2A**, **2B** and **2C** depending on impact (such as whether the change is over the sea, or above 20,000 feet, or removing existing airspace structure, etc)

- **Level M:** a change to the notified airspace design sponsored by the Ministry of Defence, in which the CAA is required by the Government to disregard the environmental impacts of military operations when reaching its decision; Level M is further sub-divided into **M1** and **M2**, as explained below.

12. In this definition 'qualifying remarks' means those which relate to an existing airspace design published in the Aeronautical Information Publication.
13. The 'area' for this purpose should be defined in accordance with the CAA's separate guidance on overflight. A summary appears on pages 15-17 of CAP 1616a, the Environmental requirements technical annex to this guidance www.caa.co.uk/cap1616a. This summary is itself drawn from CAP 1498 Definition of Overflight www.caa.co.uk/cap1498.

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The airspace change process (permanent changes to the notified airspace design)

76. The categorisation of an airspace change proposal is not related to the size and capability of the change sponsor. So a proposal by a small regional airport could be Level 1 and a proposal by NATS, the biggest air navigation service provider in the UK, could be Level 2.

77. Level 1 changes will usually require more extensive consultation. The number of stakeholders potentially affected by a proposed airspace change will determine how extensive a consultation must be. We will normally require change sponsors to consult a wider range of stakeholders about Level 1 changes because of the priorities the CAA must give to environmental impacts when changes are below 7,000 feet, in accordance with the Government's Air Navigation Guidance.

78. As explained in more detail under Stage 2 of the process, change sponsors must undertake an options appraisal at Step 2B. This evidence base will determine the scope of the impact, and will be used by change sponsors when they develop their stakeholder consultation strategy. This means that in addition to the defined Levels, there is a general principle of scaling built into the process. For example, an airport with fewer local communities will have fewer people to make aware of the consultation. Therefore the resource a change sponsor will require for its consultation will depend on the extent of that impact.

79. The way the requirements of the process are scaled is set out in this guidance for each Stage and in some cases these reference the more detailed appendices. The CAA retains a general discretion to scale the process as appropriate to the nature of the proposed change, as explained in paragraph 74.

80. Where the particular facts or circumstances, in the CAA's view, require us to do so, the CAA may also require a change sponsor to provide more documentation or undertake requirements in addition to those set out in this document.

Level 0

81. There is a list of types of airspace changes that could be a Level 0 in Table A2 in Appendix A. The change sponsor must identify whether its change is expected to be one of these types by ticking the appropriate box when it completes the Statement of Need. The CAA will review the Statement of Need and will use this information to decide whether the change will be a Level 0 change. If it is confirmed by the CAA as Level 0, the Statement of Need is published and the CAA's confirmation that it is Level 0 is published, but the change does not progress through the rest of the airspace change process.

Level M

82. This Level is used for airspace changes sponsored by the Ministry of Defence, specifically those where directions to the CAA require the CAA, in reaching its decision whether to agree the change to the airspace design, to disregard the potential environmental impact of airspace changes where there is no impact on civil operations.

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The airspace change process (permanent changes to the notified airspace design)

83. The CAA must, however, continue to take into account the potential environmental impact of civil operations resulting from an airspace change proposed by the Ministry of Defence. Therefore there are two types of Level M changes:

    - those where an anticipated consequence of the change proposed is an alteration of civil aviation traffic patterns below 7,000 feet over an inhabited area[14]: these are categorised as **Level M1** and are treated in a similar way to Level 1
    - those where the anticipated consequences of the change proposed are either an alteration of civil aviation traffic patterns at 7,000 feet or above, or no impact on civil traffic: these are both categorised as **Level M2** and are treated in a similar way to Level 2.

    However, for the environmental assessment, the Ministry of Defence need only ever assess the anticipated environmental impacts of the consequential changes on civil aviation patterns. A change proposed by the Ministry of Defence that appears to meet the criteria of Level 0 must be submitted to the CAA with a Statement of Need and the CAA will decide whether it can follow the Level 0 process or must follow the Level M1 or M2 process, as applicable.

84. Outside the scope of Level M are some changes that the Ministry of Defence can make to the contents of the Aeronautical Information Publication that do not affect civil operations and do not require the CAA's permission or approval. These are listed on the online portal (see also paragraph 87).

Additional reasons for scaling the process

Release of controlled and segregated airspace

85. Where a sponsor proposes a change to the notified airspace design so as to remove or reduce the size of controlled or segregated airspace[15], the CAA will consider allowing a reduced options appraisal and environmental assessment, unless the likely impact of releasing the airspace is difficult to predict. The change sponsor will still need to provide the CAA with a Statement of Need, and carry out appropriate consultation with aviation stakeholders impacted.

86. If as a result there are consequential changes to airspace arrangements within the remaining controlled or segregated airspace, such as changes to flight procedures, then the usual options appraisal requirements of the airspace change process will apply.

Unusual aerial activities published in the Aeronautical Information Publication

87. There are some changes to the Aeronautical Information Publication that relate to unusual aerial activity, aerial sporting or activities of a dangerous nature where regulatory oversight is not required (there is no need for the airspace change process to be used and therefore no need for a Statement of Need). A list of such changes is available on the online portal. The relevant industry organisation should contact the CAA (arops@caa.co.uk) to obtain guidance on the impact of the proposed change to aviation. This will enable the CAA to ensure that guidance may be provided relating to the requirements of timely coordination, notification and publication of details of the activity. This list is as comprehensive as we can reasonably make it, but the CAA reserves the right to request a Statement of Need for any change should it be deemed necessary.

14. See footnote 13 on page 24.
15. Such as a Danger Area. This scenario differs from a Level 2C change in that the potential impact of the proposed change on traffic patterns below 7,000 feet (above mean sea level) is uncertain.

The airspace change process (permanent changes to the notified airspace design)

Table 2: Summary of scaling of a permanent change to the airspace design (see next page for notes)

Level 1: High impact* changes to notified airspace design **A change that does have the potential to alter traffic patterns below 7,000 feet over an inhabited area§**	**Level 2: Medium to low impact* changes to notified airspace design** **A change that does not have the potential to alter traffic patterns below 7,000 feet over an inhabited area§**
The Government's Air Navigation Guidance states that below 7,000 feet is the maximum height at which noise is a priority for consideration	
Level 1: Typically a large-scale change which alters lateral aircraft tracks or dispersion, or changes aircraft height, below 7,000 feet (above mean sea level) over an inhabited area§, such as: • changes to departure and arrival routes at airports • changes which have a significant impact on other aviation stakeholders	**Level 2A:** Typically a change which alters aircraft tracks, or changes aircraft height, below 20,000 feet (above mean sea level) but at or above 7,000 feet (above mean sea level), such as: • changes to Air Traffic Service (ATS) routes • establishment of new controlled airspace below 20,000 feet (above mean sea level). **Level 2B:** Typically a change: • to controlled airspace that occurs over the sea or at 20,000 feet (above mean sea level) and above, or • outside controlled airspace at or above 7,000 feet (above mean sea level) **Level 2C:** Typically a change which reflects: • the current use of the airspace concerned, such as a DCT*** to ATS Route, or • the removal of established airspace structure (such as Standard Instrument Departure truncation) and which does not alter traffic patterns below 7,000 feet (above mean sea level)
Level 0: Changes to nomenclature or qualifying remarks of the notified airspace design** **A change that will not alter traffic patterns**	**Level M: Changes to notified airspace design by Ministry of Defence** **Level M1:** a proposed change where an anticipated consequence is an alteration of civil aviation traffic patterns below 7,000 feet over an inhabited area§ **Level M2:** a proposed change where the anticipated consequences are either (a) an alteration of civil aviation traffic patterns at 7,000 feet or above, or (b) no impact on civil traffic

The airspace change process (permanent changes to the notified airspace design)

Notes to Table 2

§ The 'area' for the purposes of this table should be defined in accordance with the CAA's separate guidance on overflight. A summary appears on pages 15-17 of CAP 1616a, the Environmental requirements technical annex to this guidance www.caa.co.uk/cap1616a. This summary is itself drawn from CAP 1498 Definition of Overflight www.caa.co.uk/cap1498.

* 'Impact' includes all potential impact: see for example Appendix B (environmental assessment) which describes how potential impacts must be assessed. This is because the real impact will not be known until the airspace change has been designed and implemented.

** 'Qualifying remarks' means those which relate to an existing airspace design published in the Aeronautical Information Publication.

*** DCT means 'direct', a routeing which can be flight-planned by an operator, but which is not a notified Air Traffic Service (ATS) route published in the Aeronautical Information Publication.

The CAA may depart from this scaling in exceptional circumstances where there are overriding national security or safety considerations.

The Government requires the CAA to ensure that the aviation industry takes account of the elevation (height) of the specific surface level involved when developing its airspace proposals or seeking to amend its operational procedures. This is particularly the case when such proposals may affect airspace at an altitude lower than 7,000 feet (above mean sea level) and in circumstances where the actual height of the land directly beneath may be hundreds of feet or higher above sea level.

Changes which are outside the scope of this guidance

Noise Preferential Routes

88. Aircraft departing from certain airports follow Noise Preferential Routes – set departure routes agreed by Government or local planning authorities – with the aim of providing certainty in respect of, and, where possible, minimising noise impacts on the ground. Noise Preferential Routes are not decided by the CAA nor covered by this guidance.

Timescales

89. The timescale for completion of the full airspace change process will inevitably depend on the complexity of the airspace design and the potential impacts of the change. These factors will determine the amount of design work and analysis of the impact of different options, the degree of consultation and engagement needed with those affected, and how quickly a solution can be developed that takes their views into account. Timescales will also depend on the amount of resource that the change sponsor can dedicate to developing the proposal and producing the associated documentation.

90. Nevertheless, it is possible to define how long some elements are likely to take, and we can build some overall guidance around this (see the indicative timeline in Figure 2 overleaf) to aid proportionality from a time-keeping perspective. In individual cases, the change sponsor will be required to submit a timeline for the CAA to review, agree and publish. The CAA will commit to timeframes for decisions at each of the four gateway sign-offs, and for the decision on the final proposal, subject to change sponsors meeting their own commitments.

The airspace change process (permanent changes to the notified airspace design)

Figure 2: Typical timeline for a Level 1 airspace change

Stage 1

Define

Process overview

Stage 1 **DEFINE**	**Step 1A Assess requirement** The change sponsor prepares a Statement of Need setting out what airspace issue it is seeking to address. Having reviewed the Statement of Need, the CAA meets with the change sponsor to agree whether an airspace change is a relevant option to consider, and to have a first discussion about the appropriate scale of the airspace change process.
	Step 1B Design principles The design principles encompass the safety, environmental and operational criteria and strategic policy objectives that the change sponsor aims for in developing the airspace change proposal. They are developed through engagement with stakeholders and form a qualitative structure against which design options can be evaluated. Early engagement with stakeholders, optionally facilitated by a third party, may help to avoid disagreement later in the process.
DEFINE Gateway	

Introduction

91. The first stage of the process, the 'Define' stage, is divided into Step 1A, where the change sponsor prepares a Statement of Need setting out what airspace issue or opportunity it seeks to address, and Step 1B, the development of design principles. Step 1A is applied to all Levels of permanent change to the airspace design. Step 1B is applied to Levels 1 and 2 but not Level 0. Stage 1 completes with the CAA's sign-off of the 'Define' gateway.

Step 1A Assess requirement

92. Once a change sponsor has identified the need for a change in airspace design, the first step is for the change sponsor to prepare a Statement of Need. The change sponsor then meets with the CAA to discuss the need for a change and how the change sponsor will progress through the airspace change process.

Statement of Need

93. The Statement of Need must set out clearly the identified need as to why an airspace change is being considered. More information is at Appendix A.

94. The change sponsor must be explicit in what issue or opportunity it is seeking to address and what outcome it wishes to achieve. The change sponsor initiates the airspace change process by submitting the Statement of Need to the CAA using the online form 'DAP1916' on the CAA website, which the CAA will email back to the sponsor as the published version for it to upload to the portal, where it will be visible to all. The CAA will consider allowing the change sponsor to redact commercially (or national security) sensitive material from the published version.

Stage 1

Define

For more information about:
- **the Statement of Need, see Appendix A**

CLICK HERE

95. The CAA's review of the Statement of Need determines whether the airspace change process should be initiated. This determination will be the topic of an assessment meeting, and the outcome will be published on the portal. If the change sponsor is seeking for the proposal to be considered as a Level 0 change, this must be clearly indicated in the Statement of Need.

96. Having verified that the proposal falls within scope of the airspace change process, the CAA will assign a case officer from the Airspace Regulation team who will act as a focal point for the change sponsor and who will contact the change sponsor to set up a formal assessment meeting, minutes of which will be published on the online portal. This may be one case officer who works with the sponsor throughout or it may be shared by different team members, depending on the best use of CAA resource.

97. The CAA regards Step 1A as the initiation of the process. It exists for the CAA to confirm that the proposal concerned falls within the scope of the formal airspace change process. As with other stages in the process, transparency is very important. A Statement of Need is always published on the online portal, even when it does not result in the initiation of the process. After the assessment meeting, the change sponsor may update the Statement of Need and the updated version will be published as 'Version 2' on the online portal. When the CAA verifies that the proposal falls within the scope of the airspace change process, we will clearly indicate on the portal which version of the Statement is being verified.

Reasons for airspace change

98. Below are some examples of particular issues or opportunities where an airspace change may be an appropriate response:

- a safety incident
- improving access to airspace
- reducing noise or other environmental impacts
- improving airspace efficiency or capacity
- new aircraft or air traffic management technology enabling new operational capabilities
- a change in legislation
- significant changes to traffic flows
- military requirements, such as a new aircraft type
- new or changed aviation infrastructure.

Examples of airspace change proposals

99. The above issues or opportunities may then give rise to an airspace change proposal in response. An airspace change is characterised by a change to the notified airspace design as published in the UK Aeronautical Information Publication. Examples include:

- a change in the classification of the airspace[16]
- new, or changes to, Standard Instrument Departure Routes, Standard Arrival Routes or other published arrival routes within controlled airspace

16. Classifications are defined by the International Civil Aviation Organization. In the UK, controlled airspace will normally be Class A, C or D. The normal default background classification will be Class G, unless flight safety or air traffic management reasons require a higher classification.

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Stage 1
Define

- introduction of, or significant changes to, holding patterns[17]
- changes to the lateral or vertical dimensions of Special Use Airspace such as Danger Areas, Restricted or Prohibited airspace, or Temporary Reserved Areas
- changes to the hours of operation of existing airspace structures
- delegation of air navigation services to an adjacent State.

100. An airspace change proposal is not needed for changes to correct for magnetic variation.[18]

Assessment meeting

101. Each airspace change proposal is different. Drawing from the Statement of Need, the assessment meeting allows the change sponsor to discuss with the CAA the issues giving rise to the proposed change, how the change will address those issues, and how the change sponsor intends to proceed. This will include the potential merits of the proposed airspace change, for example in terms of safety, efficiency, providing environmental benefits or mitigating its environmental impact to the greatest extent possible. This is a fundamental first step in the airspace change process.

102. The CAA's role is to provide advice and guidance on what the airspace change process will require from the change sponsor, and how the CAA will evaluate the outputs throughout the process. There will be a discussion of whether and, if so, how the process is scaled according to the potential impacts of the proposal and the scaling 'Level'. The CAA will refer to the guidance material for airspace change sponsors which is available on the online portal. The change sponsor will provide the CAA with its proposed target timescales (see 'Timescales' above). Agreement on timescales will have regard to submissions by other parties and CAA resources. The meeting minutes (or email exchange with the CAA, where appropriate) will record what is agreed on timescales.

103. In particular the meeting will cover the steps the change sponsor will need to take to ensure that it properly takes into account the impacts of any change on those affected and designs its proposal accordingly. These steps will include engagement with relevant stakeholders on the underlying design principles, drawing up a comprehensive list of options, appraisal of the impacts of those options, and formal consultation on the chosen option(s). In this way the change sponsor can collect the evidence necessary to develop a proposal which both meets its own needs while ensuring a proportionate impact on those affected. Those impacted may include the general public living beneath the existing and proposed airspace design, other airspace users, airports and air navigation service providers (more information about engagement is in Appendix C).

104. The outcome of the meeting will be a decision from the CAA on whether an airspace change is a relevant option to investigate, as well as a first, provisional indication of the appropriate scaling and Level. The CAA's confirmation of the Level will follow once the change sponsor has completed its option development and options appraisal (Steps 2A and 2B respectively). The change sponsor produces minutes of the meeting which will be reviewed by the CAA and published on the online portal. This demonstrates to the CAA that the change sponsor has understood any guidance and advice that has been given.

17. 'Significant' means a complete re-alignment or re-orientation of the hold, or a lowering of the minimum holding altitude.
18. Magnetic variation is the angle on the horizontal plane between **magnetic** north (the direction the north end of a compass needle points, corresponding to the direction of the Earth's magnetic field lines) and **true** north (the direction along a meridian towards the geographic North Pole). Variation changes as the position of the magnetic North Pole drifts, affecting compass bearings.

Stage 1

Define

105. The CAA will publish on the online portal its determination as to whether the proposal in the Statement of Need falls within the scope of the formal airspace change process. If a new version is submitted by the change sponsor, it will indicate clearly where changes have been made following discussions, and the CAA will be clear as to which version it determines falls within the scope of the airspace change process. The change sponsor will be asked to write to the CAA confirming whether or not it wishes to proceed with the development of a proposal.

Scaling of Step 1A

106. The Statement of Need will include questions to help identify the status of potential Level 0 and Level M changes and whether or not there is a requirement for the change sponsor to attend an assessment meeting. It may be possible to achieve the objectives of Step 1A by other means (for example, teleconference or email correspondence).

Outputs from Step 1A to be uploaded to the online portal (see page 22 regarding redactions)

Output	Produced and uploaded by
Statement of Need (full version or, where applicable, redacted final version)	Change sponsor
Assessment meeting minutes or email exchange with the CAA, where proposal in scope of the process (to include the proposed timescales for the process, and the CAA's provisional indication of the appropriate scaling Level)	Change sponsor
Determination on whether the proposal is in scope of the airspace change process	CAA

Step 1B Design principles

107. The second step of Stage 1 is for the change sponsor to identify and communicate the design principles to be applied to the airspace change design.

108. The design principles encompass the safety, environmental and operational criteria and the strategic policy objectives that the change sponsor seeks to achieve in developing the airspace change proposal. They take account of government policy documents (such as the Air Navigation Guidance) and any local criteria such as section 106 planning agreements or other planning conditions, and Noise Preferential Routes or other noise abatement procedures imposed on the airport by the Secretary of State under section 78 of the Civil Aviation Act 1982 or by the Local Planning Authority. The sponsor must have up-to-date knowledge of local plans and undertake relevant engagement with local authorities while developing design principles. The design principles form a framework against which airspace change design options can be evaluated. Once a change sponsor begins to select technical solutions that meet the intended need, it must then ensure compliance with regulatory guidance (see Appendix F).

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Stage 1

Define

109. An important part of Step 1B is for the design principles to be drawn up through discussion between the change sponsor and affected stakeholders at this early stage in the process. Local stakeholders will normally include elected community representatives, local community groups, the airport consultative committee and representatives of local General Aviation organisations or clubs. The change sponsor may consider convening a focus group with a mix of representatives. In the case of changes with higher potential impacts, the CAA may recommend the use by the change sponsor of an independent third-party facilitator to make early engagement with stakeholders on design principles more effective. A facilitator may also be used in later formal consultation.

> **For more information about:**
> - **consultation and engagement, see Appendix C**
> - **design principles, see Appendix D**
> - **technical criteria, see Appendix F**

110. The aim is for there to be a good level of understanding by change sponsors as to what design considerations are important to stakeholders, such as predictable respite from noise for communities and access for General Aviation. This is a key stage in preventing misunderstanding or later disagreements by facilitating conversations, particularly concerning changes with more significant potential impacts. This should avoid significant iteration and re-work of the airspace change design stage, and should make the later consultation phase (Stage 3) more constructive.

111. The design principles will naturally be based around some fundamentals such as safety, throughput of traffic, and environmental impacts. But they must also be developed in a local context, in accordance with national policy. They must address any local trade-offs that need to be made, for example by addressing whether aircraft should, as a priority, avoid flying over specific local areas or populations. Where possible these discussions must identify whether stakeholders can identify common priorities, although the CAA acknowledges that unanimous agreement on the principles may be unlikely. Some of the principles may contradict one another and some may be prioritised over others.

112. Design principles must be set through a two-way process and involve effective engagement. Appendix C (consultation and engagement) and Appendix D (design principles) respectively set out in more detail our requirements and guidance for this engagement and the design issues that might arise. Appendix D also sets out questions that the change sponsor may wish to consider. However, we are not requiring the change sponsor to carry out a lengthy or detailed consultation, since this will take place in Stage 3 of the process, although they may choose to do so if they see it as appropriate.

113. Change sponsors must seek feedback from stakeholders on the proposed airspace change proposal Level at the design principles stage, as one of the key engagement points. This must include discussion about the altitude of the change and must consider the height of local terrain (in relation to mean sea level).

114. The design principles and the outcome of the engagement activity must be submitted to the CAA for review. Where the change sponsor is unable to reach agreement with local stakeholders on commonly accepted design principles, or on the likely Level categorisation, the reasons for differing views must be recorded and drawn to the CAA's attention, with reasons given as to how the change sponsor developed the final design principles.

Stage 1

Define

CAA acceptance of the change sponsor's development of design principles

115. The change sponsor's design principles provide a framework or reference point that it will use when drawing up, and later considering and comparing, all the options open to it to address the airspace issue or opportunity that it has identified and in respect of which it wishes to propose an airspace change.

116. The design principles are not criteria that will determine whether the final option proposed by the change sponsor to the CAA (Stage 4) is acceptable or not. The design principles will, however, influence the CAA's assessment of the change sponsor's Initial options appraisal (Stage 2) and Full options appraisal (Stage 3) as well as being part of the information available to us when we make our decision (Stage 5).

Scaling of Step 1B

117. For Level 1, Level 2, Level M1 and Level M2 changes, the engagement expected at Step 1B will be with:

- directly affected local aviation stakeholders
- members of the National Air Traffic Management Advisory Committee
- relevant national organisations

and, for Level 1 and Level M1 changes, also with:

- communities affected by potential impacts (such as noise or economic growth) associated with the change.

118. Step 1B is not required for Level 0 changes.

119. However, the Level of the change will not be confirmed until Step 2B. Therefore, Step 1B may need to be revisited if a change is initially judged as likely to be Level 2. This would be where a change sponsor subsequently determines at Step 2B that its proposal could alter the distribution of traffic below 7,000 feet and is thus Level 1, requiring the change sponsor to re-engage and include affected communities. We envisage this to be a rare occurrence, but a change sponsor with a change initially judged as likely to be Level 2 may nevertheless wish to consider whether it should engage with communities and their representative organisations at the outset during Steps 1B and 2A.

Outputs from Step 1B to be uploaded to the online portal (see page 22 regarding redactions)	
Output	**Produced and uploaded by**
Airspace change proposal design principles	Change sponsor
Explanation of how these were influenced through the engagement process	Change sponsor
Acceptance of change sponsor's design principles	CAA

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Stage 1

Define

DEFINE GATEWAY

In order for the CAA to sign-off the 'Define' gateway:

- the change sponsor must have produced a Statement of Need and the CAA has determined that an airspace change is an appropriate option to consider against the requirements in Appendix A
- the change sponsor must have met with the CAA to discuss the airspace change process (unless a meeting was not required) and demonstrated that it understands what will be required of it
- the CAA must have agreed the change sponsor's proposed timescales
- the change sponsor must have produced design principles
- the change sponsor must have explained to the CAA's satisfaction how the design principles were influenced through stakeholder engagement against the requirements in Appendix D
- the CAA must have accepted the process and approach used to develop the design principles against the requirements in Appendix D
- the CAA must have accepted the design principles as a well-founded shortlist of principles to inform the development of airspace design options

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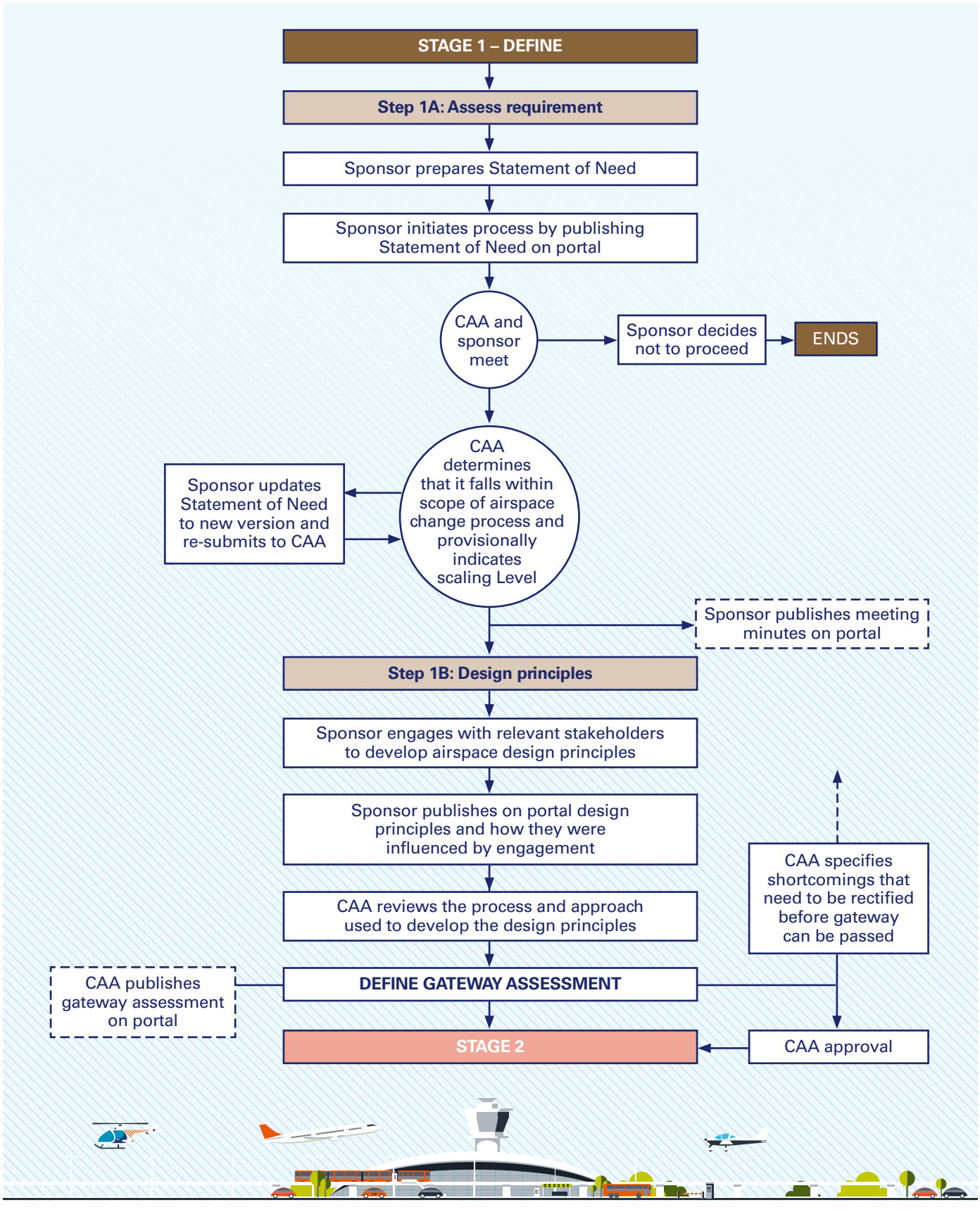
Stage 1

Define



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Stage 2

Develop and assess

Process overview

Stage 2 **DEVELOP and ASSESS**	**Step 2A Options development** The change sponsor develops one or more options that address the Statement of Need and align with the defined design principles.
	Step 2B Options appraisal Each option, even if there is only one, is assessed to understand the impact, both positive and negative. The change sponsor carries out the options appraisal against requirements set by the CAA in an iterative approach: the Initial appraisal is the first of three appraisal phases.
DEVELOP and ASSESS Gateway	

Introduction

120. Having passed the 'Define' gateway, Stage 2 is where the change sponsor develops options for the airspace change. In Step 2A, the change sponsor develops a comprehensive list of options that address the Statement of Need and that align with the design principles from Stage 1. In Step 2B the change sponsor carries out an 'Initial' appraisal of the impacts of the different options, which it will later refine. Stage 2 completes with the CAA's sign-off of the 'Develop and Assess' gateway.

Step 2A Options development

121. Step 2A requires the change sponsor to develop a first comprehensive list of options – to the extent that a list is possible – that address the Statement of Need and that align with the design principles from Stage 1. The change sponsor preliminarily tests these with the same stakeholders it engaged with in Stage 1 at Step 1B. The change sponsor then produces a design principle evaluation that sets out how its design options have responded to the design principles.

122. The change sponsor must bear in mind that the option that is eventually chosen must be compliant with the relevant technical criteria set out in the standardised format in the second half of Appendix F. These criteria form the basic structure on which the change sponsor can build a formal proposal. It is vital that the change sponsor identifies any critical interdependencies with neighbouring air navigation service providers (operational, technical or training) and establishes plans to resolve any issues that arise. The change sponsor may wish to evaluate particular options by undertaking simulations or, where there is technical innovation or a design technique that can only be validated through an operational trial, by a live flight trial. Flight trials would be subject to a separate airspace trial process.

For more information about:

- **consultation and engagement, see Appendix C**
- **design principles, see Appendix D**
- **options appraisal, see Appendix E**

Stage 2

Develop and assess

123. Sometimes there will only be limited scope for multiple design options, with few realistic options available. This could, for example, be because of international standards or the physical constraints of adjacent airspace or flight procedures. Where this is the case, change sponsors must explain to stakeholders and the CAA why this is the case, with appropriate evidence.

124. The change sponsor publishes the list of options and the design principles evaluation on the online portal that allows the CAA to review how the change sponsor's design options have responded to the design principles. At this stage, the CAA does not assess the appropriateness of any of the individual options, nor do we approve the airspace change. We simply consider, and where appropriate give approval as part of the Stage 2 'Develop and assess' gateway assessment that the change sponsor has in our view:

- identified all the possible options
- evaluated the design options against the design principles in a fair and consistent manner, and
- evaluated that the design options are compliant with the required technical criteria.

125. Appendix D and Appendix E set out more detailed guidance on the design process and options being considered and developed.

Scaling of Step 2A

126. The CAA will scale its process requirements for Step 2A in the same way as at Step 1B above. Note the point above that the Level is only confirmed at Step 2B and that Steps 1B and 2A may need to be revisited.

127. Military sponsors of airspace changes must complete Step 2A. However, where the Ministry of Defence's proposed change is not anticipated to impact on civil operations, the Secretary of State has directed that the CAA must not take into account the environmental impact of the proposed change when making our decision (at Stage 5). Therefore, in such cases the Ministry of Defence need not preliminarily test its options appraisal with communities affected by potential impacts. However, for a Level M1 change, a military proposal anticipated to affect civil operations must take the environmental impact of those effects into account. Therefore in this scenario the Ministry of Defence must discuss options with local communities.

128. Step 2A is not required for Level 0 changes.

Outputs from Step 2A to be uploaded to the online portal (see page 22 regarding redactions)	
Output	**Produced and uploaded by**
Airspace change design options	Change sponsor
Design principle evaluation	Change sponsor

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Develop and assess

Step 2B Options appraisal

129. Step 2B requires the change sponsor to carry out an 'Initial' appraisal of the impacts of each of the options identified in Step 2A using the design criteria against which the options are being assessed (the first of three iterative phases of options appraisal, as explained below). The Initial appraisal should, as a minimum, contain qualitative assessments of the different options. This highlights to change sponsors, stakeholders and the CAA the relative differences between the impacts, both positive and negative, of each option. The change sponsor assesses each option against a 'do nothing' scenario (the 'counterfactual'), even where there is only a single change option, to understand these impacts.

Overview of options appraisal

130. The CAA acknowledges that airspace change decisions cannot be reduced to an entirely numerical exercise. Numerical values are not a substitute for policy direction on which outcomes are important in the design of airspace. However, a systematic process that includes quantification of the costs and benefits of a particular airspace change proposal helps to provide consistency in options appraisal for all concerned. It also provides additional data helping the CAA to make the best possible decision against a background of increasing scarcity of airspace capacity.

131. The appraisal must be modelled on the factors that the CAA is required to consider under section 70 of the Transport Act 2000. To minimise the risk of a change sponsor being accused of skewing evidence and detail towards its favoured option, options need to be appraised in a consistent way in each phase, including 'do nothing' comparisons. This appraisal therefore needs to be objective, repeatable and consistent against defined criteria.

132. The change sponsor submits its options appraisal to the CAA for review after each phase. The CAA prepares its own assessment of the appraisal in the form of a review paper, and publishes this on the online portal (see Appendix E).

For more information about:

- **environmental metrics and assessment, see Appendix B**
- **options appraisal, see Appendix E**

133. Wherever possible, the 'Full' options appraisal (the second of the three iterative phases of options appraisal, as explained below, which does not occur until Step 3A) must seek to monetise impacts adopting the rigour, structure and approach of a cost-benefit analysis. Appendix E sets out what is required:

- how the change sponsor will assess each airspace change option, including:
  - the criteria against which options are to be assessed
  - the preferred methodologies and tools for the analysis
  - how to monetise costs and benefits for the specified criteria
  - instances where numerical values would be overridden by policy considerations, and
  - what those policy aims are
- how the analysis helps to identify those who should be consulted on the airspace change proposal at Stage 3, and
- any challenges associated with gathering the necessary data to inform that position.

134. More specific guidance on assessing the environmental impacts of an airspace change – including noise, CO_2 emissions and local air quality – is contained in Appendix B. This describes the relevant methodologies and metrics that the CAA will use for its environmental assessment.

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Develop and assess

135. Each 'people overflown' metric used in the appraisal must apply national policy and therefore include housing, hospitals, schools etc that have planning permission. It must also have regard to local plans, such as what is anticipated under Local Development Frameworks, which will require the change sponsor to engage as needed with local authorities and local communities. While it may not be easy for sponsors to take account of every potential future building development, we expect them to engage the relevant local authorities and reach an agreement about how to interpret and take account of the Local Development Frameworks.

136. The appraisal must use WebTAG[19], the Department for Transport's appraisal guidance, for health impacts associated with noise, and potentially for other impacts, where possible.

Safety assessment

137. As explained in paragraph 71, at Step 2B of the process, the change sponsor must provide an initial indication of safety implications for each option. As with other evidence required for the options appraisal, we expect the detail of the safety assessment to increase further along in the process. This is explained further in Appendix E (paragraphs E45 to E54). The CAA will review the final safety assessment as part of its decision-making, in accordance with Government policy and legislation – noting that section 70 of the Transport Act 2000 states that the CAA must "maintain a high standard of safety".

138. A change sponsor is not expected to undertake a detailed safety assessment until Step 4B. At that point the sponsor must also provide a plain English summary of the safety assessment and the CAA will provide a plain English summary of its review (i.e. a summary of the Letter of Acceptance, which forms the CAA's review of the safety assessment) when it makes a decision. These documents will be published on the online portal. The purpose of a summary is not to limit the information made available, but to ensure that it is clear and comprehensible. When the airspace change is likely to have a detrimental effect on a significant number of stakeholders (such as General Aviation or local communities), those stakeholders have a reasonable expectation that the change sponsor has demonstrated that it has properly considered the potential safety impacts of its proposal. The summary may exclude material which the CAA is satisfied should be kept confidential.

19. For more information see https://www.gov.uk/guidance/transport-analysis-guidance-webtag.

The link to the Government's Air Navigation Guidance

139. The methodology for options appraisal has been developed with the Government's input, so that it matches both the environmental assessment that the Government's Air Navigation Guidance specifies that we undertake and the evidence that the Secretary of State would need to review should the Secretary of State be the ultimate decision-maker (see Stage 5). The methodology is therefore dependent on government policy.

Phases of options appraisal

140. The change sponsor is not required to go into a full level of detail at Step 2B for every option on the comprehensive list. Instead, the options appraisal evolves through three phased iterations, with the CAA reviewing the appraisal at each phase.

141. Those phases are:

- 'Initial' appraisal (at Step 2B with the CAA review at the 'Develop and Assess' gateway)
- 'Full' appraisal (at Step 3A with the CAA review at Step 3B and the subsequent 'Consult' gateway)
- 'Final' appraisal (at Step 4A, with the CAA review after the formal submission of the airspace change proposal at the end of Stage 4).

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142. This builds the evidence base as the proposal matures, and is therefore a proportionate approach because it avoids the need for expensive detail on every potential design option. It is also more informative, by ensuring that the detail matures in line with the proposal, and that a reasonable evidence base is made available to all stakeholders early on and increasingly throughout the process. Thus less detail will be required for the Initial appraisal. For example, it may be based on qualitative information rather than quantitative analysis.

Scaling of Step 2B

143. All sponsors of Level 1, Level 2 and Level M changes will need to complete the options appraisal, as this is an essential piece of evidence in both understanding the impacts of the potential change and setting the Level of the change. However, there will be some scaling to the collection of evidence as the altitude-based priorities in the Government's environmental guidance to the CAA differ and so require different analysis for Level 2 and Level M2 changes.

144. Step 2B is not required for Level 0 changes.

Outputs from Step 2B to be uploaded to the online portal (see page 22 regarding redactions)	
Output	**Produced and uploaded by**
Options appraisal (phase I – Initial) including safety considerations	Change sponsor
Options appraisal assessment (phase I – Initial)	CAA
CAA approval of sponsor's design principle evaluation	CAA
Confirmation of appropriate scaling Level	CAA

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DEVELOP AND ASSESS GATEWAY

In order for the CAA to sign-off the 'Develop and Assess' gateway:

- the change sponsor must have produced a comprehensive list of airspace change design options
- the change sponsor must have engaged with relevant stakeholders to explore those options to the CAA's satisfaction against the requirements in Appendix C
- the change sponsor must have produced a design principle evaluation that the CAA has accepted, showing how its design options have responded to the design principles
- the change sponsor must have produced an Initial options appraisal (phase I)
- the CAA must have produced and then published an assessment that the options appraisal is satisfactory against the requirements in Appendix E

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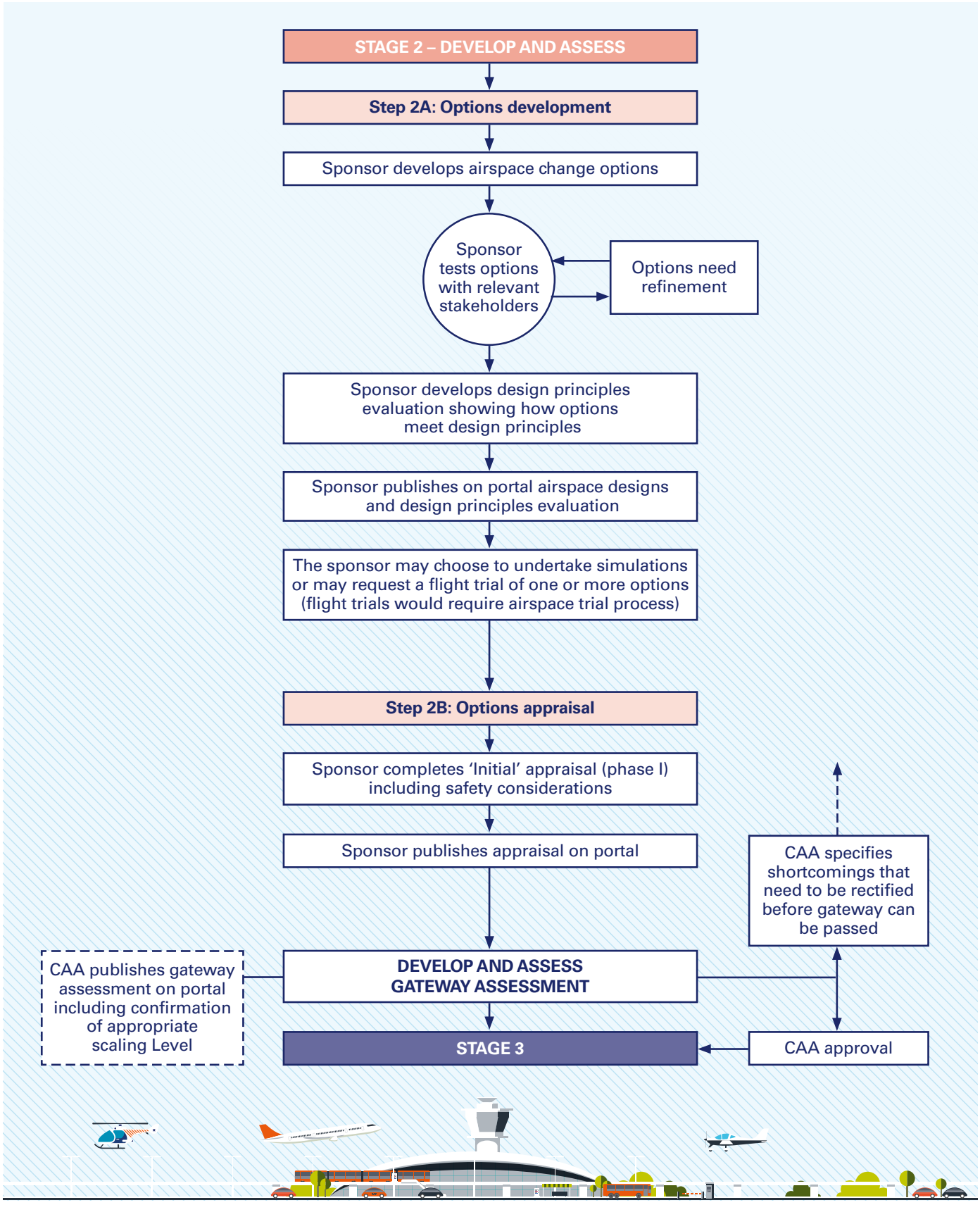
Develop and assess



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Stage 3

Consult

Process overview

Stage 3 **CONSULT**	**Step 3A Consultation preparation** The change sponsor plans its stakeholder consultation and engagement, and prepares consultation documents, including the second-phase Full options appraisal with more rigorous evidence for its chosen option(s).
	Step 3B Consultation approval The CAA reviews and where appropriate approves the consultation strategy. This is to ensure the strategy is comprehensive, the materials clear and appropriate, and the questions unbiased.
CONSULT Gateway	
	Step 3C Commence consultation The change sponsor implements its consultation strategy and launches the consultation.
	Step 3D Collate and review responses Consultation responses made through the online portal are collated, reviewed and categorised.

Introduction

145. Having passed the 'Develop and assess' gateway, Stage 3 is where the change sponsor prepares and launches its formal consultation.

146. Stage 3 is where the change sponsor prepares its consultation strategy (Step 3A) including a more comprehensive Full appraisal of the option(s) it is proceeding with at this stage. The CAA approves the consultation strategy and carries out a further review of the options appraisal in its Full version (Step 3B). Completion of Step 3B forms the third 'Consult' gateway in the process. The change sponsor then launches the consultation (Step 3C) and collates and reviews the responses (Step 3D).

147. The consultation phase is a key part of the airspace change process. It allows the change sponsor to gather information and to understand views about the impact of a particular proposal. It allows consultees to provide relevant and timely feedback to the change sponsor. There may be differing views between different stakeholder groups.

148. If the overall process is to function correctly, it is crucial that the consultation is open, fair, transparent and effective, and that the CAA can evidence that it is holding the change sponsor to account in this respect. Stakeholders must also have confidence that the CAA is holding the change sponsor accountable both for the way it acts on the responses it receives and for providing timely feedback on those responses. Consequently the CAA reviews and approves all consultation material, and monitors the

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Consult

consultation process through the online portal on which all material and responses are published (see Appendix C). This includes the CAA moderating consultation responses to remove material not appropriate for publication, publishing responses in batches during the consultation, and observing how the change sponsor is responding to those that require an immediate answer (using 'frequently asked questions' if necessary).

149. An unsatisfactory consultation, for example with consultation documents needing to be amended and re-issued, not only increases the cost and timescales for the change sponsor, but also loses the confidence of those being consulted.

150. Key consultation requirements are that:

- the CAA approves the consultation material
- meaningful material is available in a form that does not require technical knowledge to understand and respond to it
- a clear statement of the current situation is given, as well as clarity on what changes are being proposed
- stakeholders reading the consultation – including those with no technical expertise – can understand the potential impact of the proposed changes on them, and any technical information is as far as possible explained in terms that they can understand
- the change sponsor considers ICCAN's best-practice guidance on aviation noise for participants in the airspace change process, and where the sponsor deviates from that guidance, explains why
- all consultation material is published on the online portal, including
  - the consultation itself and any supporting material
  - all formal responses to the consultation
  - the change sponsor's categorisation of responses into those that may lead to a change in the design and those that could not
  - frequently asked questions about the consultation and the change sponsor's replies.

151. With the post-implementation review (Stage 7) in mind, the change sponsor must make clear to stakeholders in the consultation documents the extent to which the proposed airspace change, once implemented, is reversible if it does not achieve the objectives it is designed to achieve. Changes that accommodate mandatory new technology or which have strong interdependencies may be very difficult or even impossible to reverse. Therefore where an airspace change has not achieved its objectives, the solution may need to be a redesign rather than reversion to the pre-airspace-change position.

152. Appendix C sets out more detailed guidance on the consultation requirements of Stage 3. Where there are requirements in this section or Appendix C, they are minimum standards which the change sponsor can build upon if local circumstances require. A change sponsor must consider best-practice examples set out in this document and elsewhere when developing its approach to consultation and engagement.

Full options appraisal

153. As noted at Step 2B, the options appraisal evolves through three phased iterations, with the CAA reviewing the information in the appraisal at each phase. As detailed in Appendix B and Appendix E, the second 'Full' phase to be completed in Step 3A requires the change sponsor to develop more rigorous evidence for its remaining option(s), compared as before with a 'do nothing' option. Although there is no requirement for a change sponsor to undertake further safety work at this stage, where a sponsor has done so, it must include that information in the package of consultation documents.

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154. After review by the CAA at Step 3B and sign-off at the 'Consult' gateway, the change sponsor must include the options appraisal in the package of documents on which it consults at Step 3C. This assists the change sponsor in identifying potential impacts and mapping potentially affected stakeholders, and allows those being consulted to see the potential impacts of different options and provide more information or comment. The responses to the consultation then allow the change sponsor to update the options appraisal in the light of any new information (and if necessary re-consult, as explained on page 58).

Scaling of Stage 3

155. The extent of consultation and supporting materials, and the supporting activities needed, for example public meetings (possibly using a third-party facilitator), focus groups or surveys, will depend greatly on the scale and nature of the airspace change, in particular whether it is Level 1 or Level 2.

156. Level M1 changes will require a consultation. However, the consultation strategy will need to reflect that the Secretary of State has directed the CAA not to take into account the environmental impact of military aircraft and operations. Therefore for a Level M2 (which is anticipated either not to affect civil operations or not to affect civil operations such that the distribution of traffic changes below 7,000 feet) there is no requirement to consult with communities. There remains a requirement to consult with aviation industry stakeholders, but the CAA may agree to a shorter consultation period than would apply for the equivalent Level 1 or Level 2 change.

157. Stage 3 is not required for Level 0 changes.

158. The scale of consultation will have been discussed already at the assessment meeting with the CAA at Step 1A. The likely effectiveness of the consultation will be an important part of the CAA's approval of the consultation strategy documents and supporting material at the 'Consult' gateway.

Step 3A Consultation preparation

159. Step 3A requires the change sponsor to decide on its consultation strategy and to prepare the consultation documents. The aim of consultation is that stakeholders who may be affected, both positively and negatively, have an appropriate opportunity to comment on proposals based on a reasonable understanding of them. Enough information must be provided for those consulted to have the opportunity to understand the impacts and trade-offs and can give informed responses.

160. Appendix C includes guidance describing best practice in effective approaches to engagement, consultation material and activities. As noted at Step 1B, open consultations, and the wider stakeholder engagement necessary to facilitate effective consultation, could benefit from change sponsors appointing an independent third party to act as a neutral facilitator and to moderate interaction with stakeholders, at least for airspace changes with a potentially significant impact. Where appropriate, the change sponsor may therefore seek the advice and support of external experts in consultation and public engagement.

For more information about:

- **consultation and engagement, see Appendix C**
- **options appraisal, see Appendix E**

Stage 3

Consult

161. The overriding aim is to ensure anyone who may be affected by a change can see and understand what is proposed, and respond in the knowledge that the CAA is holding the change sponsor to account and reviewing the responses through the online portal.

162. The change sponsor must develop an appropriate, targeted strategy to facilitate airspace change consultation. We appreciate the complexities associated with consulting with all potentially affected stakeholders, including the number of people and audiences involved, overcoming past 'history', conflicting airspace priorities, and the technical nature of some proposals. Engagement with local representatives such as local authorities, airport consultative committees and local groups may assist the change sponsor in developing its consultation strategy.

163. We note that different audiences have different requirements. The scale and nature of consultation required will also differ depending on the number and nature of affected stakeholders as well as the nature and scale of impact upon them. Using a Full version of the options appraisal developed at Step 2B, which narrows the options to one (or to a shortlist), the change sponsor draws up a consultation strategy. This must cover:

- who may be affected, positively or negatively, by the change (audience map) and what their information needs are (including consideration of any seldom-heard audiences)
- how the change sponsor will inform them of the consultation (assessment of communication requirements)
- how consultation and supporting materials will be developed to suit a range of audiences, such as how technical information will be communicated in an accessible way
- what opportunities audiences (including those with no internet access) will have to engage and respond (channels used), at which times (timetable of activity), including the period of the consultation
- what steps will be taken to minimise the chances of the consultation strategy failing and to generate an appropriate level of participation and response if the strategy does fall short of expectations (safeguards and further options)
- the use by the change sponsor of the most up-to-date and credible, clearly referenced sources of data, with modelling carried out in line with relevant best practice.

164. Where stakeholders include specific communities, the change sponsor must prepare a strategy as to whether or not any properties need to be contacted individually, or set out other reasonable methods of reaching communities (such as through local media, social media, local authority communications, or advertising). The change sponsor must use Appendix C to consider which other organisations, groups or communities should be consulted. For example, where a change may impact on General Aviation's access to airspace, the change sponsor may need to communicate directly with local flying clubs and schools, as well as with the national bodies representing these types of activity. An airport may find it useful to use the airport consultative committee, or its local noise management body, as one initial basis for a focus group.

165. The change sponsor submits the consultation strategy and the draft consultation documents to acp.submission@caa.co.uk for approval prior to them being published on the online portal (see Appendix C for more on what the CAA will require).

Stage 3

Consult

Scaling of Step 3A

166. The duration of the consultation must be proportionate to the scale of change and the numbers of potentially affected stakeholders, and will be advised by the CAA using any relevant government guidance or best practice. Normally 12 weeks must be allowed for responses. Where a change sponsor provides a strong rationale, the CAA will consider a reduced consultation period where the request is reasonable and this is a proportionate solution. Where a consultation period falls over holiday periods, it may be necessary for the change sponsor to lengthen the consultation period to give local committees and national bodies time to consult their members.

167. See 'Scaling of Stage 3' above regarding Level M and Level 0 changes.

Outputs from Step 3A to be emailed to the CAA for approval	
Output	**Produced by**
Draft consultation strategy	Change sponsor
Draft consultation documents	Change sponsor
Options appraisal (phase II – Full)	Change sponsor

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Step 3B Consultation approval

168. In Step 3B the CAA reviews and gives its approval that the consultation strategy and consultation documents meet the requirements for an open, fair and transparent consultation. In particular, they must be comprehensive, the materials clear and appropriate and the questions unbiased.

169. The CAA will verify that:

- the consultation documents address all the reasonable requirements of the consultees identified by the options appraisal
- the strategy to communicate with them is sufficient and appropriate
- the consultation period is of appropriate duration based upon the scale and impact of the airspace change.

170. The CAA will issue a statement as to whether it considers these aspects of the consultation are adequate and, if not, where they fall short, in which case the process returns to Step 3A for the change sponsor to update the consultation preparations. At the consultation approval at Step 3B, the CAA will not comment explicitly or implicitly on the merits or otherwise of the airspace change proposal. This will come at the decision-making stage (Stage 5).

For more information about:

- **consultation and engagement, see Appendix C**

171. The CAA also reviews the Full options appraisal and publishes an assessment (see Appendix B and Appendix E) of the appraisal process without offering comment on the merits of the individual options.

172. If the CAA approves completion of these outputs, then the consultation strategy and Full options appraisal are published on the portal when consultation begins, and Stage 3B completes with the CAA's sign-off of the 'Consult' gateway.

Outputs from Step 3B to be uploaded to the online portal	
Output	**Produced and uploaded by**
Statement on approval of consultation strategy	CAA
Publication of consultation strategy	Change sponsor
Publication of options appraisal (phase II – Full)	Change sponsor
Options appraisal assessment (phase II – Full)	CAA

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CONSULT GATEWAY

In order for the CAA to sign-off the 'Consult' gateway:

- the change sponsor must have produced a consultation strategy
- the change sponsor must have produced appropriate and effective consultation documents and supporting materials
- the change sponsor must have produced a Full options appraisal (phase II)
- the CAA must have published a statement approving the consultation documents and supporting material as satisfactory against the requirements in Appendix C
- the CAA must have completed and published an assessment that the options appraisal is satisfactory against the requirements in Appendix E

Stage 3

Consult

Step 3C Commence consultation

173. Having passed the 'Consult' gateway after Step 3B, the change sponsor implements its consultation strategy. The change sponsor issues the consultation documents, and publishes them on the online portal alongside the earlier material. The change sponsor must maintain records to demonstrate that all reasonable actions have been taken to ensure stakeholders are informed of the consultation and have been offered the opportunity to engage with it.

174. Appendix C provides more guidance for those being consulted about the purpose of consultation, the nature of information being sought and how the change sponsor will use this. The online portal explains how to make a response.

175. The change sponsor must actively monitor the online portal for responses published by the CAA. If the change sponsor identifies that a response can be answered prior to the end of the consultation, it may do so. All correspondence between consultees and the change sponsor must be visible for everyone to read, and this will be achieved using the portal. It may be impractical for the change sponsor to respond to every consultee question individually during the consultation, but it must normally maintain a 'frequently asked questions' page on the portal.

For more information about:

- **consultation and engagement, see Appendix C**

176. Consultation responses will be published on the portal while the consultation is taking place (subject to moderation as explained below). We will do this regularly during the consultation, at intervals that best manage the resources required for moderation (for example, if a consultation runs for three months, and we deemed it best to publish the batches monthly, responses would be published in three separate batches, each a month apart). We may allow the change sponsor to see the responses before they are published (normally 24 hours in advance), so that it has an opportunity to prepare 'frequently asked question' responses should it deem this necessary. The content of all responses will therefore be visible to all on the portal. However, responses can be anonymised should someone prefer their information not to be published and only made available to the CAA and relevant sponsor.

177. It is possible that the ability to view responses will create a greater number of responses, with potential volume-related practical difficulties. The CAA sees this approach as essential to maintain the transparency of the process, and volume alone does not alter the validity of the point being made nor does it turn the consultation into a referendum, i.e. the outcome will not be determined by the relative quantities of the different views expressed. The online portal will however limit responses to one per individual (verified by email address). The portal will require respondents to give a supporting explanation for any objection to or support for the proposal.

178. The change sponsor must demonstrate to the CAA that best practice has been followed to elicit a response from consultees. For example, we recommend that a reminder be sent when the consultation response deadline is approaching.

Stage 3

Consult

179. The online portal will be the primary means of sharing information between the CAA, change sponsor and stakeholders. We do not expect the change sponsor to maintain a separate, offline process. Respondents will therefore be expected to download documents from the portal, and to upload their responses to the portal.

180. However, there remains some demand for responses to be made by post rather than via the online portal from those stakeholders who do not have adequate access to the internet. Our expectation is that the change sponsor will give instructions for the submission of postal responses, in the same way that it should, as part of its consultation strategy, have considered whether to use printed media to publicise its consultation, in order to capture these stakeholders. To maintain transparency, the change sponsor must upload offline responses to the portal without delay.[20] The CAA sees no justification for allowing responses by email direct to the change sponsor or to the CAA, rather than using the online portal. We will therefore permit sponsors to disregard such responses as they could equally have been made via the portal.

181. If errors or confusion arise during the consultation process, the CAA may intervene to ask the change sponsor how they intend to remedy the problem and potentially to extend the consultation period in order to do so. In such a case we will review the strategy with the change sponsor and subsequently monitor whether it is adhered to.

182. Responses will be periodically published on the portal in batches, once the CAA has moderated them to remove unacceptable material.[21] Guidelines on what we regard as unacceptable can be found here, but broadly we will moderate responses solely to prevent publication of defamatory, libellous or offensive remarks, or material that causes legal issues like copyright infringement or personal data.

Outputs from Step 3C to be uploaded to the online portal

Output	Produced and uploaded by
Publication of consultation documents and supporting material	Change sponsor
Queries on proposal	Consultees
Responses to queries, FAQs, engagement record	Change sponsor
Consultation responses	Consultees (moderated by the CAA prior to publication, and uploaded by the change sponsor where submitted by post)

20. The CAA will reconsider in the light of experience whether the offline response mechanism is still necessary when we conduct a review of the airspace change process in 2021 three years after implementation, to judge whether the administrative burden of uploading, monitoring and analysing postal responses remains proportionate.

21. The CAA's review in 2021 after three years will also reconsider in the light of experience whether it is practical for the CAA to carry out this moderation role. We may decide, instead, that the change sponsor must moderate the responses in accordance with CAA guidance, requiring change sponsors to seek our approval before any redactions are made.

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Step 3D Collate and review responses

183. Step 3D requires the change sponsor to carry out a fair, transparent and comprehensive review and categorisation of consultation responses. More detailed guidance is given in Appendix C.

184. The portal will maintain a transparent and complete record of online consultation responses, and of paper responses which the change sponsor has uploaded. It may be that some feedback is not provided through a formal consultation response but more informally, for example through feedback given at public events, or comments made in private or public meetings. The change sponsor must decide how to introduce this feedback into the process in a transparent way. It may be that the change sponsor requests that such feedback be repeated formally via the portal, as it may not be proportionate to record and upload every point arising. What would not be appropriate would be for the change sponsor to take such feedback into account without making it transparent that it has or why it has done so.

For more information about:

- **consultation and engagement, see Appendix C**

185. The change sponsor must review the responses and categorise them into those that present information that may lead to a change in the design and those that could not, including those raising issues which are outside the change sponsor's control (such as government policy). Further details on the categorisation exercise and consultation assessment are in Appendix C. The CAA will review a sample of this categorisation of responses and take a view on whether the categorisation has been done fairly. If necessary, we will ask the change sponsor to change a categorisation. The categorisation for each consultation response will be published on the online portal.

186. When the final proposal is submitted, the CAA will check that the issues raised in the responses when categorised have been dealt with by the sponsor appropriately. This could be by addressing the issue fully, by mitigating the issue to the greatest extent possible (with an appropriate rationale), or by rejecting the issue on justifiable grounds that are explained in the consultation response document.

187. ICCAN will develop and maintain best practice guidance on aviation noise for participants in the airspace change process. This guidance should be considered by the change sponsor, and if a sponsor deviates from ICCAN guidance it should explain why.

Stage 3

Consult

Scaling of Step 3D

188. Change sponsors proposing Level 1 changes should expect Step 3D to require more resource than Level 2 changes, as there are likely to be more stakeholder responses to catalogue and take into account when they update their design.

189. For Level M see the introductory comments to Stage 3 about scaling. Step 3D is not required for Level 0 changes.

Outputs from Step 3D to be uploaded to the online portal	
Output	**Produced and uploaded by**
Categorisation of responses	Change sponsor
Categorisation of responses approval statement	CAA

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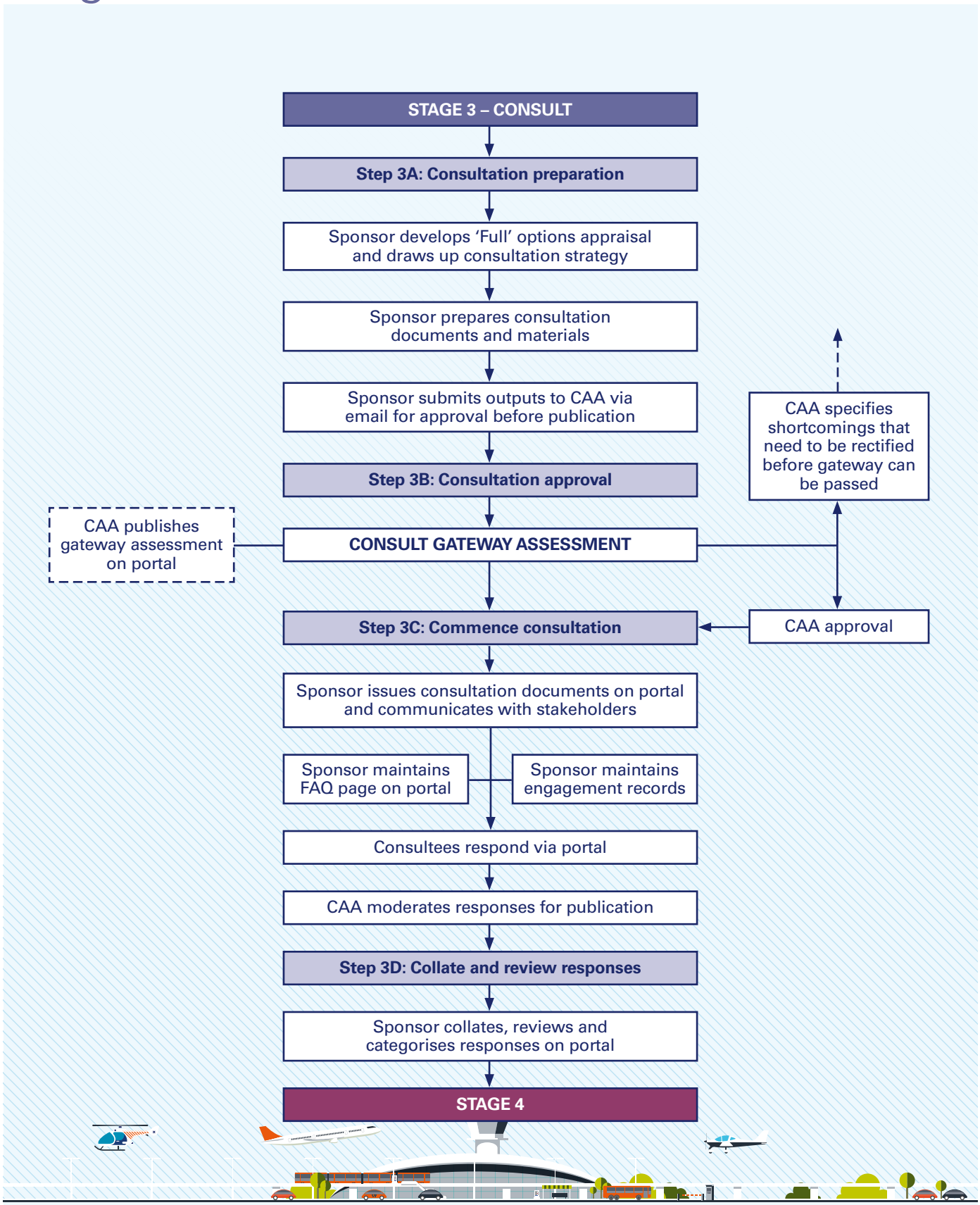

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Stage 4

Update and submit

Process overview

Stage 4 **UPDATE AND SUBMIT**	**Step 4A Update design** The change sponsor considers the consultation responses, identifies any consequent design changes, and updates the options appraisal, submitting these to the CAA for review.
	Step 4B Submit airspace change proposal to CAA The change sponsor prepares the formal airspace change proposal using a template and submits it to the CAA.

Introduction

190. Stage 4 commences when the consultation closing date has passed and the responses have been collated, reviewed and categorised by the change sponsor. The timing of Stage 4 will be determined by the size, scale and complexity of the proposed change.

191. The key point of Stage 4 is for the change sponsor to consider the need to update the design of the airspace change in the light of the information in the responses received (Step 4A). The update also includes completing the Final options appraisal (see Stage 2 above). The change sponsor then makes the formal submission of the airspace change proposal to the CAA (Step 4B).

Scaling of Stage 4

192. Stage 4 is required for Level 1, Level 2, Level M1 and Level M2 changes, but not for Level 0.

Step 4A Update design

193. As with all stages of the process, the online portal plays a crucial role in allowing everyone to see how the change sponsor takes consultation feedback into account in developing and progressing its proposal. Step 4A is sub-divided into further individual steps to show this more clearly:

- the change sponsor reviews the consultation responses (which it has categorised at Step 3D)
- from those responses identified for further consideration, the change sponsor considers the merits and practical possibilities of amending the airspace change design, if possible, to address the issues raised in those responses
- this may include selecting one option over another if more than one was consulted on
- the change sponsor updates the options appraisal to the Final version, using the same approach as in the earlier phases, if this is needed in order to take account of the revised impacts of any new design features
- if the options appraisal reveals that the impact of the design has changed fundamentally, the change sponsor must discuss with the CAA whether it must undertake a second consultation.

For more information about:

- **environmental metrics and assessment, see Appendix B**
- **consultation and engagement, see Appendix C**
- **design principles, see Appendix D**
- **options appraisal, see Appendix E**

Stage 4

Update and submit

194. The change sponsor must be prepared to respond to what it learns from the consultation and to make changes, even if this requires major modifications, where appropriate. Below are some objective principles for the level of change in impact identified by the Final options appraisal (when compared with the Full options appraisal in the consultation) that would trigger a second round of consultation. This will depend on the extent of the change to the anticipated impact and whether new parties are affected. To keep the process proportionate, the CAA would not expect the change sponsor to re-consult on changes that have only a minor effect on the potential impacts identified.

Guidance on re-consultation

195. The change sponsor must re-consult where there is a fundamental difference between the proposals consulted on and those which the change sponsor subsequently applies for. This includes, but is not limited to, any change to the proposal that:

- introduces additional airspace or new routes
- alters the intended use of the existing airspace such that a significant number of stakeholders previously not consulted are now impacted
- alters the intended use of the existing airspace such that the impact on one or more stakeholders already consulted has changed substantially and negatively.

196. If a change sponsor is in doubt whether the modifications justify re consultation, it must normally err on the side of doing so. Unless the proposal has changed considerably, or new people are affected, the re-consultation period can be less than the full 12 weeks. It is also not intended that there should be a never-ending cycle of consult-modify-consult. The CAA will provide advice, but ultimately whether the change sponsor has acted reasonably will form part of the CAA's assessment and its final decision on the airspace change proposal.

197. As before, the online portal should be used for all exchanges between the change sponsor and consultees, so that an accurate, complete and transparent record is maintained.

Moving to Step 4B

198. If the change sponsor's assessment is that re-consultation is not necessary, then it should proceed to Step 4B:

- the change sponsor publishes on the online portal a consultation response document, deriving and aggregating key themes and messages from the responses; providing feedback to consultees; and containing supporting evidence justifying how it has or has not been able to modify its proposal, or chosen a particular option, or made trade-offs, in light of those responses and themes. This will include an explanation of why the change sponsor has rejected particular requests, if any. This should create an auditable trail between the responses, options appraisal and modifications
- the change sponsor publishes on the portal the updated design and Final options appraisal
- the change sponsor proceeds to Step 4B, submission of the final proposal.

Stage 4

Update and submit

Outputs from Step 4A to be uploaded to the online portal	
Output	**Produced and uploaded by**
Consultation response document showing design changes in light of responses	Change sponsor
Options appraisal (phase III – Final) including safety assessment	Change sponsor
Revised design	Change sponsor

Step 4B Submit airspace change proposal

199. At Step 4B the change sponsor prepares and submits the formal airspace change proposal to the CAA, including the Final options appraisal. The proposal is published on the portal. This will inform the Public Evidence Session which, should one be held, will take place a minimum of four weeks later (see Stage 5). The published version of the formal proposal may have some elements redacted to protect commercially (or national security) sensitive information.

> **For more information about:**
>
> - **Submission of a formal proposal, see Appendix F**

200. For Level 1 and 2 changes, notwithstanding the very varied nature of airspace change proposals, the change sponsor must structure its submission in accordance with a standard template. This makes it easier for anyone interested in airspace changes to see what is being proposed. The template will identify the main characteristics of the proposal (akin to an executive summary), which will be used for any Public Evidence Session (see Stage 5). The template is not a proforma but a list of topics that helps the change sponsor to structure the proposal using standard headings including safety, operational, environmental and consultation assessments, drawing from the earlier outputs in the process. This will include an assessment by the change sponsor as to whether the anticipated noise impact of its proposal meets the relevant call-in criterion set out in the Air Navigation Directions 2017.[22] More detailed guidance on what is required of the change sponsor under each heading is set out in Appendix F.

201. The proposal will need a realistic target implementation date (with a reserve date) that takes into account the implementation process set out at Stage 6 and in Appendix F.

202. The proposal must be submitted via the online portal where it can be viewed by anyone. Where the proposal has a redacted version, the change sponsor uploads this to the portal for publication and submits the unredacted version to acp.submission@caa.co.uk.

22. Paragraph 5(c) of CAA Direction 6.

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Update and submit

It is important that all stakeholders can see the final submission, particularly for Level 1 changes, for which a Public Evidence Session may be convened. The proposal is published in redacted (where applicable) and executive summary versions. At the same time as the proposal is published, the online portal makes available a proforma for anyone to request that the Secretary of State calls-in a proposal that meets the relevant criteria set out in the Air Navigation Directions 2017 (see Step 5B for more information on the call-in process). Such requests must be made within four weeks of the CAA satisfactorily completing its document check at the beginning of Step 5A. The online portal automatically notifies the Department for Transport that a proposal has been submitted.

203. If no re-consultation is required at the end of Step 4A, the change sponsor may choose to upload to the online portal the consultation response document, updated airspace design and Final options appraisal from the close of Step 4A at the same time as the formal proposal at the beginning of Step 4B – providing this does not unduly delay publication.

204. If any material needs redacting for publication, then the change sponsor must prepare two copies of the proposal, one complete and one redacted. However, change sponsors should note that information held by the CAA is subject to legislation that requires us to consider disclosing it on request (Freedom of Information Act 2000 and Environmental Information Regulations 2004)[23] and the redacted material can only be withheld in certain circumstances. Appendix F sets out what these circumstances are, and what supporting justification the change sponsor needs to submit to the CAA in order for us to accept that certain material is redacted from the published version and that we would not disclose it if we were asked to release it.

205. Under normal circumstances, the formal proposal to the CAA should not contain material that has not been consulted upon.[24] The exception is material that is confidential in the interests of national security, or material which the CAA has agreed with the change sponsor should not be made public, in order to protect the legitimate commercial interests of a person or business (in the same way that we are obliged to apply the Freedom of Information Act to any information held by the CAA).

206. The default position is that all material in relation to a proposal is published. We do not anticipate routinely agreeing to withhold large amounts of information and we would only accept redaction of the minimum information necessary to comply with our obligations.

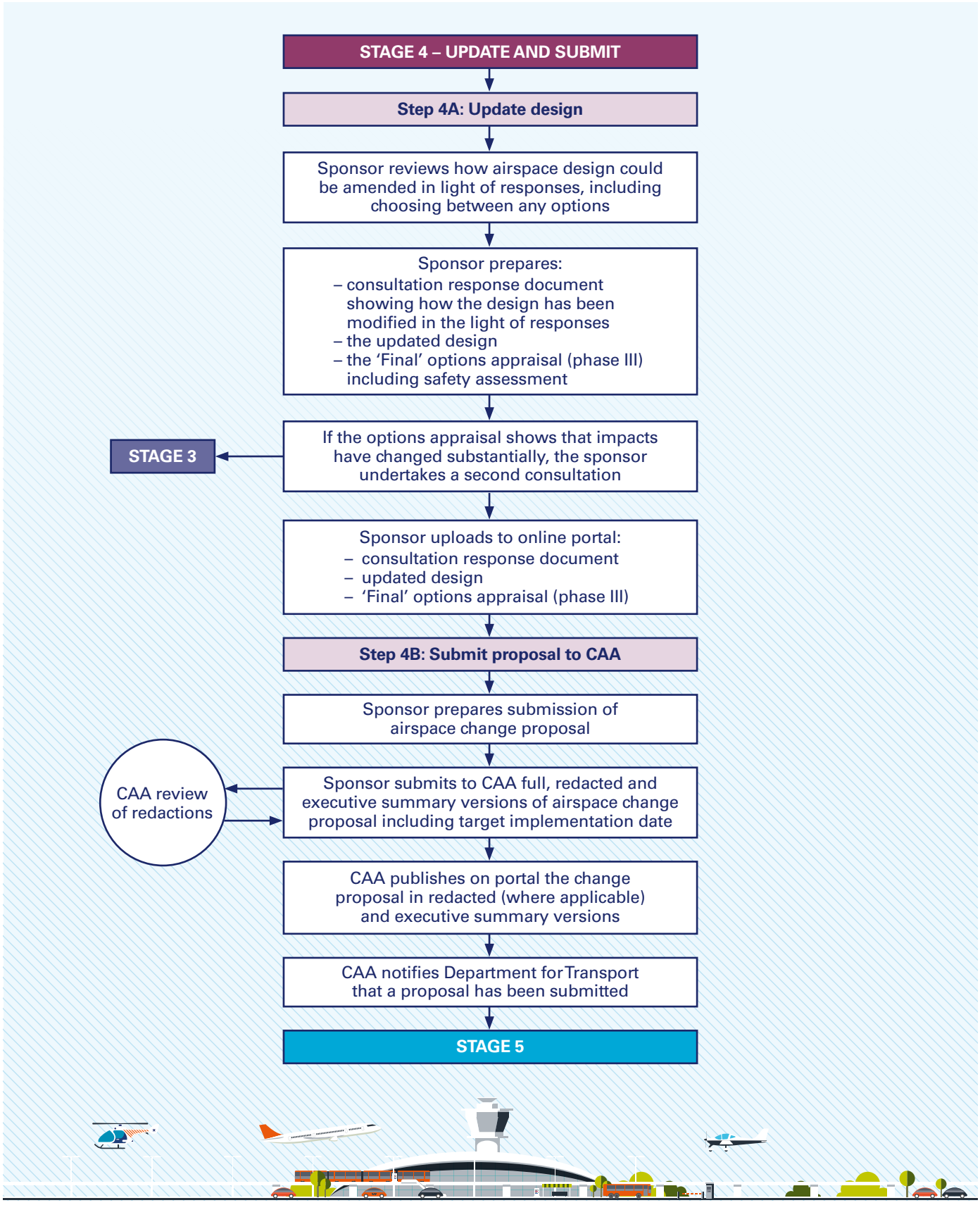
Outputs from Step 4B to be uploaded to the online portal	
Output	**Produced and uploaded by**
Airspace change proposal (full, redacted and executive summary versions)	Change sponsor

23. See https://www.caa.co.uk/Our-work/Information-requests/Freedom-of-Information/

24 It is acceptable for the change sponsor to place in an annex to its consultation material any technical detail that might compromise the clarity of the change sponsor's proposal, providing a plain English summary of the relevant information is in the core documentation.

Stage 4

Update and submit



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Stage 5

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Process overview

Stage 5 **DECIDE**	**Step 5A CAA assessment** The CAA reviews and assesses the airspace change proposal, and for Level 1 changes offers a Public Evidence Session. The CAA may request minor changes to the proposal. The CAA prepares assessment papers to inform and provide guidance to the airspace change decision-maker.
	Step 5B CAA decision The CAA decides whether to grant or reject the airspace change proposal. For Level 1 changes, the CAA will normally seek views on a draft of the decision. Alternatively, the Secretary of State may 'call-in' the proposal and make the decision, and the CAA will instead give the Secretary of State a 'minded to' decision.
DECIDE Gateway	

Introduction

207. Stage 5 is where the CAA assesses the airspace change proposal and all the documentation and evidence accompanying it, holding a Public Evidence Session when it is proportionate to do so for Level 1 proposals (Step 5A), before making its decision (Step 5B). The CAA's overall aim is to arrive at a fair, evidence-based decision in accordance with our statutory duties and relevant guidance, with the maximum of transparency to expose the decision-making process to proper scrutiny and thus highlight any omissions or misunderstandings. This is why our rationale and gateway sign-offs will be placed in the public domain.

Scaling of Stage 5

208. The timescales for the CAA's assessment will have been previously agreed with the change sponsor. The time needed for the assessment will vary depending on the nature of the change proposed (see below). For Level 1 proposals, the CAA will offer a Public Evidence Session and normally publish a draft decision. Neither of these will apply in the case of Level 2, Level M or Level 0 proposals. Also, the Secretary of State may call-in a proposal which meets certain criteria.

Step 5A: CAA assessment

209. Once the formal proposal has been submitted, the first phase of Step 5A is for the CAA to carry out a document check and ensure that the necessary gateways have been passed and process followed. The CAA will confirm this using the online portal. The CAA will also confirm the four-week deadline for the online portal to accept requests for the Secretary of State to call-in an eligible proposal (see Step 5B). Alternatively the CAA may (at any point) say that it has not been able to complete the document check and that consequently it has yet to specify (or has temporarily suspended) any deadlines for the call-in process.

210. The CAA will then, for Level 1 proposals, offer to convene a Public Evidence Session (see overleaf).

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211. To assist with time-keeping, we offer a key performance indicator (KPI) for the time period (post document check) for the CAA decision at Stage 5, in the form of 'best endeavours to make the decision within 16 weeks (for Level 1 changes) or 10 weeks (for Level 2 changes), subject to the change sponsor also meeting its time commitments'.

212. This will be dependent on:

- the timeline provided by the change sponsor for the submission of the formal proposal at Step 4A, subject to our agreement
- the CAA and sponsor adhering to those deadlines
- whether the CAA holds a Public Evidence Session (see below), in which case a further two weeks will be needed for the CAA assessment
- whether the CAA publishes a draft decision (see Step 5B below), in which case a further eight weeks will be needed for the CAA decision.

213. After the Public Evidence Session (or, if one is not held, when Stage 5 commences) the CAA moves from an information-receiving role to one of analysis and decision-making. As a consequence, we cannot give any assurance that any written statements uploaded to the portal[25] more than four weeks after the Public Evidence Session date is announced for a Level 1 change will be taken into account by the CAA.

214. The CAA will then begin its analysis of the technical merits of the proposal against the requirements set out in Appendix F. The CAA will initially determine whether any further information or technical corrections and clarifications are needed from the change sponsor. If so, the CAA will request them and the proposal will temporarily be put on hold until it has been updated on the portal by the change sponsor.

25. The CAA will only take into account written statements received via the portal.

215. The CAA also reviews the material provided by the change sponsor relating to the consultation outcome, and considers:

- any design changes the change sponsor has made
- the Final options appraisal
- the change sponsor's categorisation of consultees' comments
- analysis and responses by the change sponsor to consultees' comments
- the decision timeline to which the CAA will commit.

216. If the options appraisal reveals that the potential impact of the design has changed fundamentally since the Full options appraisal contained in the consultation material, the CAA will in all likelihood require that the change sponsor repeats some stages of the process, including consultation.

Technical details or minor amendments to submissions

217. The CAA may need to request supplementary information, or technical corrections and clarifications, from sponsors where an initial assessment reveals an area of potential weakness. This may then lead to amendment of the airspace change proposal formally submitted by the change sponsor, but only to the extent that any such amendments do not substantially alter the proposal, with the purpose of rendering the proposal fit for assessment by the CAA decision-maker. This practice exists to mitigate a specific risk, which is that changes are not approved because of small errors or technical issues in the proposal rather than matters of substance. Rather than rejecting the proposal and referring the change sponsor back to an earlier point in the process, a more proportionate approach is to give the change sponsor the opportunity to provide more information or clarity.

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218. However, it is important that there is complete transparency by publishing the requests and amendments on the portal. The process is as follows:

- The CAA establishes that if certain identifiable clarifications were made to the proposal, it would be able to be progressed to the decision-making Step (5B). This only applies on the condition that clarifications identified by the CAA would not change the proposal enough to necessitate re-consulting (see guidance on Stage 4). The relevant CAA decision-maker, according to the Level of the change, as well as other CAA staff, will be part of the assessment.
- The CAA explains to the change sponsor the issues identified by this initial assessment and requests supplementary information or technical corrections or clarifications, stipulating the timescale for a response.
- The change sponsor submits to the CAA any clarification or additional information. If this involves some redrafting of the proposal, it resubmits the airspace change proposal as 'version 2.0' (and so on, if further revisions are needed), taking into account the effect of the interruption in the process on timescales for potential implementation should the change be approved by the CAA.
- Once resolved, the CAA's request and the change sponsor's resubmission or response (including any revised consultation and a log of correspondence leading to that revision) are published on the online portal together (preferably during or, if necessary, at the end of Step 5A).
- The CAA assessment continues.

Public Evidence Session (Level 1 only)

219. Assuming the proposal has proceeded past the initial CAA document and process check mentioned above, for Level 1 airspace change proposals the CAA will offer to convene a Public Evidence Session (not for other Levels). Assuming there is sufficient interest to justify holding one, the CAA will organise and publicise it. The session will take place no sooner than four weeks after publication of the formal proposal on the online portal.

220. The purpose of the Public Evidence Session is to give an opportunity for stakeholders other than the change sponsor to provide the CAA decision-maker with their views on the airspace change proposal directly, in a public forum and in addition to the opportunities to provide their views at earlier stages in the process through the portal. Anyone is welcome to attend, subject to accommodation constraints. The purpose of the Public Evidence Session is for the CAA to listen. We may ask questions, but only if we do not understand what a stakeholder or representative is saying. There will be no opportunity for opposing parties to challenge the submissions made by other groups. The Public Evidence Session is governed by the following principles:

- At least four weeks' notice of the session will be given on the online portal once the final airspace change proposal is published
- Prior to the session (in what could be a relatively short space of time after the formal proposal is published) the change sponsor:
  - must produce an executive summary of its proposals – in particular, how the proposals may differ from what was consulted on
  - must produce a layperson's guide and a graphic version of the explanation, so that stakeholders can more easily understand:
    - the potential impact of what is being proposed on them
    - what has changed between the consultation proposal and the formal proposal

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- The session is chaired either by a CAA employee outside the Airspace Regulation team, or by a professional independent facilitator
- The session is attended by the CAA decision-maker and specialist colleagues who work on airspace matters. It is not a legal proceeding with formal rules of evidence. It is a facilitated evidence-giving session at which representatives will be expected to speak themselves without formality or legal representation, in order to reinforce that information-receiving nature of the session
- The Chair will be able to focus objectively on the key or most sensitive issues arising, and to endeavour to summarise where there is agreement, where there is uncertainty, and where information or some other action is needed by any of the parties present
- The CAA will not require a change sponsor to attend the session, as it is designed to offer third parties the opportunity to speak directly to the decision-maker. However, the change sponsor may be present – not to argue its case, but, should the Chair invite it to do so, to offer any clarification that is needed
- Although the session is open to anyone to attend, the CAA may need to cap the number of attendees in line with accommodation constraints and may ask that groups and organisations limit representatives to two or three people
- Attendees must sign in
- A series of five-minute slots are available for booking by attendees wishing to speak; organisations representing multiple stakeholders are able to reserve ten-minute slots
- Those not attending in person will be given the opportunity to submit a written statement using a form on the online portal[26], subject to the following conditions:
  - written statements must be limited to fewer than 1,000 words
  - written statements are limited to one per individual (verified by email address)
  - written statements will be moderated by the CAA before publication to remove unacceptable material
  - as noted above, we cannot give any assurance that we will take into account any written statement received more than four weeks after the Public Evidence Session date is announced
- The CAA will arrange for a full transcript of the statements made by all parties to be published on the online portal; this evidence is reviewed and demonstrably taken into account by the CAA in its decision document
- Individual meetings forming part of the Public Evidence Session should be very much the exception. Under these proposals the CAA is unlikely to agree to give any stakeholders private sessions and stakeholders will be expected to give their views in public. Where the CAA identifies a situation that warrants a meeting, the change sponsor (if attending the session) and the CAA decision-maker need to be present, i.e. the same people present as in the full Public Evidence Session. The CAA will publish the minutes of any such meeting on the online portal.

26. The CAA will also accept postal responses for the time being. We will reconsider in the light of experience whether the offline response mechanism is still necessary when we conduct a review of the airspace change process in 2021 three years after implementation, to judge whether the administrative burden of uploading, monitoring and analysing postal responses remains proportionate. However, for practical reasons, bookings for the Public Evidence Session must be made using the online portal.

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Safety review and operational, environmental and consultation assessments by the CAA for the CAA decision-maker

CAA safety review

221. The safety review considers the change sponsor's safety assessment that forms part of the Final options appraisal.

222. The CAA will review the air traffic safety risks associated with the airspace design and whether the level of air traffic control resource and infrastructure is appropriate to support the change safely. The CAA will review whether the air traffic procedures associated with the change are adequately safe, that those procedures support the operational environment and that all appropriate risks have been considered. The CAA will also review the design of the proposal from a safety perspective, such as whether the instrument flight procedures have been designed appropriately, or whether the route spacing is correct.

223. The level of review required depends on the nature of the proposal and the CAA may require the change sponsor to provide additional data and/or justification. Once the CAA is satisfied that the proposal improves or maintains a high level of safety, the proposal can proceed, subject to the other assessments (operational and, where applicable, environmental and consultation), to the CAA's final decision.

224. As part of its decision, the CAA will prepare a Letter of Acceptance of the change sponsor's assessment. The Letter of Acceptance sets out the results of the CAA's review of the safety assessment it has received from the change sponsor. A plain English summary will be published on the portal.

225. For certain proposals, the CAA may consider that the proposal can only proceed subject to conditions that can only be satisfied once the airspace change has been implemented. These will be reflected as conditions in the CAA decision document.

CAA operational assessment

226. The operational assessment is designed to brief the decision-maker as to whether the proposal is fit for purpose. This assessment contains:

- the CAA's assessment of the airspace change proposal justification and options considered
- the CAA's assessment of the proposed airspace design and its associated operational arrangements; an assessment of the design proposal is produced to illustrate whether it meets CAA regulatory requirements regarding international and national airspace and procedure design requirements, and whether any mitigations were required to overcome design issues
- the CAA's assessment of whether adequate resource exists to deliver the change and whether adequate communications, navigation and surveillance infrastructure exists to enable the change to take place
- the CAA's assessment of whether maps and diagrams explain clearly the nature of the proposal
- the CAA's assessment of the operational impacts to all airspace users, airfields and on traffic levels and whether potential impacts have been mitigated appropriately.

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227. The CAA's conclusions are arrived at after a CAA internal assessment and review. An operational assessment is completed for all airspace change proposals and forms a key part in the CAA's decision-making process as to whether a proposal is approved or rejected. The operational assessment will also include any recommendations for implementation such as conditions that should be attached to an approval, if given. The completed operational assessment will be published on the online portal at the 'Decision' gateway.

CAA environmental assessment and statement

228. The environmental assessment and statement reviews the environmental assessment provided by the change sponsor requesting the change. The review assesses whether the change sponsor has provided the data and information that had been agreed at the assessment meeting or in subsequent correspondence, and must be provided as part of the proposal. The requirements are based on the guidance in Appendix B – covering in particular noise, CO_2 emissions and local air quality. Those requirements have been designed to facilitate the assessments that the CAA must make when considering the environmental impact of the change.

229. The CAA reviews the assessments made by the change sponsor as part of the proposal to determine if they have been undertaken properly and the conclusions are reasonable. The CAA will check a sample of the change sponsor's results and may, in some cases, undertake its own analysis. The CAA then prepares a report summarising the environmental impacts of the proposal outlining the anticipated impacts of the change if it were to be implemented, for consideration along with all the other material by the CAA decision-maker.

230. The CAA will produce an environmental statement in accordance with the Government's requirement (in its Air Navigation Guidance) that the CAA does so for all airspace changes. The completed environmental assessment and statement will be published on the online portal at the 'Decision' gateway.

231. The CAA will also review how the change sponsor has demonstrated that it has considered any relevant best practice from ICCAN in developing the proposal, and the CAA will factor relevant best-practice considerations into its report for consideration by the CAA decision-maker.

CAA consultation assessment

232. The consultation assessment is designed to brief the CAA decision-maker on whether the proposal has been adequately consulted upon in accordance with the CAA's regulatory requirements, the Government's guidance principles for consultation and the Secretary of State's Air Navigation Guidance. The assessment will confirm whether the change sponsor has categorised the responses appropriately, and whether it has correctly identified the issues arising from the consultation and has responded to those issues appropriately. The assessment will rely, in part, on a comparison of the change sponsor's consultation feedback report against the actual responses provided by consultees and any material provided through the Public Evidence Session, where one has taken place. The completed consultation assessment will be published on the online portal at the 'Decision' gateway.

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Outputs from Step 5A to be uploaded to the online portal	
Output	**Produced and uploaded by**
Confirmation that document check is complete and of decision timescales	CAA
Dates of expected decision and of any Public Evidence Session	CAA
If required for a Public Evidence Session, an executive summary of the proposal	Change sponsor
Written submissions to any Public Evidence Session	Those responding to a proposal (moderated by the CAA prior to publication and uploaded by the CAA where submitted by post)
Transcript of any Public Evidence Session	CAA
Minutes of any additional meetings between CAA and stakeholders	CAA
Request for any further technical details or amendments	CAA
Response or revised proposal as 'version 2.0' (if any)	Change sponsor

Step 5B: CAA decision

233. Having assessed the airspace change proposal and all the documentation and evidence accompanying it, in Step 5B the CAA makes its decision. This decision may be subject to conditions that the sponsor will be required to fulfil either before or after implementation. For Level 1 proposals, the CAA will normally publish a draft decision for comments before making its decision final, or the Secretary of State may 'call-in' the proposal.

234. In making its decision, the CAA will state whether it approves or rejects the proposed airspace change, with clear assessments of individual factors and explanation about how we have reached our decision, including weighing the different factors involved. Sometimes the needs of interested parties will conflict. It is therefore reasonable for those parties to understand not just how the airspace change process works but also how the CAA reaches its decision.

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235. The CAA's decision is bound by a legal framework and government policy which determines that a high standard of safety is the CAA's priority when it makes airspace change decisions. Beyond this, the legislation requires us to consider a number of factors.

236. Appendix G sets out in more detail the CAA's policy approach in carrying out its duties – including what we understand those duties to mean, how we evaluate and weigh competing priorities, whether these be strategic policy, environmental impacts such as noise, the needs of airspace users, and/or the interests (economic or otherwise) of airports or air navigation service providers, and what evidence from stakeholders we will take into account when reaching a decision. It also gives examples as guidance for airspace change sponsors to help them gauge whether or not any of the material factors that the CAA must consider are in conflict. All airspace change proposals are different. Where in a particular case a proposed change would contribute positively to some of the material factors, but negatively in respect of others, the relevant statute (section 70(3) of the Transport Act 2000) refers to this situation as a conflict. Section 70(3) then requires the CAA to apply those material factors in the manner it thinks is reasonable having regard to them as a whole.

237. The CAA may request actual changes to the change sponsor's formal proposal to reflect the weight that the CAA proposes to accord to the factors the CAA has to take into account when considering whether to agree to an airspace change (for example, amending the size or shape of controlled airspace). Giving the change sponsor this opportunity to modify its proposal is a more proportionate approach than the CAA simply rejecting the proposal and referring the change sponsor back to an earlier point in the process. However, it is only possible to the extent that such changes would not fundamentally affect the substance of the proposal and therefore require additional stakeholder consultation. Also, the CAA and change sponsor must maintain complete transparency by publishing any request and amendments on the online portal.

CAA draft decision for Level 1 proposals

238. Before reaching a final decision on Level 1 proposals, the CAA will publish a draft decision for public review. The objective of doing this is to ensure that we have not missed, misunderstood or misinterpreted any relevant matters that could affect the decision. The draft decision:

- is not designed for stakeholders to make new representations
- should not be considered as a further opportunity to go back over material that the CAA has already considered and addressed.

239. Therefore, in considering responses to the draft decision, the CAA will not consider any representation that was or could have been raised at an earlier stage of the process. It will only consider comments on the draft decision that are material to the outcome.

240. This part of the process aims to ensure that the final decision is based on accurate information and is as comprehensive, clear and robust as possible.

Stage 5
Decide

241. The CAA will publish the draft decision on the online portal. Responses should be made using the portal[27], subject to the following conditions:

- responses are limited to one per individual (verified by email address)
- written statements will be moderated by the CAA before publication to remove unacceptable material
- we cannot give any assurance that we will take into account any response received more than four weeks after the draft decision is published.

242. It will be our normal policy to publish a draft decision on Level 1 proposals. However, we recognise that this adds more time to the process, and in certain circumstances the delay may be disproportionate to the benefit of publishing a draft decision. In such circumstances, when the CAA publishes its final decision we will clearly explain our reason for not publishing a draft decision.

Timescales

243. A draft decision is likely to add another eight weeks to the process. The CAA will give stakeholders four weeks to respond. We give no assurance that we will take account of comments received after that time. We will then allow a further four weeks for us to assess stakeholder comments. These timescales will be clearly stated on the online portal.

Decisions by the Secretary of State

244. The Secretary of State may determine that a proposal will be decided by him/her rather than by the CAA.[28] He/she may do so if a request is made that he/she does so, and he/she is satisfied that any one of three call-in criteria apply. These criteria are that the proposed change:

- is of strategic national importance
- could have a significant impact (positive or negative) on the economic growth of the UK, or
- could both lead to a change in noise distribution resulting in a 10,000 net increase in the number of people subjected to a noise level of at least 54 dB $L_{Aeq\ 16hr}$ and have an identified adverse impact on health and quality of life.

The Secretary of State has provided statutory guidance on the meaning of these criteria.[29]

245. However, the Secretary of State may not determine that the proposal will be decided by him/her if the proposed change:

- was submitted by, or on behalf of, the Ministry of Defence
- is directly related to a planning decision which has already been determined by the Secretary of State, or
- is directly related to a planning decision made by another planning authority which involved detailed consideration of changes to flightpaths in UK airspace, consequential on the proposed development, which the sponsor has taken into account when developing its proposal.

27. The CAA will also accept postal responses for the time being. We will reconsider in the light of experience whether the offline response mechanism is still necessary when we conduct a review of the airspace change process in 2021 three years after implementation, to judge whether the administrative burden of uploading, monitoring and analysing postal responses remains proportionate.
28. Guidance on the Secretary of State's call-in function in the airspace change process is set out in more detail in section 6 of the Secretary of State's Air Navigation Guidance 2017.
29. Guidance to the CAA on providing an assessment to the Secretary of State as to whether a proposal for a permanent change to airspace design meets one or more of the call-in criteria. https://www.caa.co.uk/Commercial-industry/Airspace/Airspace-change/Airspace-Change/

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246. Anyone can ask the Secretary of State to call-in a proposal, but even if an airspace change proposal meets the call-in criteria, there is no obligation on the Secretary of State to agree to call-in the proposal; it is at the Secretary of State's discretion.

CAA role

247. Where the CAA has received a call-in request, we will provide an assessment to the Secretary of State as to whether the proposed change to airspace design meets one or more of the call-in criteria. The CAA may then be notified at Stage 5B that the Secretary of State has decided to call-in the proposal for the Secretary of State to make the decision rather than the CAA. This is not unlike the arrangements used in the planning system for managing the development of land and buildings.

248. If a decision has been called-in by the Secretary of State, the CAA provides its own views on the proposal to the Secretary of State in a 'minded-to' decision, which contains the same information as a CAA decision with the objective of providing a CAA opinion on the proposal to the Secretary of State, who is now the decision-maker. The sequence would be:

- In its final proposal at Stage 4b, the change sponsor will have assessed whether the anticipated noise impact of its proposal meets one of the relevant call-in criteria set out in the Air Navigation Directions 2017[30]
- when the final proposal is submitted to the CAA by the change sponsor, the online portal will automatically notify the Department for Transport
- during Stage 5 (CAA assessment and decision), stakeholders are able to send a request to the CAA that the Secretary of State calls-in a proposal
- any call-in request must be submitted in writing using the online portal (where it will be visible to all) within four weeks of the proposal being submitted to the CAA, otherwise it will not be considered; the four-week window commences once the CAA has satisfactorily completed the document check in Stage 5A, and the deadline will be published on the online portal[31]
- if applicable, the CAA notifies the Department for Transport that a call-in request has been submitted within seven working days of the first request
- the CAA has a further three weeks (i.e. seven weeks from satisfactory completion of the document check in Step 5A) to assess whether the airspace change proposal[32] meets one or more of the call-in criteria; the CAA's assessment must take account of guidance which the Secretary of State has given to the CAA[33]
- the CAA then sends to the Department for Transport the airspace change proposal that one or more third parties has requested be called-in, together with call-in requests made before the four-week deadline, and the CAA's assessment (which is also published on the online portal) of whether:
  - one or more of the call-in criteria is met, or
  - none of the call-in criteria is met, or
  - the proposal is subject to one of the exceptions listed in paragraph 245 above

30. Paragraph 5(c) of Direction 6, the third of the criteria set out on the previous page.
31. Paragraph 6.13 of the Air Navigation Guidance 2017.
32. In cases where a proposal is updated after it is first formally submitted, the CAA will base its assessment on the latest version as at the date that the four-week call-in window closes.
33. Paragraphs 1A and 1B of Direction 6.

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Decide

- in response to a request, the Department for Transport applies the above criteria to determine whether the proposal is eligible to be called-in, drawing on the change sponsor's assessment of the anticipated noise impact which the CAA will provide, and on the CAA's assessment
- the Secretary of State decides whether the proposal is to be called-in, seeking to do so within eight weeks of the proposal being submitted[34]; this decision is published on the online portal
- if the Secretary of State decides not to exercise the call-in function, the CAA will continue to determine the case without any further involvement of the Secretary of State
- if the Secretary of State decides to exercise the call-in function, the following process will be followed[35]:

  a. the CAA will continue its consideration of the proposal up to the point that it is able to give an informed opinion on the airspace change proposal

  b. the CAA issues this informed opinion to the Secretary of State in the form of a 'minded-to' decision

  c. a senior Department for Transport official is tasked with considering the proposal and making a recommendation to the Secretary of State as to whether it should be approved or not; the person appointed would consider the evidence presented by the sponsor, including the options appraisal, and seek to take account of the views of other relevant parties, including ICCAN, as well as the professional technical advice and opinion of the CAA on the proposal

  d. after considering the relevant information, the senior Department for Transport official makes a recommendation to the Secretary of State on whether the proposal should be: approved, rejected, or subject to further work such as additional consultation requirements

  e. the Secretary of State makes the decision on the airspace change proposal taking into account the recommendation of the senior official and the opinion of the CAA, but the Secretary of State is not obliged to follow any recommendation or opinion made on the proposal

  f. the Department for Transport advises the CAA, the sponsor, and the initial requester of the call-in, of the decision reached by the Secretary of State

  g. if the decision is to reject or approve the proposal then that is the end of the call-in process, but if further work is required from the sponsor then the process would return to paragraph c above and flow from there once the additional requirements have been met

  h. if further work is considered necessary, the CAA would be asked for its views on the desired additional work programme, on any further information provided by the sponsor, and whether its opinion on the proposal had changed in light of the completion of any new work requested by the Secretary of State.

- the Secretary of State's ultimate decision is published on the online portal.

34. Paragraph 6.14 of the Air Navigation Guidance 2017.
35. Paragraphs 6.16 to 6.17 of the Air Navigation Guidance 2017.

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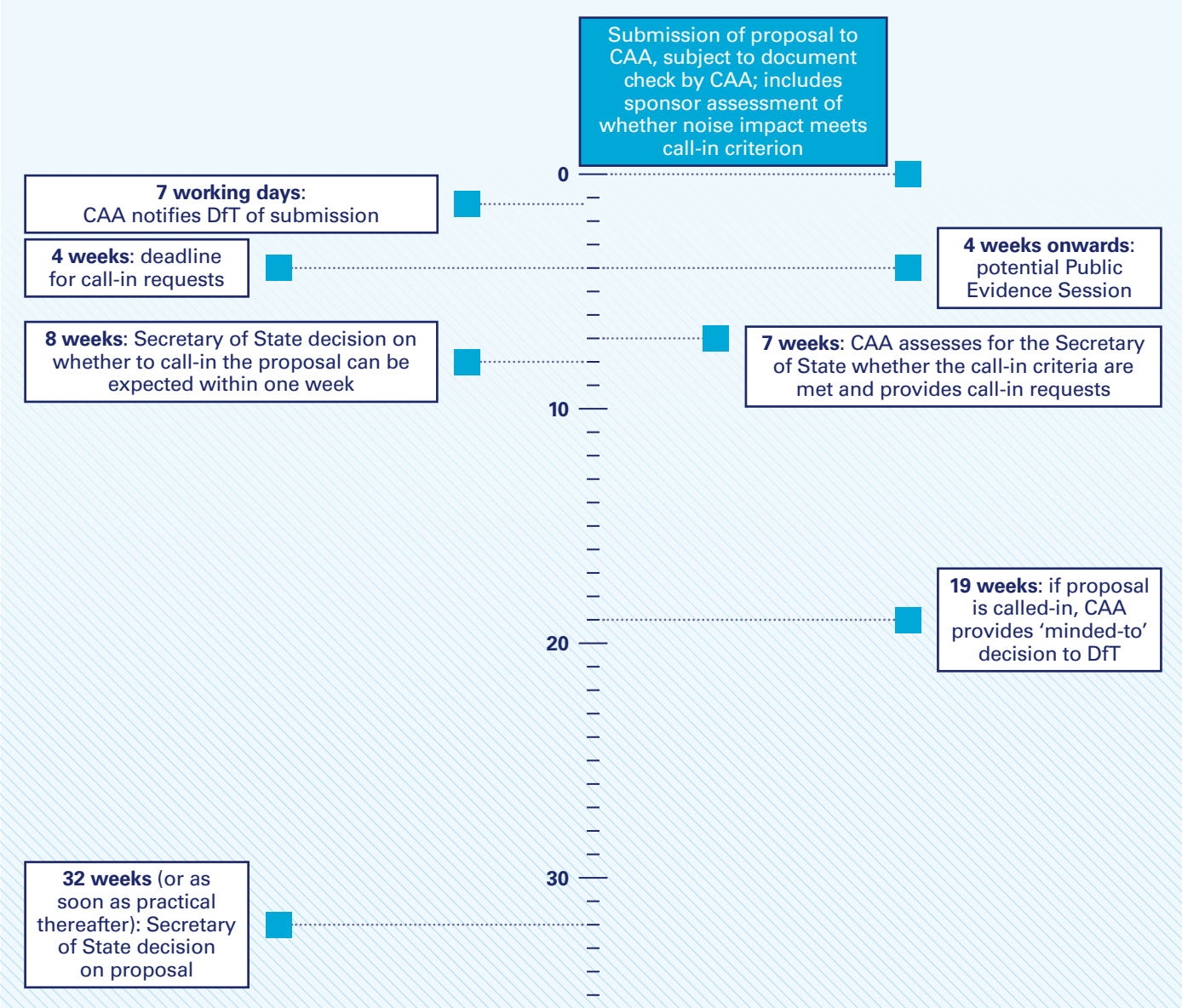
Decide

249. There is no fixed timetable for handling a called-in proposal, but the Department for Transport would aim to make the final decision within three months of the date the CAA provides its 'minded-to' decision, or as soon as practical thereafter. The time required for consideration by the Secretary of State may need to be extended, including where the sponsor is asked by the Secretary of State to undertake some additional work. An indication of likely timescales is shown in Figure 3.

Figure 3: Expected decision timeline for a proposal which has been called-in (weeks)



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Stage 5
Decide

Post-implementation review

250. If the CAA decides to approve the airspace change proposal, our decision document will notify the change sponsor of any conditions on the decision and any post-implementation analysis that it needs to carry out in order to provide data for the post-implementation review, and of the likely date for this review. More information on what is required can be found under Stage 7 and in Appendix H.

Review of a CAA decision

251. There is no appeal to the CAA in respect of an airspace decision or its terms and conditions. All CAA decisions are subject to judicial review. Judicial review is a challenge to the High Court on the fairness and lawfulness of the process followed by the CAA in reaching our decision. The Judicial Review process can be accessed here.

Timescales and scaling of Step 5B

252. The CAA scales the decision-making step of the process by aiming to make decisions about Level 2 and Level M2 changes faster, and by widening the pool of CAA decision-makers to make these decisions. Level 0 decisions will be made within four weeks of receiving a fully complete Statement of Need (Step 1A).

253. Table 3 below shows the timescales to which the CAA will commit depending on the Level of airspace change proposal. It also shows the post of the staff member in the CAA who is empowered to make the final decision for a given Level.

Table 3 CAA decision timescales

Level	CAA decision time taken from submission of airspace change proposal	CAA decision-maker
Level 1	At least 16 weeks	Group Director Safety and Airspace Regulation, or Head of Airspace, ATM and Aerodromes
Level 2A	Typically 10 weeks	As per Level 1
Level 2B	Likely to be 10 weeks or shorter	As per Level 2A, or Manager Airspace Regulation
Level 2C	Likely to be 10 weeks or shorter	As per Level 2B, or Principal Airspace Regulator
Level M1	At least 16 weeks	Group Director Safety and Airspace Regulation, or Head of Airspace, ATM and Aerodromes
Level M2	Likely to be 10 weeks or shorter	Dependent on similarity to Level 2 characteristics
Level 0	Four weeks from submission of Statement of Need	As per Level 2C, or Airspace Regulator

Stage 5

Decide

Outputs from Step 5B to be uploaded to the online portal	
Output	**Produced and uploaded by**
Draft decision document (if any)	CAA
Feedback on any draft decision document	Affected stakeholders (moderated by the CAA prior to publication and uploaded by the CAA where submitted by post)
Secretary of State call-in requests	Affected stakeholder
Assessment of whether the proposal meets one or more of the call-in criteria, where a call-in request has been made	CAA
Any notification that the proposal is eligible for call-in and has been called-in by the Secretary of State (if applicable)	Department for Transport
Decision document including: - options appraisal assessment (phase III – Final) - safety review (plain English summary) - operational assessment - consultation assessment - environmental assessment and statement	CAA and/or Department for Transport

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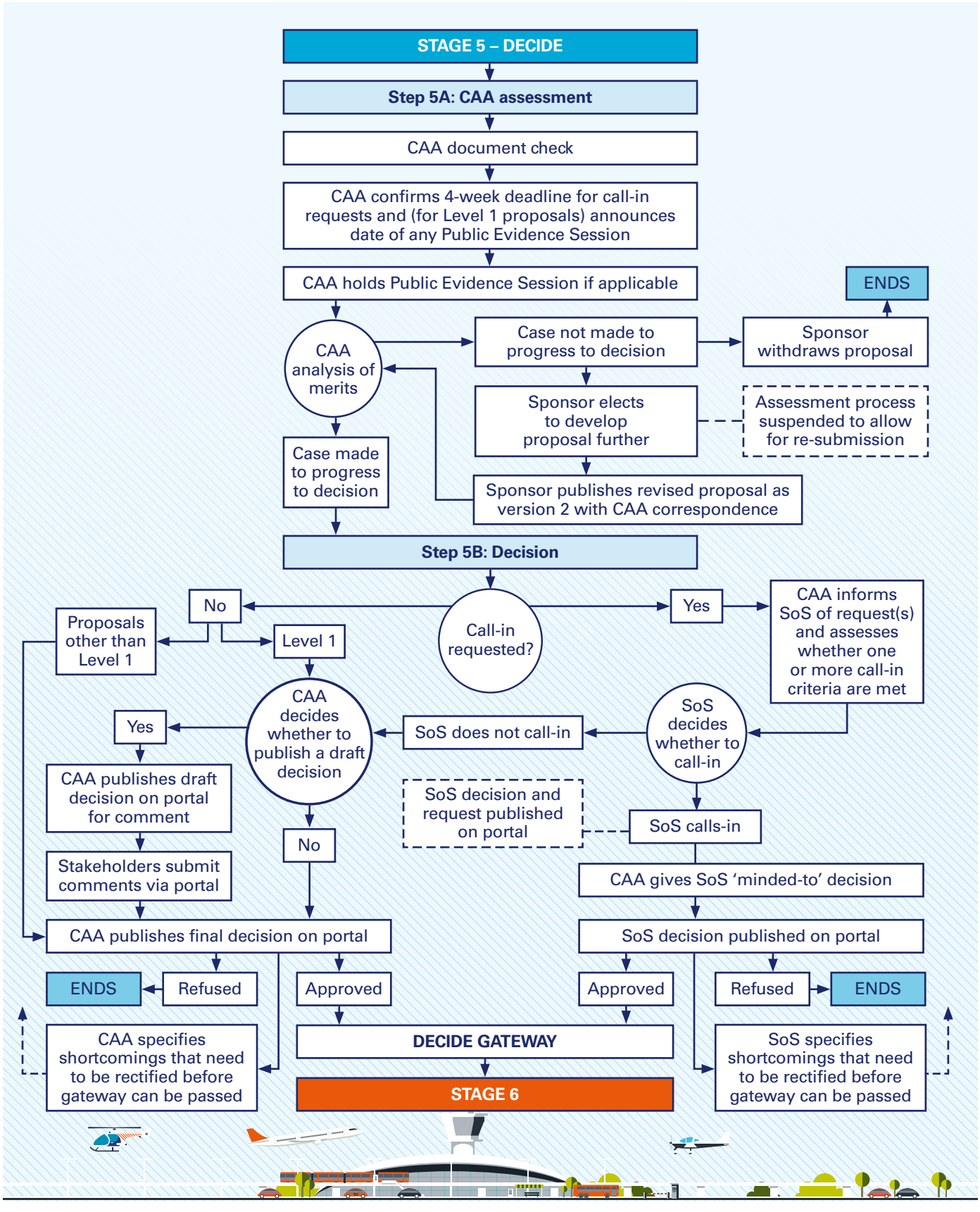
Stage 5

Decide



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Stage 5

Decide

DECIDE GATEWAY

In order for the CAA to sign-off the 'Decide' gateway

- the change sponsor must have submitted a final proposal including an options appraisal revised in the light of consultation responses
- the change sponsor must have incorporated any technical changes to the proposal the CAA identifies
- an approval must have been given by the CAA or (where the proposal has been 'called-in') by the Secretary of State

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Stage 6

Implement

Process overview

Stage 6 **IMPLEMENT**	**Stage 6 Implement** The change sponsor implements the approved change, working with air navigation service providers as necessary.

254. Having passed the 'Decide' gateway, Stage 6 is where an approved change is implemented.

255. The effectiveness of the change will be reviewed during the post-implementation review at Stage 7, which normally commences at least 12 months after implementation. This does not, however, mean that implementation of the change is somehow provisional or temporary pending the post-implementation review.

256. The proposed implementation date of the airspace change will have formed part of the change sponsor's formal proposal, and thus been subject to the CAA's approval. In conjunction with the change sponsor, the CAA will instruct NATS to make the changes necessary in the UK Aeronautical Information Publication and other national regulatory documents.

257. The time taken to implement airspace changes is determined through established international aviation procedures. Implementation is time-sensitive, in order to allow for systems adaptation, testing and training. Modifications are required to both airborne and ground systems and these have to be co-ordinated on a series of internationally standardised implementation dates. These dates occur every 28 days and in some cases more than one cycle of notification is necessary (the 'AIRAC' cycle[36]). This depends on the type of change being proposed, or the Level of the change. Coding and design, whereby a coding house programmes the software used within aircraft flight computers to define routes, has to take place before this phase is reached. Co-ordination is often required at the UK's international borders and with other civil and military authorities. This can mean that major changes to airspace are only implemented in the quieter traffic periods that occur over winter, which again means implementation is time-sensitive.

258. The CAA will confirm the AIRAC cycle requirements following completion of Step 2B. In the case of most airspace changes, promulgation will be not less than one AIRAC cycle prior to the effective date of a change. For major changes, for example those involving extensive new procedures, cross-border airspace, etc, two AIRAC cycles will normally be necessary. Given sufficient notice, it may also be possible to adjust the publication cycles of the CAA's various maps and charts in order to incorporate airspace changes as close to their implementation date as possible.

259. The CAA is not accountable for meeting timetables such as achieving a specific AIRAC cycle.

36. Aeronautical Information Regulation and Control.

Stage 6

Implement

260. As part of the implementation process, the change sponsor must consider the extent of the Aeronautical Information Publication amendments that its airspace change will generate. Changes that result in flight planning arrangements must be co-ordinated with NATS. In the case of airspace changes in the vicinity of an airport, these may go beyond the change sponsor's entry in the Aerodrome (AD) section and require changes to the En-Route (ENR) and General (GEN) sections or the AD entries of adjacent aerodromes in the Aeronautical Information Publication. Similarly, en-route or off-route changes may impact upon SIDs, STARs, instrument flight procedure and terminal airspace structure charts within the AD section. En-route or off-route changes may also impact upon the airspace structures of adjoining States. The change sponsor must therefore consider the impact upon the Aeronautical Information Publication as a whole, and possibly the Aeronautical Information Publications of neighbouring states. The CAA can provide advice if requested, but responsibility rests with the change sponsor.

261. In addition to the formal promulgation of the change, the change sponsor must bring it to the attention of the aviation community. This will often initially take the form of an Aeronautical Information Circular (AIC) outlining the details of the change (including effective date and, where appropriate or feasible, a map of the revised airspace structure). Ideally, any such AIC should be published at least one month prior to the distribution of the Aeronautical Information Publication amendment containing the airspace change.

262. The CAA's (or if applicable the Secretary of State's) decision will have been published on the online portal and is therefore visible to all. Change sponsors should also consider how to notify members of the local community and other stakeholder groups about the ultimate outcome of the consultation and the decision. In order to publicise a forthcoming change to as many airspace users (and perhaps service providers) as possible, the change sponsor must consider contacting the Ministry of Defence, the commercial General Aviation press, local General Aviation events, relevant community organisations and the local press. All that may be needed is a reference to the online portal where the decision has been published.

263. During the first year of implementation, and prior to the CAA instigating the post-implementation review process (see Stage 7), the change sponsor may receive feedback on the impact of the change. (If the CAA also receives feedback during this period, then it will send this to the change sponsor.) The change sponsor must normally continue to engage with its stakeholders during this first year of implementation. If problems arise, then the change sponsor must normally consider what steps it can take to address those problems, within the constraints of the formal airspace design.

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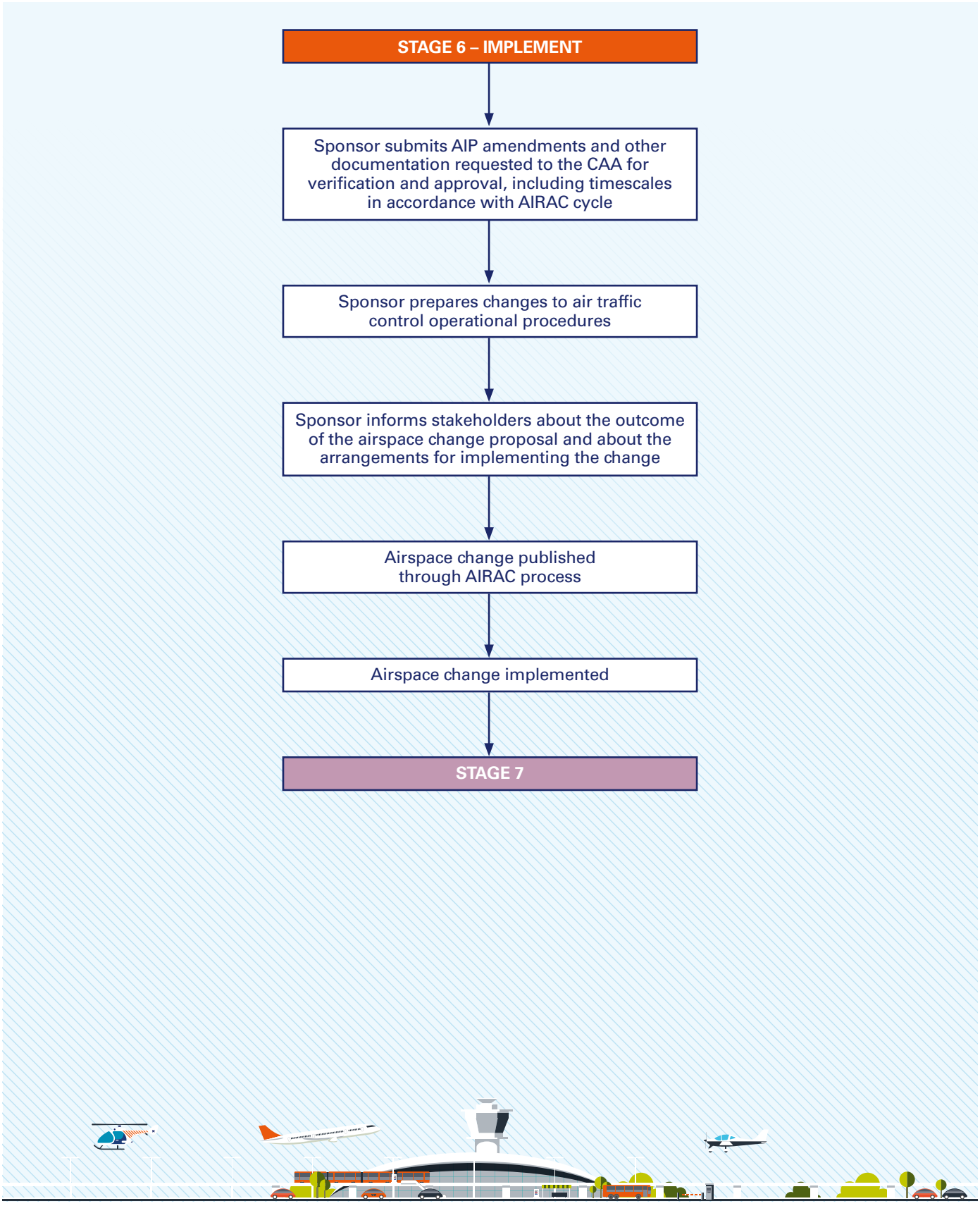
Stage 6

Implement



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Stage 7

Post-implementation review

Process overview

Stage 7 **POST-IMPLEMENTATION REVIEW**	**Stage 7 Post-implementation review** The CAA reviews how the airspace change has performed, including whether anticipated impacts and benefits in the original proposal and decision have been delivered.

Purpose of the post-implementation review

264. In Stage 7 the CAA commences a post-implementation review, usually 12 months after implementation. The purpose of the review is for the change sponsor to carry out a rigorous assessment, and the CAA to evaluate, whether the anticipated impacts and benefits in the original proposal and published decision are as expected, and where there are differences, what steps (if any) are required to be taken.

265. The review is necessary to identify any subsequent requirements to further modify flight procedures, or the airspace structure (as applicable) to give effect to the terms of the original CAA decision (Stage 5), the need for which can only be determined after a period of operational experience, post implementation.

266. The post-implementation review is not a review of the decision on the airspace change proposal, and neither is it a re-run of the original decision process.

For more information about:

- **Post-implementation review see Appendix H**

Evidence collection

267. As part of an approval decision (Step 5B), the CAA will make clear:

- the precise data, operational information and other evidence that the change sponsor must collect during the 12 months from implementation in preparation for the post-implementation review
- the format in which this information is required
- how the impacts are to be measured
- when the change sponsor must submit this information to the CAA (this will usually be 28 days after the end of the 12-month evidence collection period, but we will consider requests for a longer period).

268. Although the review usually takes place 12 months after the change is implemented, the change sponsor must begin monitoring and gathering data on the impacts of the change as soon as the change is implemented, and must ensure that it has collected the data it will need for proper comparison covering the period before implementation. This includes the impact on airspace users and those on the ground affected by aviation noise or other environmental impacts. An indicative list of data requirements is given in Appendix H.

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Stage 7

Post-implementation review

269. The change sponsor must prepare a detailed analysis of how these impacts compare with what was set out in the airspace change proposal and accompanying options appraisal on which stakeholders were consulted. This is to demonstrate how the airspace change has performed in relation to the original Statement of Need, design principles and options appraisal.

270. Any comments or complaints received after implementation but before the review commences must be collated by the change sponsor in the CAA-agreed format. Any direct feedback that the CAA receives during this period will be forwarded to the change sponsor for inclusion in that feedback dataset.

271. The change sponsor publishes its analysis and documentation it has prepared on the online portal, and the CAA invites stakeholders to submit their own observations.

Stakeholder observations

272. Once the change sponsor's data submission is published on the portal, there will be a 28-day window during which any stakeholder may provide any feedback it wants the CAA to take into account when carrying out this review about whether the impacts of the change are those expected, 12 months on. This feedback is submitted using the online portal.[37] Submissions are limited to one per individual (verified by email address). We give no assurance that we will take account of submissions made outside the 28-day window.

273. Before feedback is published on the portal, the CAA will moderate it to remove unacceptable material.[38] Guidelines on what we regard as unacceptable can be found in CAP 1619, but broadly we will moderate responses solely to prevent publication of defamatory, libellous or offensive remarks, or material that causes legal issues like copyright infringement or personal data.

274. ICCAN may provide feedback on how the change sponsor has applied relevant best practice in implementing the proposal. This feedback will be considered by the CAA as part of the post-implementation review.

275. The post-implementation review is not a second consultation on the original proposal, nor does the CAA hold a second Public Evidence Session. The review is inviting comments on whether implementation has had the impacts that were anticipated when the decision to agree the change was made by the CAA (or, if applicable, by the Secretary of State). Therefore the online portal will not accept stakeholder feedback until the complete set of data has been published by the change sponsor on the portal.

CAA assessment

276. If the impacts are not as predicted, the CAA will require the change sponsor to investigate why, so the CAA can determine whether further action is needed to change the airspace structure or to revise flight procedures to meet the terms of the original decision.

37. The CAA will also accept postal responses for the time being. We will reconsider in the light of experience whether this is still necessary when we conduct a review of the airspace change process in 2021 three years after implementation, to judge whether the administrative burden of uploading, monitoring and analysing postal responses remains proportionate.

38. The CAA's review after three years will also reconsider in the light of experience whether it is practical for the CAA to carry out this moderation role. We may decide, instead, that the change sponsor must moderate the responses in accordance with CAA guidance, requiring change sponsors to seek our approval before any redactions are made.

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Stage 7

Post-implementation review

277. The nature of each review is determined by the scale and impact of the airspace change, and during the assessment phase the CAA may decide to revise the scope and objectives of the review or to request more information.

278. The CAA prepares a report identifying:

- any differences from those expected
- any relevant best practice or feedback from ICCAN
- what mitigations or modifications are required for impacts that vary from those which were anticipated at the time the CAA made its decision to approve the airspace change
- any learning points where impacts vary from those which were anticipated.

279. The CAA publishes the report on the online portal.

Outcomes from the post-implementation review

280. The CAA will aim to produce a post-implementation review report within three months of the change sponsor's complete pre- and post-change dataset being published on the online portal. However, once this data has been published, the CAA may decide to extend this period in certain circumstances (see 'Timescales' below).

281. The following outcomes could apply to Stage 7. The CAA may:

- confirm that the implemented design satisfactorily achieves – within acceptable tolerance limits – the objective and terms of the CAA's approval, and the change is confirmed; or
- require modifications to better achieve the objective and terms of the CAA's approval; once the modifications have been implemented and operated for a period (approximately six months), there are three further possible outcomes:
  - noting that the modifications did not better achieve the objective and terms of the CAA's approval, the CAA may conclude that the original design was satisfactory and the original change is confirmed; or
  - noting that the modifications did not better achieve the objective and terms of the CAA's approval, the CAA may conclude that the original design was not satisfactory and the original change is not confirmed. In this case, in order to pursue its change, the change sponsor will need to commence a fresh airspace change proposal from Stage 1; or
  - the CAA may conclude that the modifications do better – within acceptable tolerance limits – achieve the objective and terms of the CAA's approval and so the modified design will be confirmed.

282. Even where the change has been found to have achieved the objectives expected within the tolerances proposed, it may be appropriate for the change sponsor to carry out further mitigation or engagement activity to address issues that have emerged during the course of the airspace change.

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Stage 7

Post-implementation review

283. In the instances above where the outcome of post-implementation review is that a wholly new airspace change proposal is required, the question arises as to what happens in the meantime to the airspace design now in place. The change sponsor will have made clear to stakeholders at the consultation stage (Step 3C) to what extent an airspace change, once implemented, is reversible. Some changes that accommodate new technology may be mandatory. Some may have strong interdependencies and may be difficult to reverse. Therefore where an airspace change has not achieved its objectives, and the mitigation solution is a redesign rather than reversion to the pre-airspace-change position, the CAA will make a decision as part of its report as to what will happen in the meantime.

Timescales

284. The CAA initiates the post-implementation review usually 12 months after the change is implemented, to ensure that a full cycle of winter and summer operations has been observed in all weather and traffic conditions. However, if a change sponsor or another stakeholder makes a representation that a different period is needed to collect more representative data, the CAA will be prepared to consider an extension. This might be because, for example, the route that was the subject of the change has been used only infrequently and an extended period would allow a better data sample with a wider range of weather conditions. The CAA also reserves the right, exceptionally, to initiate a review at any other time if it considers this is warranted.

285. The change sponsor has 28 days from the end of the 12-month review period to collate, review and publish the required data.

286. Stakeholders have 28 days from publication of the complete set of data by the change sponsor on the portal to submit evidence about whether the impacts of the change are those expected, 12 months on. We give no assurance that we will take account of stakeholder submissions received after that time.

287. The CAA will aim to review the evidence and publish our conclusions on the post-implementation review within three months of the change sponsor's data being published on the portal, in other words four months from commencement of the review. However, the CAA may decide to extend this period:

- in exceptional circumstances, most likely where there is a very high volume of stakeholder feedback to the published data, but we will give full reasons where this occurs
- where the CAA's initial assessment of this data leads us to ask for additional data from the change sponsor
- where the outcome of the review is that design modifications are required, in which case the timescales could be extended significantly depending on the extent of any redesign.

Scaling of Stage 7

288. There is no post-implementation review for Level 0 changes.

289. For some changes, the CAA may proportionately reduce the extent of evidence and data required from the change sponsor or allow more flexibility in the format of the data required. The CAA will set out the data it requires in its decision document.

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Stage 7

Post-implementation review

Outputs from Stage 7 to be uploaded to the online portal (see page 22 regarding redactions)	
Output	**Produced and uploaded by**
Notification of change sponsor data collection requirements (in CAA decision)	CAA
Post-implementation review evidence submission	Sponsor
Stakeholder feedback on change sponsor's submission	Affected stakeholders (moderated by the CAA prior to publication and uploaded by the CAA where submitted by post)
Post-implementation review report	CAA
Review of modification requirements prepared by sponsor (if applicable)	CAA
Report on effect of modifications (if applicable)	Sponsor
Review of effect of modifications implemented by sponsor (if applicable)	CAA

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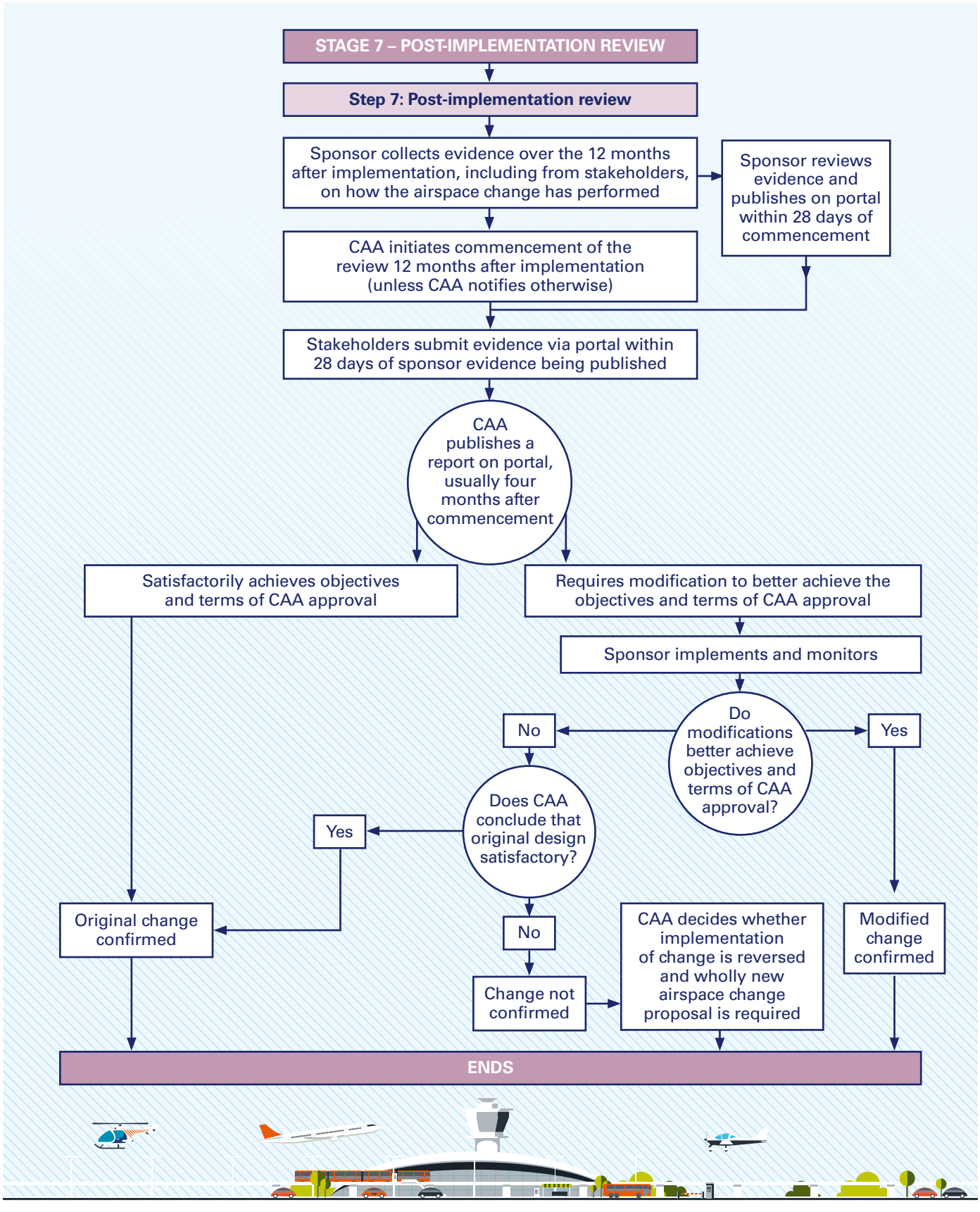
Stage 7

Post-implementation review



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Temporary changes to the notified airspace design

Definition

290. Specific events or operating conditions may sometimes require a temporary change to the notified airspace design to introduce new controlled airspace arrangements or modifications to the existing structure or routes.[39] Because it is still a change to the notified airspace design, a temporary change requires the CAA's approval before it is implemented.

291. The temporary airspace arrangement will usually apply for a period of no longer than 90 days, after which the airspace will revert back to its original form. Should a change be required for longer than 90 days, or should we receive a request to repeat a temporary change that has previously been in effect for 90 days, an airspace change proposal will normally be needed. In extraordinary circumstances, the CAA may consider approving an extension beyond 90 days.

292. The distinction from an airspace trial should be noted. A temporary airspace change is used to meet a need for a specific event or operating conditions for a short period. An airspace trial is where innovative airspace design, technologies or air traffic control operational procedures are being trialled or their performance and effect is being tested.

Process to be followed

Before the temporary change

293. Given that such changes are only temporary, and in line with guidance from the Secretary of State, it would not be proportionate for the change sponsor to follow the full process for a permanent airspace design change set out earlier. Instead, the change sponsor must go through Stage 1 of the process, to prepare a Statement of Need (Step 1A) and to meet with the CAA to discuss precisely what is required. In particular the discussion will cover the level of information that must be provided to all stakeholders, including those that might be affected by noise.

294. Formal appraisal of different options (Stage 2) is not required. However, the CAA will require the change sponsor to undertake an assessment of the stakeholders likely to be affected by the change and the extent of those effects. The change sponsor will also be required to complete a safety assessment that will be reviewed by the CAA. These assessments will inform the CAA's decision whether or not to agree to the temporary change.

295. In terms of Stages 3 and 4, the CAA will require the change sponsor to carry out a consultation with aviation stakeholders (specifically, that is airspace users, air navigation service providers and airports only) to investigate whether the temporary change will be safe and operationally viable. If technically feasible, the consultation duration should be the usual 12 weeks. In addition, the CAA will require the change sponsor to provide information to the full range of stakeholders on what change is taking place and why, and also on the likely impacts while it is in operation. More information on this is set out in Appendix B. The CAA will then consider whether to agree to the temporary change to the airspace design (Stage 5). The CAA expects to make this decision within 28 days.

39. The 2012 London Olympics is an example of when such a temporary arrangement has been used. Note the distinction between a temporary airspace change and the Secretary of State's power to prohibit or restrict flying under Article 239 of the Air Navigation Order 2016, which is used where restrictions are needed because of, for example, an air display or some other planned event involving a large number of people. The use of Article 239 and some other very short term restrictions fall outside the airspace change process. More information appears on page 89.

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Temporary changes to the notified airspace design

296. In this regard, it is important to note the Secretary of State's guidance to the CAA that, in circumstances where a temporary change to the airspace design would affect the distribution of traffic below 7,000 feet, it is vital that the communities that may be affected are informed prior to the change being implemented. The only exception is for situations where overriding safety reasons, or national security considerations, dictate that a temporary change be implemented immediately, pending completion of the full process for a permanent airspace change.

During the temporary change

297. While the temporary change is in operation, the CAA requires the change sponsor:

- to undertake regular engagement with stakeholders, and
- to collate, monitor and report to the CAA on the level and contents of complaints associated with any temporary airspace arrangement once it has been implemented and throughout its period of operation.

298. The criteria a change sponsor must use to assess any complaints received are set out on page 94. The online portal will allow multiple complaints from the same email address.

299. If the basis of stakeholder feedback, including complaints, irrespective of how many have been made or whether they are noise-related, suggests that the operational use of the temporary airspace is not resulting in the anticipated outcomes, the CAA will investigate urgently and take action as appropriate.

Extraordinary circumstances where the temporary period may be extended

300. If an airspace change sponsor wishes to extend a temporary airspace arrangement beyond a period of 90 days, it must provide the CAA with a justification of extraordinary circumstances. Examples of such circumstances might be:

- where the temporary issue which led to the need for the temporary change is both outside the change sponsor's control and lasts longer than was anticipated when the temporary change was first requested
- where the urgent safety or security considerations referred to above require that a temporary change be extended pending completion of the full process for a permanent airspace change.

301. As noted above, if the CAA accepts the justification, we will assess whether the consultation carried out by the change sponsor remains valid or whether it should be augmented. In all cases, an extension beyond the initial agreed period will not be granted simply to minimise the amount of effort required by the change sponsor when pursuing the full airspace change approval process.

Beyond the temporary change

302. If a permanent or long-term arrangement were subsequently to become necessary, the CAA will require the change sponsor to go through the full airspace change process. Normally the CAA will require that the airspace reverts to the pre-existing design once the temporary change is no longer required, pending a formal change being progressed through the airspace change process, although in some cases the CAA may decide otherwise.

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Temporary changes to the notified airspace design

Temporary airspace changes which are excluded from the usual process

303. Some types of temporary airspace change are specifically excluded from the process that generally applies to temporary changes to airspace design, and are implemented immediately.

304. Sometimes this may be because there are overriding safety reasons, or national security considerations. But most commonly these changes are tactical and pre-tactical[40] restrictions of airspace, normally of very short duration (that is, measured in hours or days, but rarely weeks). They are put in place to facilitate unusual aerial activity (mainly air displays and military exercises) and the operation of royal flights. In such cases the change is of such a short duration that it would not be proportionate for the CAA to require the usual process.

305. The following types of change fall into this category:

- **Temporary Restrictions of Flying Regulations in accordance with Article 239 of the Air Navigation Order 2016:** The Secretary of State's power to prohibit or restrict flying under Article 239 of the Air Navigation Order 2016 is used where restrictions are needed because of, for example, an air display, some other planned event involving a large number of people, national defence or any other reason affecting the public interest. This restricts aircraft operations within the specified airspace, but does not otherwise alter the airspace design itself, i.e. there is no change to routes within controlled airspace or to the classification or structure of airspace.
- **Temporary Danger Area:** This is temporary airspace which has been notified as such, within which activities dangerous to the flight of aircraft may take place or exist, at such times as may be notified.
- **Controlled Airspace (Temporary) for royal fixed-wing flights:** This is used when royal flights originate or terminate at aerodromes that are not supported by a control zone or connectivity to the en-route network.
- **Temporary airspace construct for the facilitation of military exercises or operations:** This is used to create a block of airspace for use by the military, for example, for air-to-air refuelling (Tactical Air-to-air Refuelling Area), aerial surveillance (Tactical Orbit Area), etc.
- **Temporary Segregated Airspace:** This is used when segregated airspace, other than that already established and notified, is required for large-scale military exercises.
- **Any temporary alteration of Instrument Flight Procedures because of the establishment of any of the above restrictions:** An example is the departure routes at Heathrow Airport during the biennial Farnborough International Airshow.

40. By 'tactical' we mean at the time of the flight, event etc that gives rise to the need for the change, and by 'pre-tactical' we mean the hours or days leading up to the flight, event etc as dictated by the nature of the change.

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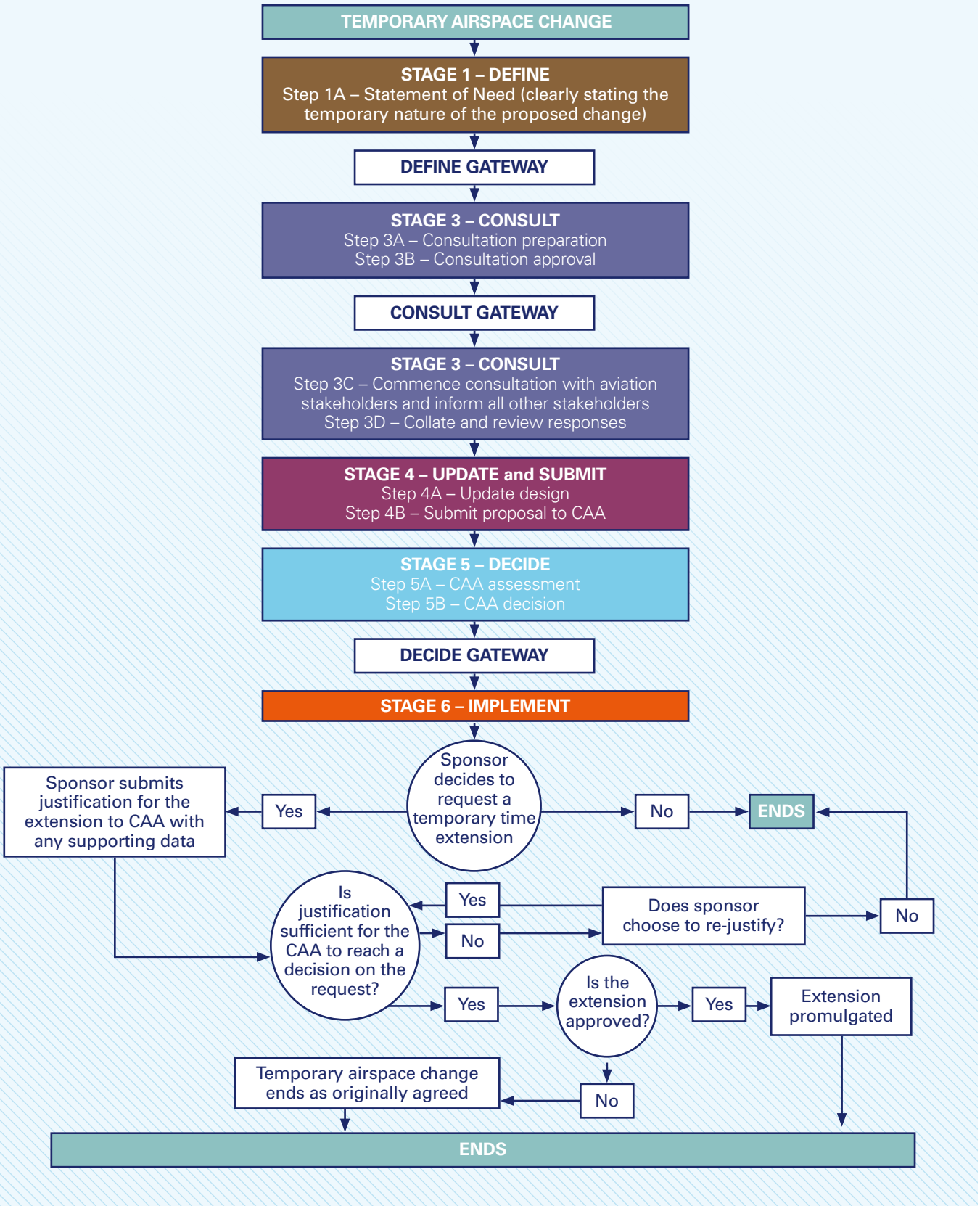
Temporary changes to the notified airspace design



Airspace trials

Definition

306. The Government's Air Navigation Directions define an airspace trial[41] as (a) changes to airspace design, or air traffic control operational procedures, for the purposes of investigating the feasibility of, or validating proposals for, innovative airspace design, technology or air traffic control operational procedures; or (b) a test of an airspace design or an air traffic control operational practice, in order to assess its performance and effect. Airspace trials can therefore make a valuable contribution to the effectiveness of the UK airspace network and form a key component of the successful implementation of the Future Airspace Strategy and the Single European Sky. A trial also allows the change sponsor to develop the evidence base for the impacts of the change being trialled when and if it is formally developed as a permanent airspace change in due course. It can therefore inform future engagement and consultation with the stakeholders affected.

307. The distinction from a temporary airspace change should be noted. An airspace trial is where innovative airspace design, technologies or air traffic control operational procedures are being trialled or their performance and effect is being tested. A temporary airspace change is used to meet a need for a specific event or operating conditions for a short period.

41. Where we refer to an airspace trial we mean a trial of a new airspace design, such that while the trial is taking place, aircraft are using that design as well as, or instead of, the published, CAA approved airspace design. It is also possible for air navigation service providers to trial new operational procedures that do not alter the airspace design. Such trials are not covered by this guidance at the moment.

Process to be followed

Decision by the CAA to permit the trial

308. An airspace trial requires the CAA's approval before it can commence. The trial sponsor must specify a defined objective by submitting to the CAA a Statement of Need (Step 1A). This must include a trial plan, which is a clear explanation of:

- what the trial involves
- what the trial is aiming to investigate, prove or validate (i.e. a defined objective)
- before and after descriptions, where relevant
- what data and outcomes the trial sponsor needs in order to prove or otherwise that the trial has been a success
- how the sponsor has considered and assessed the likely noise impact of its proposal and how this will inform the level of stakeholder engagement required
- the confirmed start and end date.

The change sponsor will also be required to complete a safety assessment that will be reviewed by the CAA.

309. An airspace trial approved by the CAA will last for such fixed period as the CAA considers appropriate, which is not usually for more than six months, although the CAA may be prepared to extend this period as explained below.

310. Government guidance considers that trials are useful, but that specific care should be taken by trial sponsors and the CAA before they are approved. In all cases, the sponsor of the trial should assess whether a non-operational trial, for example the use of simulators, might be more appropriate and set out the rationale why this is not the case. The CAA will usually only agree to a live trial where it involves innovative airspace design (or operational practices) or new technology. If it does not, the CAA will not normally permit a live trial.

Airspace trials

311. Before the CAA will agree to a trial, the sponsor must demonstrate to the CAA that it has consulted with aviation stakeholders (specifically, that is airspace users, air navigation service providers and airports only) to establish that the trial will be safe and operationally viable. In addition, the trial sponsor must carry out an assessment of the anticipated noise impact of the operation of the trial procedures (as explained at the end of Appendix B). The CAA will take all this information in account when weighing the Transport Act section 70 factors before agreeing or otherwise to the trial taking place.

Before the trial commences

312. If a live operational trial is permitted by the CAA, the trial sponsor must next identify and inform the full range of stakeholder groups that the trial will be taking place. The level of information about the trial which it must provide will be influenced by the noise assessment carried out when designing the trial. The scope of this exercise needs to be proportionate. The CAA will make an assessment and advise the trial sponsor what is needed. But in line with Government guidance, particular emphasis should be given to taking reasonable steps to inform communities and their representatives before any trial commences where the trial might affect the routes flown by aircraft below 7,000 feet.

During the trial

313. Once the trial has commenced, the CAA requires the trial sponsor:

- to undertake regular engagement with stakeholders during the period of the trial, and
- to collate, monitor and report to the CAA on the level and contents of any complaints associated with the trial throughout its period of operation.

314. The criteria a change sponsor must use to assess any complaints received are set out on page 94. The online portal will allow multiple complaints from the same email address.

315. If the basis of stakeholder feedback, including complaints, irrespective of how many have been made or whether they are noise-related, suggests that the trial is not resulting in the anticipated outcomes, the CAA will investigate urgently and take action as appropriate.

Extension of the trial period

316. A trial sponsor may request that the duration of the trial is changed. It must allow at least 28 days' notice for this request to be considered by the CAA. The CAA will consider extending the trial period where the sponsor provides justification that it has not been possible to collect the data that was identified in the original trial plan to fulfil the objective of the trial. An example of such a situation might be where the trial period has unexpectedly not provided a sufficient range of weather conditions to test the trial procedure sufficiently. The CAA will ensure that the trial sponsor informs affected stakeholders before any change to the period of the trial is made while the trial is underway.

317. If the trial sponsor wishes to alter the trial plan, the CAA will require the sponsor to consult only with aviation stakeholders (specifically, that is airspace users, air navigation service providers and airports only) to ascertain whether the revised trial is operationally viable. If the CAA is satisfied with the altered objective of the trial and the identification of the data needed to be collected in order to fulfil the purpose of the trial, we will require the sponsor to inform the full range of stakeholders prior to implementation of the revised trial (as before).

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Airspace trials

318. If the contents of complaints, and not just their number, suggests to the CAA that the trial sponsor has failed to engage properly throughout the trial or that the trial is not meeting its objectives, the CAA will take steps to end the trial as soon as it is safe and practicable to do so.

Making a trial of airspace design permanent

319. If the trial sponsor wishes to make a trial of airspace design permanent, it will need to complete the full airspace change process. Normally, the airspace should revert back to its original state until such time as the full process for a change in airspace design can be completed. However, it is not always practical or prudent to disestablish a trial procedure. In such instances, the CAA may consider extending the trial while the airspace change process is being progressed. Such extension will continue to be closely monitored by the CAA.

320. The CAA's agreement to extending the trial should not be taken as an indication that the CAA will approve the airspace change proposal to make the change permanent. Should the change sponsor decide not to progress the airspace change in accordance with the normal timescales for a permanent airspace change set out in this guidance, or should it become clear that the CAA is unlikely to approve the proposed change involving a trial, then the change sponsor will be required to end the trial promptly and to revert the airspace concerned to its pre-trial state.

321. A trial of airspace design should not be seen by an airspace change sponsor as a means of avoiding the full airspace change process.

322. It is imperative that the trial sponsor provides stakeholders with sufficient information before implementation, that it carries out regular engagement throughout the trial, and that it carefully monitors feedback, including noise complaints. The CAA will require the trial sponsor to provide a report on the content of that feedback. On the basis of that report the CAA may determine that the nature or duration of the trial needs to be altered from that originally proposed.

Monitoring complaints

Introduction

323. Complaints from stakeholders are an important element of the process for an airspace trial or implementing a temporary airspace change. Complaints allow the change sponsor and the CAA to identify issues with the design of trials and temporary changes, and highlight the possibility that the anticipated outcomes are not as expected, or are not affecting the areas anticipated.

324. The CAA has set out the following criteria to help the change sponsor monitor and assess any complaints as it receives them during a trial or a temporary change.

Complaints criteria

325. The CAA will consider complaints from affected stakeholders as part of the process for an airspace trial or implementing a temporary airspace change. The change sponsor is required to collate, monitor and report on the level and content of complaints once the airspace trial or change has been implemented. If the basis of the complaints, and not just how many have been made, suggests that the airspace trial or temporary change is not resulting in the anticipated outcomes, the CAA will investigate urgently. One basis of this consideration is the geographic area covered by complaints.

326. When a complaint is received in relation to a trial or temporary airspace change, it must meet one of the following criteria for the CAA to begin an urgent investigation:

- containing new information on environmental impacts that differs significantly from what was proposed or expected
- containing evidence of significant health effects that are not being mitigated
- containing information relating to operational issues, including safety issues, that have not previously been identified.

327. The complaint need not come from within the area expected to be impacted by the trial or temporary change, as identifying areas that are unexpectedly impacted is one expected output of complaints. However, the further the area from the expected impact area, the stronger the evidence of impact that the CAA will expect to be provided. The CAA will take a proportionate approach when considering complaints relating to a wider geographic area, so as to identify any genuinely new information that has not been repeated in more local complaints.

328. Where a complaint is made by a national or representative body, the CAA will expect it to be based on appropriate evidence in the form of information or data that may indicate the trial is not performing as expected, rather than on the personal experience of an individual. There is no limit on the number of complaints that can be submitted by an individual or an organisation in relation to a trial or temporary airspace change. This is because the impacts and information available to someone affected may differ from day to day and they may reasonably wish to provide updated information or raise fresh concerns. However, it is important to be clear that in inviting feedback the CAA is not holding a referendum. Complaints must meet the criteria set out above in order for the CAA to consider whether to investigate the trial or temporary change. Vexatious, malicious, or abusive elements of complaints are not likely to be taken into account.

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Monitoring complaints

329. Sponsors should consider whether it is appropriate to respond to every complaint relating to a trial or temporary airspace change, or whether making available additional information or FAQs could provide a reasonable response to complainants.

330. If a sponsor seeks to begin the process for a permanent airspace change following a trial or temporary change, complaints received during the trial or temporary change should form an important part of the early stakeholder engagement and development of options. The complaints do not replace a proper and full consultation during Stage 3 of a full airspace change should one be proposed, but should inform the sponsor's audience identification, engagement on design principles and assessment of impacts in respect of any such proposal.

Planned and permanent redistribution of air traffic

(through changes in air traffic control operational procedure)

In its February 2017 consultation[42], the Government proposed a wholly new category of airspace change, on which it would direct the CAA to have a decision-making role. This category will be known as a relevant (as defined by the Secretary of State) planned and permanent redistribution of air traffic through changes in air traffic control operational procedure, or relevant PPR.

Such changes alter the way the airspace is used within an existing airspace design. Whereas changes to airspace design are subject to the airspace change process and are consulted on, air traffic control procedure changes can currently be implemented without consultation, even where the noise impacts are similar to those of a change in airspace design. In other words, because changes to air traffic control procedures alone form part of an existing, unchanged airspace design, they are currently outside the airspace change process.

In its October 2017 consultation response[43], the Government stated that this policy will be implemented as soon as possible.

In October 2018 the Secretary of State amended the Air Navigation Directions 2017 with effect from 1 November 2019 to require the CAA to develop and publish procedures, and guidance on such procedures, for the development, consideration and determination of certain types of these proposals.[44] We expect to seek views on draft procedures in early 2019. We will then include that process in an update to this document.

42. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/588186/uk-airspace-policy-a-framework-for-balanced-decisions-on-the-design-and-use-of-airspace-web-version.pdf
43. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/653801/consultation-response-on-uk-airspace-policy-web-version.pdf
44. The Civil Aviation Authority (Air Navigation) (Amendment) Directions 2018, amending The Civil Aviation Authority (Air Navigation) Directions 2017, a copy of which is included as an annex to the Air Navigation Guidance 2017. For ease of reference, the CAA has published a consolidated version of the directions at https://www.caa.co.uk/Commercial-industry/Airspace/Airspace-change/Airspace-Change/.

Airspace information: transparency about airspace use and aircraft movements

Introduction

331. The Air Navigation Guidance 2017 creates new expectations for the aviation industry in relation to transparency about its ongoing operations. These are split into:

- requirements to highlight and explain aircraft operational changes retrospectively through the production of information, and
- proactive expectations to make information available relating to aircraft movements.

332. This section sets out the CAA's guidance for airports and air navigation service providers, which is required of us by government to help industry bodies meet government expectations. Both types of information may in future be subject to guidance from ICCAN, of which airports and air navigation service providers should be mindful where relevant.

333. Although the two types of information are separated within both the Air Navigation Guidance and this section, in practice making all information available proactively may best serve stakeholder interests if airports are gathering it.

Aircraft operational changes affecting the use of airspace

334. The CAA is directed by government to prepare and publish guidance on transparency and engagement for operational changes to airspace usage by aircraft which might have affected the noise impact on people.

335. This section contains the CAA's best-practice guidance for the type of information to be published, how it may be made available, at what frequency, and how airports should engage their communities about such information.

336. In Table 4, below, we list events that might change the distribution of aircraft and/or the noise they make. Rather than asking an airport or air navigation service provider to list such events, we have in Table 5 set out the types of information they should publish that would reveal the noise impact of such events. This will give communities living near airports the information most relevant to them, namely, whether the way in which aircraft are flying has changed, and whether noise has changed as a result.

337. Factors which may lead to a change of noise impact could include changes to flight destinations; aircraft types used by airlines; meteorological conditions; air traffic control practices or slot transfers or sales.

338. These types of change, by nature, are not subject to the formal processes that relate to airspace changes. The CAA has no direct regulatory role in respect of them (although it does have environmental information duties under section 84 of the Civil Aviation Act 2012).

339. This means these factors are all out of the CAA's control. At times, they are also out of government, air traffic control, airline and airport control.

340. However, as such changes may impact on noise on the ground, there is a need for airports to ensure that their local communities have sufficient information to understand the nature and causes of these types of change. The CAA therefore acts in an advisory capacity, seeking to influence the industry's behaviour regarding such changes through the issuance of this guidance.

341. Some of the factors that might lead to changes to noise impact are set out in Table 4 below.

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Airspace information: transparency about airspace use and aircraft movements

Table 4: Factors influencing noise impacts

Operational	
Departure route and destination choice	Most airports have set departure routes that aircraft use. Aircraft are usually sent along departure routes in line with their ultimate destination. This stops aircraft having to travel further than they need and, importantly for safety, minimises aircraft cutting across each other in the air. In reducing the distance flown by going on the most direct route aircraft reduce the amount of fuel burned and carbon emitted. It also means that if there are changes in destinations served by an airport, aircraft may begin to use different departure routes. Airlines may begin to fly to new destinations from an airport, changing departure routes and noise impact, for a number of reasons: • they may operate to different destinations in summer and winter • a new airline might start flying at an airport, operating to new destinations • new destinations might become popular over time • new aircraft types might make destinations that were previously not able to be reached possible.
Aircraft type	Generally, newer aircraft are quieter than older ones – and in almost every area replacing older aircraft will cut overall noise impact. However, in certain limited circumstances the way new aircraft are operated might increase noise for some. If older aircraft start operating from an airport, noise may increase. This may happen if a new airline starts flying from an airport using older aircraft; or if an existing airline increases their flights using older aircraft instead of their usual aircraft. Another way changes to aircraft type may impact on noise is if larger aircraft begin to operate from an airport. While allowing more passengers to travel, larger aircraft tend to be noisier than smaller ones. Again, there are a variety of reasons larger aircraft may start using an airport – such as airlines flying more people to the same destination or new airlines offering new destinations.
Airline procedures	Noise impact can be affected by how aircraft are flown, either generally as part of an airline's preferred practice or tactically depending on conditions on the day. The way an aircraft operates has a big impact on the noise it makes. When its wheels are down, it is significantly noisier, so if an airline or a pilot decides to lower its wheels earlier, that noise will impact more people. International guidance specifies that an aircraft must be configured for landing (i.e. have its wheels down and slowed to landing speed) no later than five miles from the end of the runway. However, there is no outer limit – so some airlines have procedures that tell pilots to be ready for landing earlier than this. If a new airline starts operating at an airport, it may have a different policy that could change the noise levels caused by landing aircraft.

Airspace information: transparency about airspace use and aircraft movements

Table 4: Factors influencing noise impacts (Continued)

Operational	
Airline procedures	Unlike landing, where standard rules apply, every aircraft has a series of options as to how they take-off, called Noise Abatement Departure Procedures. There is usually no single one that is best environmentally, as each procedure affects noise, local air quality and carbon dioxide emissions differently. To reduce complexity and protect safety, airlines are only allowed to adopt two different procedures for each type of aircraft they use, wherever they fly. As noise impact is highly dependent on where people live around an airport, a procedure that cuts noise at one airport may not do so at another – but airlines are not allowed to have different procedures for every single airport they use. An airline changing its adopted Noise Abatement Departure Procedures is likely to change noise on the ground. Noise impact can also be affected by decisions made by air traffic control about how aircraft should be flown within agreed routes or airspace, depending on the conditions of the day, such as the number of aircraft in the area.
Meteorological	
Wind	For safety purposes, aircraft need to take-off and land into the wind. Because of this, the way the wind is blowing affects the direction of aircraft travel. The UK experiences westerly and south-westerly winds around 70% of the time, so aircraft mostly land travelling from the east, and take-off towards the west. Wind direction at an airport may change on a daily basis, and therefore the direction of arriving and departing aircraft on any particular day will reflect that.
Jet stream	The Atlantic jet stream is a current of fast-moving air that runs between America and Europe. Its position moves further north or south over time. Flights to North America need to avoid the jet stream as flying into the 200mph headwind would slow them down and lead to significantly more fuel being used. Because of this, when the jet stream changes its position, aircraft may be sent on different departure routes to avoid it, changing the places they fly over and their noise impact.
Weather	Weather conditions have several impacts on aircraft performance. In warmer air, aircraft need to fly faster, and in high temperatures engines cannot generate as much power and consequently tend to climb slower. The spread of noise is also affected by temperature and humidity. The wind is not a significant factor on how aircraft noise spreads, but it can require aircraft to adjust power to stick to their flightpath, which may cause noise levels to vary on windy days.

Airspace information: transparency about airspace use and aircraft movements

Guidance on making information available

342. Given that the factors mentioned above could lead to changes to the noise effects experienced by communities around airports, it is important that airports and/or the air navigation service providers engaged by them are aware of the principal operational or other factors which could cause them. In order to identify when changes occur, this data will need to be collected and assessed. When changes are identified, airports should be transparent about them with communities.

343. When a change is identified, information about it should be made available, in an accessible form which a layperson can understand, to help to provide context as to why the noise effects they are experiencing may be changing.

344. The Air Navigation Guidance is clear that information is only required to be provided when a change has been identified. However, where information is gathered by airports, making it available to communities proactively may help build relationships and trust.

345. The CAA expects airports to have developed effective relationships with their local communities, and understand their information requirements. This may consist of simply providing updates to representative groups, airport consultative committees, local forums and other community groups about operational and other changes as required; or may require a more regular and formal update process, depending on the significance and frequency of such changes. Airports should keep this under review alongside their local communities on an ongoing basis.

346. Some airports currently offer flight-tracking information to provide communities with a degree of transparency and certainty over traffic patterns. Where an airport is not currently offering such services and the guidance in this section suggests that it should be providing airspace information, the airport should consider whether it is appropriate to adopt such technologies. In doing so it should engage with local communities to ensure their views are considered when making this decision.

347. The CAA does not expect to engage directly with communities relating to such changes. However, where we are made aware that issues have been raised that are not being effectively managed locally and there is a breakdown in trust, we will assess whether it is appropriate to publicly challenge airports to improve engagement and ensure that clear, useful information is being provided to communities. In these circumstances the CAA may also recommend that the airport concerned appoint a facilitator to help build bridges. Where it is clear that an airport is withholding information, we may exercise our powers to obtain information and make it available.

348. Where the guidance in this section suggests that an airport should be providing airspace information, engagement with communities should also include communicating and discussing the potential to mitigate the adverse impacts of these changes where possible. As potential mitigations may be complex and have impacts that exceed the impact of the change itself, and reversing a change which has occurred over time may cause greater disturbance to communities, the focus here should be on exploring the options for mitigating the change through two-way dialogue. Where adverse impacts are significant, and dialogue is not proving effective, use of a third-party facilitator may help to develop mutually acceptable ways forward.

349. Table 5 below gives some guidance on the types of information from which the public may benefit and which could help to show the results of changes listed above, in Table 4. The data could potentially be set out by month, operational season (summer and winter), or in some cases year, depending on the data set and local appetite for information. Information that helps people to plan (such as runway utilisation forecasts) should be made available more frequently.

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Airspace information: transparency about airspace use and aircraft movements

Table 5: Types of information the public may benefit from

Type	Rationale	Mechanisms
Clearer contact information	Many changes to the patterns of operations from an airport are beyond the control of airports, so to be able to express their views effectively, people need to be able to understand complex airport operations or isolate the source of issues. Information relating to how airlines operate, at what times, and to where, can help residents work out where to focus their attention to understand why the operational changes described in this section may be occurring, and what if anything may be done to reduce their local impacts.	This could involve providing a list of the airlines that operate at an airport. Where the situation is more complex, or where issues already occur, airports should consider going further and setting out how each airline uses the airport, as detailed further below.
Route networks by airline	Building on simply providing contact information, by showing people where airlines operate to, alongside route information, and timetable data, local people can begin to develop a more complete picture of: • what is causing noise • where they should direct more detailed enquiries or engagement to try to influence operational practices.	Static information about routes and operators is often already available from many airports – albeit rarely with a focus on noise impact on residents. Where information is available, simply ensuring communities are aware of it is helpful. The more data that is provided, the more complex the web application that is likely to need to be developed to support it. As such, airports may only consider this necessary if their operations are complex, or controversial. Local people may provide feedback to help operators understand their desires.
Slot transfers	Linked to the above, when one airline transfers airport slots to another, there may be a change of operating procedures, aircraft types and destinations as a consequence, so information about them may be appropriate.	As slot transfers are likely to occur at clearly defined points, and operations may change immediately, airports should consider making available information about them, with as much detail as they are able to provide, as contemporaneously as possible.

Airspace information: transparency about airspace use and aircraft movements

Table 5: Types of information the public may benefit from (Continued)

Type	Rationale	Mechanisms
Historic comparisons of route networks flown	Where route networks are changing, for instance as a result of new airlines operating, or a shift in an airline's business model at an airport, it can have a noise impact. For instance, if an airline operating at an airport principally serving southern European destinations begins to operate a number of services to north America, new areas in the UK are likely to be overflown. This can be explained with information about how route networks have changed over time.	Given route networks develop organically, and often change little and often, certainly during summer and winter seasons, airports should consider how often it is appropriate to provide comparative data. One option would be to provide static pictorial representations on a seasonal or annual basis to allow comparison. Data tables of flight numbers to certain areas could also allow comparison. In more complex situations, evolving route networks could be shown as videos to allow comparison between past and present.
Regular depictions of how accurately aircraft are flying on flightpaths	Over time, as technology has improved, aircraft have become more able to operate along the published departure routes. This can mean that swathes of departing aircraft become more concentrated over time along a centreline. Providing this data about centrelines and distribution of traffic around them in conjunction with the information suggested above can help people to understand whether it is new aircraft causing noise or existing aircraft flying existing routes more precisely.	In order to be useful, this information is likely to need to be fluid and displayed visually, providing viewers with the ability to review routes over time. Track-keeping systems may offer this ability.
Aircraft types	The aircraft type utilised by airlines can affect noise impacts, sometimes considerably.	Aircraft type adoption is only likely to have a significant impact on noise where it changes considerably. As such, annual summaries of changes may be the most appropriate vehicle for communicating this information. How useful it would be to provide the data in a more disaggregated way (for example, for the airport as a whole, for each airline, or for each route) is likely to depend on local circumstances.

Airspace information: transparency about airspace use and aircraft movements

Table 5: Types of information the public may benefit from (Continued)

Type	Rationale	Mechanisms
League tables of airline operational performance	How airlines operate can play a large part in the noise impact of flights. For instance, track-keeping, aircraft utilisation, and operational procedures like continuous descent can all have significant impacts on noise. Some airports make such information available already, and it can both serve as an incentive for airlines to improve their operational performance, provide communities with information to engage airlines directly, or trigger airlines to explain their performance proactively.	Some airports already make available aggregated results or league tables to rate operational performance. The amount of detail provided is a trade-off between simplicity for non-expert audiences, and providing communities and their representatives with enough information to effectively engage airlines and third parties to enhance performance.
Historic data on weather conditions (such as prevalent wind percentage by year; hours of weather-related disruptions)	Weather can have major impacts on noise experienced on the ground, directly and indirectly. For instance, a change in prevalent winds over the summer months, when people tend to be more exposed to aircraft noise, can lead to people feeling as though an airport has significantly changed its operations, as it is using the runway in the opposite direction to usual. Weather-related disruption can lead to more aircraft flying outside of usual operating hours. As our climate changes, these impacts may become greater – at a minimum it seems certain that they will change over time. Providing comparative data on a regular basis (annual, seasonal or monthly) can help residents see how events outside of all parties' control can impact on noise. However, airports should also be mindful of the necessity to consider the impact of weather-related disruption on communities, and not assume that simply because they cannot control the weather, they are always unable to control its impact on their operations.	This information can be made available relatively simply by providing comparative annual data in the form of tables or charts. What data is most appropriate will depend on the airport's situation (for instance, airports in low-lying or coastal areas may find providing information about fog-related closures helpful; airports with significant population disparity between the two sides of their runway may find that prevalent wind information is useful to help locals understand why one end of the runway is used for take-offs or landings more frequently).

Airspace information: transparency about airspace use and aircraft movements

Table 5: Types of information the public may benefit from (Continued)

Type	Rationale	Mechanisms
Runway utilisation	Where an airport has multiple runways, information on which runway is in use at a given time can help residents understand noise impacts. In particular, if an airport is aware that runway utilisation is planned to change (for instance if a main runway is under maintenance), proactively communicating that information can help local people plan. Although this differs from the general approach of communicating about changes retrospectively, proactive knowledge is far more useful for residents here.	Historic operational information can be made available via website pages, but live information or forecasts may be better communicated via social media channels.
Data on operations outside of normal operating hours	Many airports already make available information on operations outside of usual hours. Given that night noise and unexpected noise can have a greater impact on communities, providing them with information on when it occurs, and ideally, what caused it, can help them to understand why they have been disturbed, and what, if anything, may be done about it.	There are a variety of ways this could be made available. As well as providing static information online for people to review, social media and mobile phone communication could be used to provide registered users with live information as conditions impact on operations.
Relevant changes made to airline Standard Operational Procedures	Airline Standard Operational Procedures set out how the airline's pilots will undertake operational practices. Each airline may have different Standard Operational Procedures relating to arrivals and departures, and changes to them could cause consequential noise impacts.	Airports may not have access to the operating manuals of every airline that operates there, and are unlikely to know when a change is made to such a manual. As such, transparency relating to manuals would rest on the airport working with its airline customers to either encourage them to be more transparent when they make changes, or to inform the airport so they can make a judgement on its potential noise impact.

Airspace information: transparency about airspace use and aircraft movements

Table 5: Types of information the public may benefit from (Continued)

Type	Rationale	Mechanisms
Existing constraints on airline operations	Many airports will have a series of existing constraints or limitations on airline operations (for instance opening hours; movement caps; type restrictions or noise quota counts), imposed either voluntarily, as a result of conditions within a permission granted by a local authority, or as a result of government policy. Communicating these to local residents may help to contextualise what is possible and not possible within an airport's operating environment, and what is already in place to protect residents from noise.	Operating constraints are likely to be quite static, and a simple website page is likely to be sufficient to provide interested stakeholders with the relevant information. The context relating to such restrictions can be provided in regular meetings and forums.
Other operational changes	Standard Instrument Departure truncations: these changes reduce the time an aircraft spends on a Standard Instrument Departure, without changing their track over the ground, but potentially changing their height in some instances. Enhanced Time-based Separation: this can be used in strong winds to maintain a given landing rate, and therefore could change the rate of aircraft travelling overhead at a given time. The impact on the ground will depend on how frequently the tactic is adopted, and communication of its utilisation should bear this in mind.	These types of change are complex operational changes which may have an impact on noise, or may cause knock-on noise effects. Airports should ensure that they are aware when such changes occur and are conscious of potential impacts perceived on the ground. Airports should assess the most appropriate way to inform communities about them on a case-by-case basis, ensuring that the principle that a lay audience can understand the issue transparently is at the forefront of their thinking.

350. Airports should also consider the usefulness of an annual report covering those changes that have been identified during the course of the year. This may not supplant provision of information about those changes, particularly for significant ones, but could provide communities a useful summary and comparison with previous years.

351. Where airports publish noise action plans, they should consider whether the provision of information described in this section would be a useful addition, and if appropriate, details of any historic or planned mitigation activity.

Airspace information: transparency about airspace use and aircraft movements

352. As set out for some of the information types above, forecast and live operational data can also help people to plan, so airports should consider letting people know how weather and operational factors may impact on noise on a forward-looking basis. This could include forecast runway utilisation or prevalent winds. Once again, modern communication technology could allow interested parties to 'subscribe' to services that provide them with information about forecast weather and operational approaches that may impact on noise (for the avoidance of doubt, the CAA would not expect to see airports charging residents for this type of information).

Expectations for transparency on aircraft movements

353. Alongside the above recommendations relating to changes to the operational use of airspace, the Air Navigation Guidance 2017[45] also sets requirements for airports and air navigation service providers to proactively engage with local communities to inform them on relevant air operations.

354. The Department for Transport advises that this information should, where practicable, cover the tracks flown by aircraft, the numbers of flights, and altitude data.

355. Not every airport will have access to this information, and the Air Navigation Guidance is clear that the Government expects this requirement to be treated proportionately.

356. Alongside their air navigation service providers, airports should consider their local circumstances, before engaging with their local communities or their representatives about what information would be considered useful, and how it is best made available.

357. In the majority of cases where information is made available, doing so via the internet will meet the requirements of the widest numbers of stakeholders. As a general presumption, where information is made available via other channels (for instance presentations to consultative committees, or information provided in libraries or other public buildings), it should also be available online. Airports should work with their communities to understand how information provided online can be distributed to make it available to a wider audience where appropriate.

358. If the CAA is made aware of instances where it is clear that an airport is withholding information, we may exercise our powers to obtain information and make it available.

45. Expectations for transparency on aircraft movements, paragraphs 4.12 to 4.14.

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Appendix A

Statement of Need for an airspace change

When to undertake this activity

Stage 1: Define	1A: Assess requirement	✓
	1B: Design principles	✗
Define gateway		
Stage 2: Develop and assess	2A: Options development	✗
	2B: Options appraisal	✗
Develop and Assess gateway		
Stage 3: Consult	3A: Consultation preparation	✗
	3B: Consultation approval	✗
Consult gateway		
	3C: Commence consultation	✗
	3D: Collate and review responses	✗
Stage 4: Update and submit	4A: Update design	✗
	4B: Submit proposal to CAA	✗
Stage 5: Decide	5A: CAA assessment	✗
	5B: CAA decision	✗
Decide gateway		
Stage 6: Implement		✗
Stage 7: Post-implementation review		✗

What does this activity entail?

The change sponsor prepares a Statement of Need setting out what airspace issue or opportunity it is seeking to address, which is published on the online portal.

Having reviewed the Statement of Need, the CAA meets with the change sponsor to determine whether an airspace change is a relevant option to consider, and to have a first discussion about the appropriate scale of the airspace change process.

If the Statement of Need is updated following the meeting or for any other reason, the change sponsor publishes a new version on the online portal for all to see as 'Version 2' etc.

When the CAA determines whether an airspace change is a relevant option to investigate, it publishes this determination on the portal and is clear which version is being referred to.

Appendix A

Statement of Need for an airspace change

Why is this activity included in the process?

A1. A change to the design of airspace over the UK means a change to the airspace structure and aircraft flight procedures within it. Where a prospective change sponsor identifies an airspace issue or opportunity that may involve such a change, it is important to establish whether the airspace change process is the correct mechanism for resolving that issue and, second, how the relevant process requirements apply if it is.

A2. Consequently, a Statement of Need must be produced that clearly articulates the issue to be resolved or opportunity identified. The Statement of Need also serves to provide transparency over the perceived need for an airspace change, the issues to be addressed and the benefits being sought.

A3. Where a Statement of Need raises an issue for which the airspace change process is not initiated, this will still be captured on the portal and therefore be in the public domain.

Key terms to check in our glossary		
Aeronautical Information Publication	Airspace design	Airspace Modernisation Strategy
Airspace structure	Area navigation routes	Air traffic service (ATS)
Danger Area	En-route holding	Flight information region (FIR)
Flight procedures	Helicopter routes	Instrument approach procedure (IAP)
Lower ATS route	Name-code designator	Prohibited area
Restricted area	Standard Arrival Route (STAR)	Standard Instrument Departure (SID)
Terminal control area	Upper ATS route	Upper information region (UIR)
Visual reference point (VRP)		

How to undertake this activity

A4. The change sponsor must normally complete the online 'DAP1916' template for the Statement of Need: Intended change to notified airspace, which can be found on the CAA's website. In the free text box the change sponsor must clearly set out the nature of the airspace issue or opportunity that requires resolution. Table A1 gives some guidance on the information that the change sponsor should consider including.

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Appendix A

Statement of Need for an airspace change

Table A1: Information for the Statement of Need

The current/existing situation	• A description of the current airspace design (i.e. the airspace structure and flight procedures) relevant to the proposal • Any relevant history of airspace design changes • The current prevailing air traffic situation • Frequency/number of movements • Forecast growth (where applicable) • Local geography (for example, local physical geography, urban features etc)
The issue or opportunity to be addressed	• A summary statement of the issue or opportunity to be addressed and the objective of the proposed change • Whether the proposal forms part of the plan for delivering the Airspace Modernisation Strategy, and, if not, confirmation that the proposal does not conflict with the plan
The cause of the issue or opportunity and any associated factors or requirements (safety, operational, technical, and environmental)	• How has the issue or opportunity arisen? • Why is action required? • What safety, operational, technical, environmental or economic factors are relevant to the issue?
Applicable to Level 0 changes only (see scaling of the process below)	
Is the proposed change to (a) the nomenclature, or (b) qualifying remarks of the characteristics of the airspace design published in the AIP?	• If yes, insert, from the list in Table A2 below, the type of characteristic(s) (i.e. either a specific or a common characteristic) of the category of airspace design that you propose to change • State the exact change proposed

Assessment meeting

A5. The change sponsor must normally arrange a meeting with the assigned CAA case officer in order to present the Statement of Need together with any supporting material. The case officer will ensure that the appropriate CAA subject matter experts (safety, operational, consultation and environmental) are available to participate in any meeting. The meeting will consider the Statement of Need and assess:

- whether the sponsor has identified an issue that could reasonably be resolved by a change to the existing airspace design
- where the airspace change process is not the appropriate mechanism for resolving the underlying airspace issue, what should be an alternative method of resolution
- where the CAA agrees that airspace change is an option, the provisional indication of the scaling 'Level' (see overleaf).

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A6. If the airspace change process is considered the most appropriate method of resolution, the change sponsor is advised to consult the following guidance alongside this document:

- CAP 1378 Airspace Design Guidance: Noise Mitigation Considerations when Designing PBN Departure and Arrival Procedures
- Air Navigation Guidance 2017 to the CAA from the Secretary of State.

A7. A template for the standard agenda for all assessment meetings is on the online portal. The change sponsor will produce minutes of the assessment meeting and publish these on the online portal as soon as they are agreed with the CAA (no later than two weeks after the meeting).

A8. If the CAA deems it appropriate, instead of an assessment meeting, this discussion can on occasion happen through other means (such as email or telephone conversation). A record of this must still be published on the portal.

Redaction of commercially (or national security) sensitive material

A9. The CAA will allow the change sponsor to redact certain information from the published versions of the assessment meeting minutes and the Statement of Need:

- material that is confidential in the interests of national security
- material which the CAA has agreed with the change sponsor should not be made public, in order to protect the legitimate commercial interests of a person or business (in the same way that we are obliged to apply the Freedom of Information Act to any information held by the CAA).

A10. If the proposal contains any such sensitive information, then two versions are submitted – one full version for the CAA and one redacted version for publication. More information on this appears in Appendix F.

A11. The default position is that all material in relation to a proposal is published. We do not anticipate routinely agreeing to withhold large amounts of information and would only accept redaction of the minimum information necessary to comply with our obligations.

Scaling the process

A12. A summary of the scaling Levels is set out in the section of this guidance on permanent changes to airspace design (Table 2).

A13. This includes Level 0 which is used where the change is only to:

- nomenclature or
- qualifying remarks[46]

to the notified airspace in the Aeronautical Information Publication, and will therefore not alter traffic patterns.

A14. A list of types of airspace changes that could be a Level 0 is set out in Table A2 overleaf. The change sponsor must identify whether its change is expected to be one of these types by ticking the appropriate box when it completes the Statement of Need. The CAA will review the Statement of Need and will use this information to decide whether the change will be a Level 0 change. If it is confirmed by the CAA as Level 0, the Statement of Need is published and the CAA's confirmation that it is Level 0 is published, but the change does not progress through the rest of the airspace change process.

46. In this definition 'qualifying remarks' means those which relate to an existing airspace design published in the Aeronautical Information Publication.

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Statement of Need for an airspace change

Table A2: Airspace changes that could be categorised as Level 0 – changes to Aeronautical Information Publication nomenclature or qualifying remarks

Categories	Proposed Changes to:
Air Traffic Flow Management (ATFM)	- All
Flight Information Region (FIR), Upper Information Region (UIR), Terminal Manoeuvring Area (TMA), Controlled Area (CTA), Controlled Zone (CTR)	- Name - Lateral Limits - Vertical Limits - Class of Airspace - Hours of Service - Remarks
Other Regulated Airspace	- Aerodrome Traffic Zone (ATZ) - Military Aerodrome Traffic Zone (Military ATZ)
Lower Air Traffic Service (ATS) Routes	- Route Designator - Magnetic Track (Track MAG) - Name of Significant Points - Co-ordinates - Distance - Upper Limits - Lower Limits - Minimum Flight Altitude - Airspace Classification - Lateral Limits (Fillets of airspace) - Lateral Limits (Airway width) - Remarks (Excluding Controlling Unit and Frequency)
Upper Air Traffic Service (ATS) Routes	- Route Designator - Magnetic Track (Track MAG) - Name of Significant Points - Co-ordinates - Distance - Upper Limits - Lower Limits - Airspace Classification - Remarks (Excluding Controlling Unit and Frequency)

Appendix A

Statement of Need for an airspace change

Table A2: Airspace changes that could be categorised as Level 0 – changes to Aeronautical Information Publication nomenclature or qualifying remarks (Continued)

Categories	Proposed Changes to:
Area Navigation Routes	- Route Designator - Name of Significant Points - Co-ordinates - Waypoint - Bearing (BRG) & Distance (DIST) - Geodesic Distance (DIST) - Upper Limits - Lower Limits - Airspace Classification - Remarks (Excluding Controlling Unit and Frequency)
Helicopter Routes	- Route Designator - Name of Significant Points - Co-ordinates - Waypoint - Bearing (BRG) & Distance (DIST) - Geodesic Distance (DIST) - Upper Limits - Lower Limits - Airspace Classification - Remarks (Excluding Controlling Unit and Frequency)
Other Routes	- Route Designator - Name of Significant Points - Co-ordinates - Waypoint - Bearing (BRG) & Distance (DIST) - Great Circle Distance (DIST) - Upper Limits - Lower Limits - Airspace Classification - Remarks (Excluding Controlling Unit and Frequency)
En-route Holding	- Identification (ID), Fix, Waypoint (WPT) - Inbound Track (INBD TR) (Magnetic) - Direction of pattern - Max Indicated Airspeed (MAX IAS) - Minimum/Maximum Holding Level (MNM-MAX HLDG LVL) - Time (Min) - Distance Outbound (DIST OUBD)

Appendix A

Statement of Need for an airspace change

Table A2: Airspace changes that could be categorised as Level 0 – changes to Aeronautical Information Publication nomenclature or qualifying remarks (Continued)

Categories	Proposed Changes to:
Name-Code Designators for Significant Points	- Name-code Designator - Coordinates - Air Traffic Service (ATS) Route - Other Name
Prohibited, Restricted and Danger Areas	- Identification - Name - Lateral Limits - Upper Limit - Lower Limit - Remarks (Excluding Service, Contact Danger Area Authority)
Military Exercise and Training Areas and Air Defence Identification Zone (ADIZ)	- Name - Lateral Limits - Upper Limit - Lower Limit - Remarks - Time of Activity (ACT)
Aerodrome/Heliport Location Indicator and Name	- Location Indicator
Air Traffic Service (ATS) Airspace	- Designation - Lateral Limits (Latitude/Longitude) - Vertical limits - Airspace classification - Transition Altitude - Remarks
Flight Procedures	- Visual Reference Points (VRPs) - Holding - Missed Approaches - Special Visual Flight Rules (VFR) Flight - London Helicopter Routes

Appendix B

Environmental metrics and assessment requirements

When to undertake this activity

Stage 1: Define	1A: Assess requirement	✗
	1B: Design principles	✗
Define gateway		
Stage 2: Develop and assess	2A: Options development	✗
	2B: Options appraisal	✓
Develop and Assess gateway		
Stage 3: Consult	3A: Consultation preparation	✓
	3B: Consultation approval	✗
Consult gateway		
	3C: Commence consultation	✗
	3D: Collate and review responses	✗
Stage 4: Update and submit	4A: Update design	✓
	4B: Submit proposal to CAA	✗
Stage 5: Decide	5A: CAA assessment	✓
	5B: CAA decision	✗
Decide gateway		
Stage 6: Implement		✗
Stage 7: Post-implementation review		✓

What does this activity entail?

The consideration and assessment (qualitative and where possible quantitative) of environmental impacts that can arise from airspace change proposals, notably noise, CO_2 emissions and local air quality.

The presentation and explanation of those impacts to stakeholders.

The inclusion of environmental impacts as part of the CAA's decision-making process for airspace change proposals.

The CAA's review of the change sponsor's environmental assessment and preparation of a report that is considered as part of the CAA's decision-making.

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Why is this activity included in the process?

B1. Section 70 (2)(d) of the Transport Act 2000 states that the CAA must "take account of any guidance on environmental objectives given to the CAA by the Secretary of State after the coming into force of this section" when making decisions on airspace change proposals.

B2. The guidance from the Secretary of State on environmental objectives is the Air Navigation Guidance 2017.[47] It applies to the whole of the UK.

B3. Consideration and assessment of the potential environmental impacts resulting from proposed airspace changes is necessary as part of the CAA's decision-making process, and it also enables those who are affected by the proposed change to better understand the impacts of the different options being considered.

B4. Government guidance categorises airspace change proposals as either a permanent change to airspace design, a temporary change to airspace design, or an airspace trial. This guidance reflects the environmental assessment requirements for such changes. Recognising that neither temporary airspace changes nor airspace trials are permanent, we outline the proportionate environmental requirements for these types of changes under the respective sections earlier in this guidance.

Key terms to check in our glossary		
Acute Myocardial Infarction (AMI)	Area of Outstanding Natural Beauty	Biodiversity
CO_2 emissions	Consultation	Elected representatives
Engagement	Feedback	Inform
L_{max} values	Local air quality	Local authorities
N70 contours	Non-governmental organisation	Nx contours
Overflight	Overflight contours	Planned and permanent redistribution of air traffic (PPR)
Primary metrics	Public Evidence Session	Representative group
Secondary metrics	Sound exposure level (SEL)	Stakeholder
Tranquillity	WebTAG	

47. Air Navigation Guidance 2017 – Guidance to the CAA on its environmental objectives when carrying out its air navigation functions, and to the CAA and wider industry on airspace and noise management. https://www.gov.uk/government/publications/uk-air-navigation-guidance-2017

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How to undertake this activity

Requirements for environmental assessments – stage by stage

Step 1A – Assess requirement

B5. The CAA will provide an early indication to sponsors of the likely requirements for environmental assessment based upon the anticipated Level of the airspace change proposal that will be required to resolve the change sponsor's airspace issue. The requirements will be based upon the characteristics of the likely solution and how it compares against the definitions for Level 0, Level 1, Level 2 or Level M.

Step 1B – Design principles

B6. There is no requirement on sponsors to undertake environmental assessment as part of this stage; however, desired environmental outcomes for the airspace change are very likely to form some of the design principles. For example, design principles might include a general objective for the final design to reduce total CO_2 emissions, or to reduce CO_2 emissions on a per-flight basis.

B7. As well as consideration of single and multiple routes, other local factors to consider might include whether there are specific Areas of Outstanding Natural Beauty (AONB), National Parks, nominated quiet areas, or noise-sensitive buildings that it is practical to avoid overflying.

Step 2B – Options appraisal

B8. The change sponsor will undertake environmental assessments (quantitative and/or qualitative, according to the scale of the change options and the nature of the potential environmental impacts) as part of this stage. This forms part of the Initial options appraisal whereby a comprehensive list of potential options are compared; further guidance on this can be found in Appendix E. The CAA will review the options appraisal, including the assessment of any environmental impacts for the options under consideration.

B9. The options appraisal (and therefore any environmental assessments undertaken as part of that appraisal) is to be included in the change sponsor's subsequent consultation material. The options appraisal will also enable the change sponsor to illustrate any trade-offs that are being made between environmental impacts. For example, if an option results in an increase in the number of people overflown but also results in a decrease in significant adverse impacts from aircraft noise.

B10. The Government's Transport Analysis Guidance (WebTAG)[48] will be used at this stage for a number of factors including the potential environmental impacts.

B11. The CAA expects the change sponsor to use the most up-to-date and credible, clearly referenced sources of data, with modelling carried out in line with relevant best practice.

B12. Depending on the Level of the airspace change proposal, the following elements must be assessed. Further detail on the elements and the metrics is set out later in this Appendix.

48. For more information see https://www.gov.uk/guidance/transport-analysis-guidance-webtag

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Level 0

- No requirement for options appraisal and therefore no consideration of environmental impacts. This is on the basis that Level 0 proposals have no environmental impacts.

Level 1 or M1

- noise
- CO_2 emissions
- local air quality (for any option that includes changes below 1,000 feet)
- tranquillity
- biodiversity.

Level 2 or M2

- CO_2 emissions.[49]

Step 3A – Consultation preparation

B13. The change sponsor undertakes all required environmental assessments, for inclusion in its consultation material. This forms part of the Full options appraisal whereby a shortlist of potential options are compared. The metrics set out in the environmental requirements technical annex to this guidance explain the requirements further.

B14. Depending on the Level of the airspace change proposal, the following elements must be assessed:

Level 0

- No requirement for consultation and therefore no consideration of environmental impacts. This is on the basis that Level 0 proposals have no environmental impacts.

Level 1 or M1

- noise
- CO_2 emissions
- local air quality (for any option that includes changes below 1,000 feet)
- tranquillity
- biodiversity.

Level 2 or M2

- CO_2 emissions.[49]

Step 3C – Commence consultation

B15. Any responses from the change sponsor to consultees that relate to environmental impacts must be consistent with the requirements in the CAA's guidance.

Step 4A – Update design

B16. This stage will include the Final options appraisal – a re-assessment of the Full options appraisal, dependent upon consultation feedback and any modifications made to the design as a result. If any of the options are modified, the change sponsor must explicitly consider whether any of the environmental impacts have changed, and if so, to what extent. Depending on the scale of any such change to the previously consulted impacts, a qualitative or quantitative re-assessment may be required.

Step 4B – Submit proposal to CAA

B17. The change sponsor's submission must meet the structure and format of environmental assessment set out in the CAA's guidance and contain all the necessary requirements.

49. For Level M, the Ministry of Defence need only ever assess the anticipated environmental impacts of the consequential changes on civil aviation patterns.

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Environmental metrics and assessment requirements

Step 5A – CAA assessment

B18. The CAA will review the submission to ensure that all necessary environmental assessment requirements have been provided, based upon the Level of the airspace change proposal and its expected impacts. Clarifications or corrections may be sought by the CAA from the change sponsor with regard to the analysis of the anticipated environmental impacts.

B19. When reviewing any update to the design and/or options appraisal, the CAA reviews the environmental assessment to ensure it continues to meet the requirements of this guidance plus any other request placed upon the change sponsor by the CAA or the Secretary of State.

B20. If a Public Evidence Session is to be held, a summary of environmental impacts must be included in the layperson's guide explaining the change sponsor's proposals.

Stage 5B – Decision

B21. The CAA will produce an environmental statement when deciding upon an airspace change proposal. This will consider and report on whether or not all environmental factors have been considered in line with relevant Government policy, whether they have been assessed and portrayed adequately, and whether or not we believe they have been balanced appropriately.

Step 7 – Post-implementation review

B22. Some degree of environmental assessment will be required as part of a post-implementation review for most airspace change proposals that are approved and implemented. Detailed requirements that are specific to an implemented change will be outlined to the change sponsor in advance of the post-implementation review commencement. In general, sponsors will be required to re-assess all environmental factors that were considered as part of the proposal and to demonstrate whether the anticipated impacts have been realised. All assumptions and estimates used in order to perform the initial assessment will have to be reviewed by the change sponsor in the light of actual data since implementation. The change sponsor will need to be able to compare it with pre-change data. in order to demonstrate the environmental impacts that have occurred as a result of the change.

B23. The change sponsor will have to either:

- confirm that the impacts are as anticipated and presented in the approved proposal (together with any necessary supporting evidence), or
- present a re-assessment of the impacts presented in the proposal using actual data to update the results.

B24. In addition to the above analysis, operational diagrams (for example, radar track diagrams, track density diagrams) are likely to be required as part of the evidence for the impact of the change and as a means of portraying the nature of the change in comparison with the expectations set out in the airspace change proposal. This will be particularly true for Level 1 airspace change proposals. Any operational diagrams must be consistent with those presented in the consultation and the submission to the CAA, in order to enable a direct comparison. In this respect, sponsors must monitor and record data from the point of implementation that will enable them to provide any such comparative diagrams for the post-implementation review. When using data samples to represent periods of operation, sample periods after implementation must be comparable with any sample periods used before the change.

B25. The CAA will review the re-assessed impacts and determine whether or not the anticipated environmental impacts have been achieved.

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General principles for environmental assessments

B26. The requirements for environmental assessment include a number of specific metrics that must be used in order to derive a quantitative output, as set out in this guidance. However, if a change sponsor believes that a quantitative assessment using the metrics identified by the CAA will result in no difference in the outputs for a metric (i.e. neither the pre- and post-implementation scenario, nor the forecast scenarios are affected by the change proposal for that metric), then a qualitative assessment of that impact may be used instead. In such circumstances, the change sponsor must present its rationale to justify that a quantitative assessment is unnecessary plus supporting evidence to the CAA for us to consider. After consideration, the CAA will confirm whether or not we have accepted the case made by the change sponsor. In all instances, if the CAA agrees and accepts the change sponsor's rationale, that same rationale plus the supporting evidence needs to be clearly explained in any consultation material and in the final proposal submitted to the CAA.

B27. A baseline will be required for all environmental assessments. This will be a 'do nothing' scenario and will largely reflect the current-day scenario, although taking due consideration of known or anticipated factors that might affect that baseline, for example a planned housing development close to an airport, forecast growth in air traffic, or expected changes in airlines' fleet mix. Therefore, all environmental assessments must illustrate the difference between a pre-implementation ('do nothing') scenario and a post-implementation scenario, ensuring that the periods are comparable. Note that the baseline will be a 'do nothing' scenario, even if that is a theoretical scenario, i.e. the option to 'do nothing' is not in itself a feasible option for consideration in reality.

B28. In addition to the requirements set out in this guidance, sponsors may choose to present additional analysis on any of the environmental impacts if they feel it would aid stakeholders' understanding of those impacts.

Altitude-based priorities for environmental impacts

B29. The Government's priorities for consideration of the environmental impacts arising from airspace change proposals are set out in its Air Navigation Guidance. For the purposes of assessing environmental impacts of airspace change proposals, they are set out below:

"…the CAA should apply the following altitude-based priorities of the Government:

- in the airspace from the ground to below 4,000 feet, the Government's environmental priority is to limit and, where possible, reduce the total adverse effects on people
- where options for route design from the ground to below 4,000 feet are similar in terms of the number of people affected by total adverse noise effects, preference should be given to that option which is most consistent with existing published airspace arrangements
- in the airspace at or above 4,000 feet to below 7,000 feet, the environmental priority should continue to be minimising the impact of aviation noise in a manner consistent with the Government's overall policy on aviation noise, unless the CAA is satisfied that the evidence presented by the sponsor demonstrates this would disproportionately increase CO_2 emissions
- in the airspace at or above 7,000 feet, the CAA should prioritise the reduction of aircraft CO_2 emissions and the minimising of noise is no longer the priority

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- where practicable, it is desirable that airspace routes below 7,000 feet should seek to avoid flying over Areas of Outstanding Natural Beauty (AONB) and National Parks; and
- all changes below 7,000 feet should take into account local circumstances in the development of the airspace design, including the actual height of the ground level being overflown, and should not be agreed to by the CAA before appropriate community engagement has been conducted by the sponsor."

B30. Throughout this Appendix, altitude is expressed in feet above mean sea level (amsl) in order to provide a common datum. However, as noted in the final bullet above, we require that sponsors must take account of the elevation (height) of the specific surface level involved when developing their airspace change proposals. This is particularly relevant when a proposal may affect airspace at an altitude higher than 7,000 feet (amsl) yet the height of the terrain directly beneath may be higher than mean sea level, thereby resulting in aircraft being less than 7,000 feet above that particular geographic area. The change sponsor must confirm that this requirement has been reflected in its assessment and provide details of any geographic areas where such adjustment has been necessary.

Traffic forecasts

B31. Traffic forecasts for a period of at least 10 years from the intended year of implementation are required for all permanent airspace change proposals.

B32. If the proposed airspace change is expected to have an effect on the number of flights or the types of aircraft utilising the airspace (i.e. the fleet mix) then two sets of traffic forecasts must be provided by the sponsor – one that is based on the 'do nothing' scenario (i.e. assumes the proposal is not implemented) and one that is based on the change option being implemented.

B33. For example, if one of the aims and expectations of an airspace change proposal is to enable an increase in aircraft movements, over and above what would be expected to occur if the proposal were not implemented, then the traffic forecast must reflect two scenarios:

- the anticipated growth if the proposal was not implemented, and
- the anticipated growth if the proposal is implemented.

B34. These two sets of traffic forecasts must then be used if forecast environmental impacts are required as part of the assessment, for example for noise contours or CO_2 emissions.

Scalability

B35. The requirements for environmental assessment will be scalable and proportionate, and are primarily determined by the Level of the airspace change proposal. The Levels are categories that are defined on the basis of the potential for a proposal to have a noise impact, based upon the Government's altitude-based priorities as set out in its Air Navigation Guidance. In all cases, if a change sponsor can provide a robust rationale supported with appropriate evidence that undertaking a specific metric or quantitative assessment of a proposed option would result in no environmental impact, and the CAA is satisfied with that rationale, then there will be no need to undertake that assessment. However, consultation material and the final formal proposal to the CAA must explain this rationale.

Level 0 airspace change proposal

B36. A Level 0 airspace change is predicated on the assumption that it has no environmental impacts. Once a proposal is confirmed as Level 0 by the CAA, there will be no need to undertake any environmental assessment; none of the environmental requirements in this guidance will apply.

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Level 1 airspace change proposal

B37. This is a change that will alter traffic patterns below 7,000 feet (i.e. the maximum height at which the Government's Air Navigation Guidance determines that noise is a priority for consideration).

B38. The key difference for any Level 1 airspace change proposals is that sponsors must demonstrate a clear consideration of noise impacts. This is likely to necessitate noise modelling, use of WebTAG and noise metrics to measure and portray the noise impacts. However, in some cases the change sponsor may believe that its proposed change will not result in a change to noise impacts that will result in a demonstrable change in a measurable output (in other words, that the impact is not quantifiable using either WebTAG or noise metrics). If the change sponsor can provide a robust justification for that assertion for the CAA's consideration and the CAA accepts that justification, then quantitative noise assessment may not be required.

B39. Consideration of all other key environmental impacts will also be required, and that consideration must be adequately reflected in the sponsor's consultation material and in the final proposal submitted to the CAA.

B40. Level 1 airspace change proposals that have the potential to change traffic patterns (including vertical or lateral profiles), operational practices or traffic volumes below 1,000 feet will also have to demonstrate consideration of the possible impact upon local air quality.

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Summary of environmental assessment requirements for Level 1 proposals

Noise

Changes that affect routes and/or traffic patterns below 4,000 feet (above mean sea level):

- WebTAG
- Nx contours
- operational diagrams that portray existing traffic patterns and proposed traffic patterns
- an assessment and portrayal of noise impacts up to 4,000 feet (above mean sea level) for geographic areas not contained by either the WebTAG outputs or the Nx contours.

Changes that affect routes and/or traffic patterns at or above 4,000 feet and below 7,000 feet (above mean sea level):

- WebTAG – only in those instances where the WebTAG output is affected by aircraft within this altitude band. For most airspace change proposals it is anticipated that noise impacts from traffic at or above 4,000 feet will have no effect on the WebTAG output
- Nx contours
- operational diagrams that portray existing traffic patterns and proposed traffic patterns
- an assessment and portrayal of noise impacts at or above 4,000 feet to below 7,000 feet (above mean sea level) for geographic areas not represented by either the WebTAG outputs or the Nx contours.

Longer-term noise impacts (a 10-year forecast scenario) will also be required.

Additional noise metrics may also be used by sponsors (for example, Lmax values at selected locations) if these aid the portrayal and understanding of noise impacts for consultees.

Overflight

Overflight contours or swathes. These are a means of defining and portraying the pattern and dispersion of aircraft below 7,000 feet, and the frequency that they occur. They are based upon a perception of overflight – they do not illustrate noise impacts.

CO_2 emissions

An assessment of fuel and CO_2 impacts of the proposed change using WebTAG. This will include annual totals for each option and the changes on a per-flight basis.

Longer-term CO_2 emissions (a 10-year forecast scenario) will also be required.

Local air quality

Explicit consideration of, and assessment using WebTAG where necessary.

A full local air quality assessment is required if there are any changes to traffic dispersion or total aircraft emissions below 1,000 feet.

AONBs and National Parks – impacts upon tranquillity

Explicit consideration of any changes to routes and/or traffic patterns that may affect either an Area of Outstanding Natural Beauty (AONB) or a National Park, with specific regard to impacts upon tranquillity.

Biodiversity

Explicit consideration of, and assessment where necessary. This requirement will typically be captured and considered as a specific factor in the design principles for each proposal. Most airspace change proposals are unlikely to have an effect upon biodiversity and therefore the inclusion within the design principles is expected to be the full extent of any consideration in most instances.

For more information about:

- **environmental metrics and related technical terms click here**

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Level 2 airspace change proposal

B41. A Level 2 change will not alter traffic patterns below 7,000 feet (i.e. the Government's Air Navigation Guidance determines that noise impacts are not a priority for consideration).

Summary of environmental assessment requirements for Level 2 proposals

CO_2 emissions

For Level 2A changes, an assessment of fuel and CO_2 impacts of the proposed change using WebTAG. This will include annual totals for each and the changes on a per flight basis. Longer-term CO_2 emissions (a 10-year forecast) will also be required.

For Level 2B and 2C changes, an assessment of fuel and CO_2 impacts of the proposed change using WebTAG if the anticipated impact is negative (i.e. an increase in fuel and emissions). This will include annual totals for each and on a per flight basis. If the anticipated impact is positive, a qualitative assessment and explanation is adequate.

Longer-term CO_2 emissions (based on a 10-year traffic forecast) will also be required.

Level M airspace change proposal

B42. Proposals sponsored by the Ministry of Defence will be classified as Level M, with a further distinction between M1 and M2 proposals. Environmental impacts that are a direct result of military aircraft or military operations (including civil aircraft carrying out military function under contract) are not required to be considered or assessed. However, consequential environmental impacts from other airspace users (i.e. civil aviation) that are a result of the proposed change must be assessed in accordance with Level 1 or Level 2 requirements. For example, if the proposed change is likely to have an effect upon General Aviation activity and/or traffic patterns, then environmental impacts from that effect (such as noise) need to be appropriately considered and assessed and reflected in consultation material.

B43. A Level M proposal where an anticipated consequence of the change proposed is an alteration of civil aviation traffic patterns below 7,000 feet will be classified as M1, and will follow the environmental assessment requirements set out in this guidance for a Level 1 proposal. A Level M proposal will be classified as M2 where the anticipated consequences of the change proposed are either an alteration of civil aviation traffic patterns at 7,000 feet or above, or no impact on civil traffic. These will follow the environmental assessment requirements set out in this guidance for Level 2 proposals (which are further broken down into 2a, 2b and 2c). However, for the environmental assessment, the Ministry of Defence need only ever assess the anticipated environmental impacts of the consequential changes on civil aviation patterns.

Linked airspace change proposals

B44. If an airspace change proposal is linked in any way with another airspace change proposal (for example, it is either contingent upon or an enabler for, or is part of a 'phased' implementation programme of changes) this link must be clearly identified through the engagement and consultation processes, and in the final proposal submitted to the CAA.

B45. Such links may mean that the environmental impacts of the connected proposals need to be considered on a combined basis in order to fully and properly reflect the impacts. The approach to be taken in such circumstances must be agreed with the CAA at the outset of the process.

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Environmental impact – noise

Noise policy

B46. The Government's noise policy is "to limit, and, where, possible, reduce the number of people in the UK significantly affected by adverse impacts from aircraft noise. For the purpose of assessing airspace changes, the Government wishes the CAA to interpret this objective to mean that the total adverse effects on people as a result of aviation noise should be limited and, where possible, reduced, rather than the absolute number of people in any particular noise contour."[50] To be consistent with this, priority should be given to reducing the total significant adverse impacts rather than the number of people who will experience aircraft noise. Therefore from a noise perspective, it may on occasions be better to have multiple concentrated routes that share noise among more people, than a single concentrated route which affects fewer people but to a greater extent. Rather than a 'one size fits all' approach to whether single or multiple routes are better, sponsors must consider the impacts of different options and decide what will work better in a given situation. These decisions should be informed by considering the anticipated noise impacts, and through engagement with communities.

Assessment of noise impacts

B47. Sponsors must demonstrate that they have considered the impacts that any changes in noise will have on those significantly affected by noise, most importantly the impacts on communities' health and quality of life as a result of noise. This must be done by using the Department for Transport's WebTAG which will enable a *relative comparison* to be made between the noise impacts of change options. By monetising the impacts (annoyance and health impacts), a comparison can be made between the noise impacts of a range of options, by making a comparison to the baseline for each of those options. The output from WebTAG will form the primary measure of the noise impact for the purpose of the CAA's decision-making on a proposal.

B48. Given that annoyance due to noise will be far more common than any of the other health factors (sleep disturbance, acute myocardial infarction (AMI, commonly referred to as a heart attack), stroke and dementia) it can often be the most dominant impact when health and quality of life are assessed. Therefore, in accordance with Department for Transport guidance, sponsors can propose options that reduce the impacts of sleep disturbance, AMI, stroke or dementia *even if this leads to increased annoyance*. There may also be options which perform comparatively better in terms of day noise than night noise, or vice versa. In any of these instances, sponsors must demonstrate that they have considered the relative trade-offs and taken into account community views on which element to prioritise. Design principles could also inform how the change sponsor develops options that reduce or increase noise in some areas rather than others.

B49. As well as total significant adverse impacts, sponsors must adequately explain how communities will be affected as a result of the proposal, such as the expected change in noise exposure communities will experience. In this respect, sponsors should use Leq noise contours to portray noise impacts (down to 51dB $L_{Aeq16hr}$ for daytime noise and 45dB L_{Aeq8hr} for night time noise) particularly if the proposal is associated with an airport that has 50,000 or more air transport movements in a year.

50. Paragraphs 3.4 and 3.5 of the Air Navigation Guidance 2017.

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B50. In addition to clear portrayals of any noise metrics used in consultation material, there must also be a clear explanation of the metrics, what they mean in the context of the airspace change proposal and how they have been used by the change sponsor to decide upon a preferred option.

B51. For the purpose of noise metrics, day time will be the 16 hour period from 0700 to 2300, and night time will be the period from 2300 to 0700.

Noise metrics

B52. Further technical information about noise modelling, noise metrics and the portrayal of outputs is contained in the environmental requirements technical annex to this guidance.

B53. When producing noise contours or footprints, sponsors must take account of planned property developments when determining impacts and those affected.

B54. When considering noise impacts, the CAA will weight the outcomes from 'primary' metrics over 'secondary' metrics. Primary metrics will be those that are used to quantity significant noise impacts, such as WebTAG outputs. Secondary metrics will be those that are not being used to determine significant impacts but which are still able to convey noise effects, such as N65 contours and L_{max} levels. While not a noise metric, overflight contours will be a secondary metric for the purposes of decision-making.

For more information about:

- **environmental metrics and related technical terms click here**

Noise from day flights

- WebTAG for determining total significant adverse impacts
- N65 contours
- For stakeholder engagement purposes:
  - L_{eq} contours portrayed – to 51 dBA $L_{eq\ 16\ hour}$
  - L_{eq} contours – population counts for each contour to 51 dBA $L_{eq\ 16\ hour}$. Population counts must include population numbers, area counts, and noise-sensitive buildings (for example, hospitals, places of worship, schools)
- WebTAG analysis and L_{eq} contours will not be required for any airfield or aerodrome with fewer than an average of 30 movements per day.

Noise from night flights (only relevant if the proposal is likely to have an effect upon flights between 2300 and 0700)

- WebTAG for determining total significant adverse impacts
- N60 contours
- For stakeholder engagement purposes:
  - L_{eq} contours portrayed to 45 dBA $L_{eq\ 8\ hour}$
  - L_{eq} contours – population counts for each contour to 45 dBA $L_{eq\ 8\ hour}$. Population counts must include population numbers, area counts, and noise-sensitive buildings (for example, hospitals, places of worship, schools).

Additional optional noise metrics

B55. The metrics above will help to demonstrate to communities how noise will be distributed. In addition, the change sponsor may wish to use additional noise metrics for explaining and portraying noise impacts to affected communities. Some examples are listed below, but engagement with affected communities may reveal other metrics that either they or the change sponsor feels would be useful for explaining noise impacts:

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- L_{max} noise levels – if used it is recommended that typical and noisiest aircraft types are portrayed, at typical and 'worst case' altitudes. Noise values can be portrayed at key locations (as identified via engagement or consultation) and also at regular altitude increments (for example, for every 1,000 feet increase in height). Information about the frequency of flights on a route by route basis (both currently and forecast) is also recommended to aid understanding of the anticipated impacts
- 100 per cent L_{eq} contours – these contours portray averaged noise impacts based on single direction runaway usage rather than the standard method of reflected actual or forecast runway usage
- difference contours – these contours illustrate relative changes in noise impacts, both increases and decreases, by geographic area.

Noise from flights at or above 7,000 feet

B56. In most cases, we would expect no assessment or portrayal of noise from aircraft at or above 7,000 feet, in line with Government policy that the prioritised environmental impact at these altitudes is CO_2 emissions. However, aircraft can sometimes be audible when above 7,000 feet, even though the effects from noise at these altitudes are not defined as significant. That is not to say that noise may not still be annoying for some people. Therefore in instances where design options are no different (or very closely matched) in terms of all other environmental impacts, then the overflight metric could be used as a means to determine if traffic patterns from aircraft above 7,000 feet could be used by a change sponsor as a differentiating impact.

Operational diagrams

B57. These diagrams are used to illustrate the patterns of current or anticipated aircraft movements on geographical maps and are often based upon radar track data. They do not portray noise impacts but they can assist in people's understanding of the change, especially when viewed in conjunction with noise metrics.

B58. They are also useful for making a comparison of:

- proposed routes and existing routes, in relation to current traffic patterns (see the example in Figure B1)
- usage of proposed routes and usage of existing routes (percentage of traffic and/or absolute numbers of flights – see the example in Figure B1)
- the current dispersion of traffic and the anticipated dispersion of traffic (see the examples in Figures B2 and B3)
- baseline Leq contours with proposed routes, as an illustration where proposed changes to routes occur beyond the outer noise contour. (see the examples in Figures B1, B2 and B3).

B59. Note that these diagrams are examples of options for operational diagrams. Any operational diagrams used as a means of portraying airspace proposals must be overlaid on clearly legible Ordnance Survey (or similar) maps that must be of sufficient detail to enable affected communities to identify their location in relation to the changes in traffic patterns. Thus any maps and charts must have a level of detail that makes them easy to interpret and use by those potentially affected. There must be enough detail for the location of communities and landmarks to be identified (however, identifying individual properties is likely to be unnecessarily detailed). While there is no required scale for such maps, the change sponsor should adhere to this general principle. Airspace charts or satellite images are not normally suitable for this purpose, as they do not provide the clarity necessary to identify locations.

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Figure B1: Example diagram showing layout of current and proposed routes

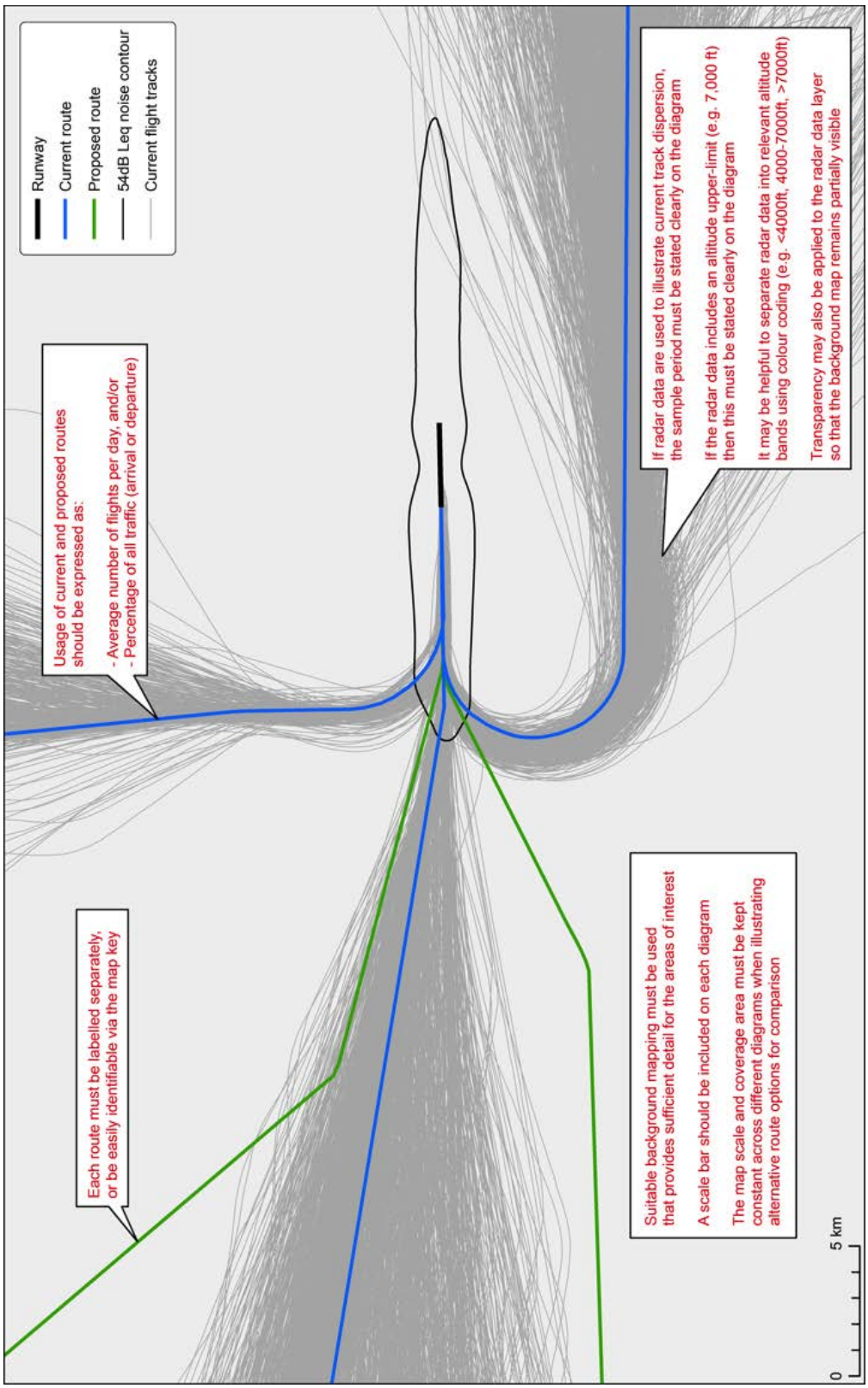

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Figure B2: Example of dispersion of track data in the form of a track density diagram

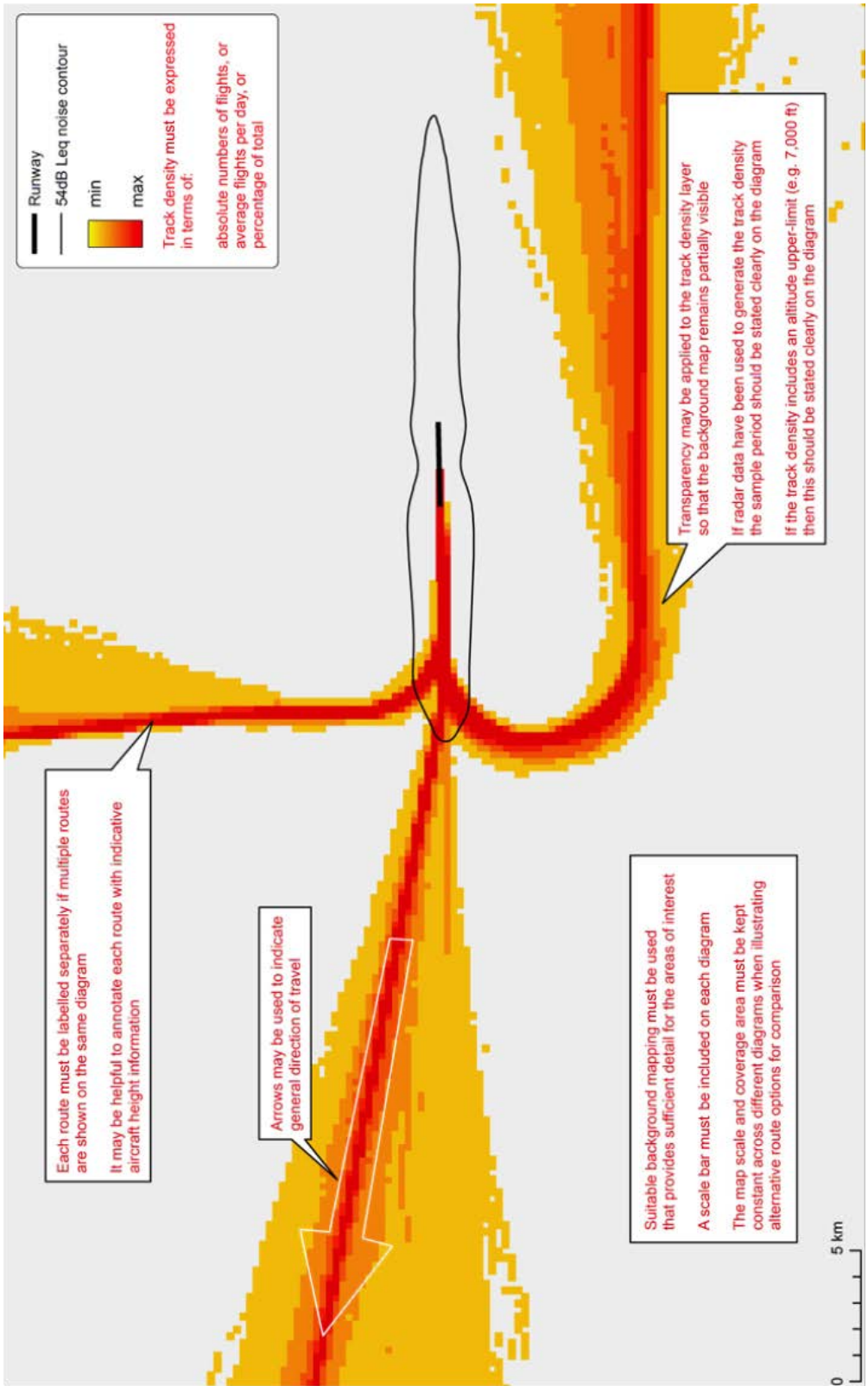

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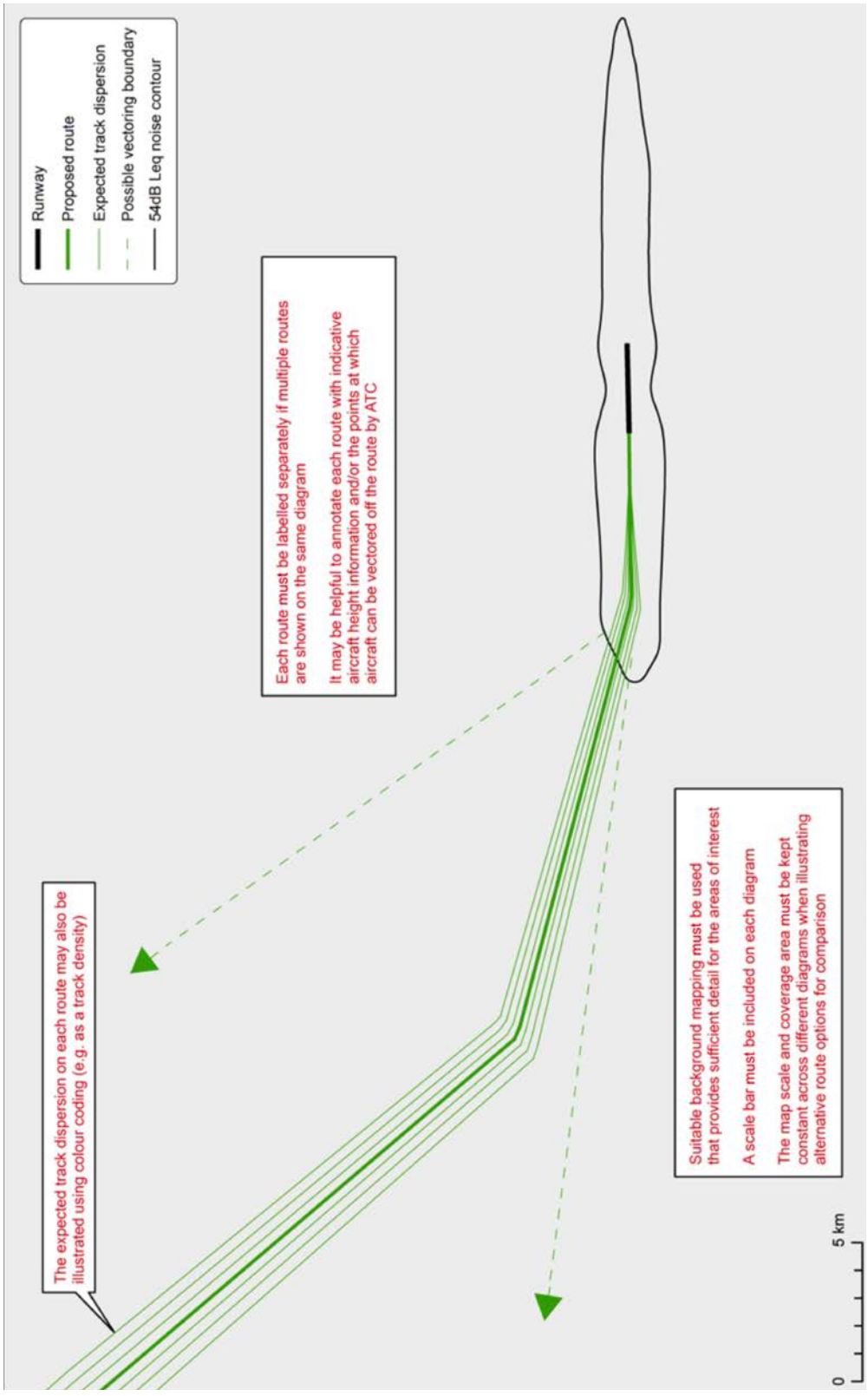
Figure B3: Example diagram of track dispersion along proposed routes



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Concentration resulting from more accurate navigational technology

B60. When airspace change proposals are developed for the introduction of improved navigational technologies (such as performance-based navigation) that are likely to result in more accurate adherence to flightpaths and therefore result in a greater concentration of traffic patterns, this must be explained and portrayed by sponsors in their consultation material. Concentration is likely to change the distribution of aircraft noise over communities close to airports, with some communities experiencing a reduction in noise while others experience an increase. While the significant impacts of concentration will be captured via the use of WebTAG, the use of operational diagrams can be useful for sponsors to explain and illustrate the anticipated effect of concentration on traffic patterns.

Overflight assessment

B61. The measurement of 'overflight' is a secondary metric that can be useful for explaining the operational impacts of proposed airspace changes. Where a proposal is expected to change traffic patterns below 7,000 feet, the Secretary of State has specified that 'overflight' must be portrayed.[51] The CAA has developed an approach to calculating and portraying traffic patterns[52] so that stakeholders, especially communities close to airports, can better understand existing aircraft movements and how this might be expected to change as a result of an airspace change proposal. It is important to stress that the overflight metric does not reflect noise impacts; it contains no noise information but has been developed to recognise both that Government policy on airspace refers to overflights and that communities can find the information useful.

B62. When using the overflight metric sponsors must assess and portray the population numbers affected. Because it does not reflect noise impacts, there is no need to produce an area count or to identify noise-sensitive buildings.

Call-in by Secretary of State

B63. While the majority of airspace change proposals will be decided upon by the CAA, a few may be called-in by the Secretary of State for a decision. The Government has set out criteria for a proposal (that is not directly linked to a planning decision) to be considered for call-in, and these are:

- it is of strategic national importance
- it could have a significant impact (positive or negative) on the economic growth of the UK, or
- it could both lead to a change in noise distribution resulting in a 10,000 net increase in the number of people subjected to a noise level of at least 54 dB $L_{Aeq16hr}$ and have an identified adverse impact on health and quality of life.[53]

B64. Even if these criteria are met, the Secretary of State has discretion whether or not a proposal is called-in.

B65. The third of these criteria relates to the noise impact of the proposal; it is determined by reference to both population counts within L_{eq} contours and adverse impacts as determined by WebTAG. On submission of the final proposal to the CAA, we will advise if these contours are required in order to determine if the call-in criteria has been met. This does not preclude the change sponsor preparing and providing these contours at an earlier stage in the process if it chooses.

51. Paragraph 3.11 of the Air Navigation Guidance 2017.
52. CAP 1498 – Definition of overflight, www.caa.co.uk/cap1498

53. The assessment of the numbers of people affected and the associated adverse impacts on health and quality of life of the airspace change proposal should be carried out by the change sponsor in accordance with the requirements set out in the Air Navigation Guidance 2017. The call-in function does not apply to a proposal made by or on behalf of the Ministry of Defence.

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Assessment of CO_2 emissions

B66. Changes to CO_2 impacts are included in the options appraisal process, with WebTAG providing guidance on the assessment of a monetised value based on CO_2 quantity. Changes to CO_2 emissions must also be conveyed in consultation material.

B67. Introducing operational procedures that enable aircraft either to climb more efficiently, allow more direct routeings, reduce holding times or facilitate the consistent use of continuous descent operations can be a means of reducing CO_2 emissions on a per flight basis. While such procedures may not be feasible for some proposals (due to the nature or scale of the airspace change), the CAA expects sponsors to consider the possibility of introducing such procedures when developing their airspace change proposals. Sponsors should also explicitly state what consideration was given to the introduction of such operational procedures when developing options.

B68. As noted in the altitude-based priorities, the potential to optimise CO_2 efficiency is primarily at or above 7,000 feet (amsl) where local community impacts are not a priority. However CO_2 efficiency is also a consideration below 7,000 feet (amsl), although at these altitudes it must be balanced with other local impacts in accordance with the Government's altitude-based priorities.[54]

B69. In addition to using WebTAG, sponsors must calculate the change to CO_2 emissions on a per flight basis and as an annual total – results to be shown as absolute values (in tonnes) rather than as percentages.

B70. When calculating changes to CO_2 emissions, sponsors must aim to show the estimated actual change in emissions rather than the theoretical change. Specifically this means that the assessment must be based on anticipated actual changes to aircraft behaviour (for example, reduced miles flown, improved climb profile flown, improved descent profile flown) rather than simply comparing the differences in published flight procedures (for example, changes to flight-planned routes that do not reflect current or expected actual routeings). Further information on methodology is contained in the environmental requirements technical annex to this guidance.

Assessment of local air quality

B71. Changes to local air quality impacts are included in the options appraisal process, with WebTAG providing guidance on the assessment of a monetised value based on the change in volume of local emissions. Changes to local air quality must also be conveyed in consultation material.

B72. Normally this assessment is only required to be undertaken when the proposed change has the potential to have an impact on emissions (either their volume or distribution) below 1,000 feet and in the vicinity of a location that has been designated as an air quality management area. Examples that may result in such a change are:

- changes to departure or arrival procedures – both laterally or vertically
- changes to operating procedures that effect thrust and therefore emissions
- changes to the number of aircraft movements.

B73. In all instances, the change in emissions is only relevant to this process when it is a result of the airspace change itself, and not when it results from, for example, changes in the aircraft fleet mix where no airspace change is involved.

54. Paragraph 3.3c of the Air Navigation Guidance 2017.

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B74. Due to the effects of mixing and dispersion, emissions from aircraft above 1,000 feet (amsl) are unlikely to have a significant impact on local air quality. Therefore the impact of airspace design on local air quality is generally negligible compared with other factors such as changes in the volume of air traffic, and local transport infrastructures feeding the airport. However, sponsors must still show explicit consideration of whether local air quality could be impacted when developing airspace change proposals.

B75. While sponsors should prioritise noise impacts below 4,000 feet (amsl), consistent with the altitude-based priorities and the Government's policy to give particular weight to the management and mitigation of noise in the immediate vicinity of airports[55], there could be circumstances where local air quality is a consideration because emissions from aircraft taking off, landing or while they are on the ground have the potential to contribute to overall pollution levels in the area. Where these activities are directly affected by the airspace change proposal, this could lead to a situation where prioritising noise creates unacceptable impacts in terms of local air quality or might risk breaching legal limits for air quality. Sponsors must therefore take such issues into account when they consider they are relevant, for example, when determining airspace changes affecting the initial departure or the final arrival stage of a flight.

Assessment of the impact upon tranquillity

B76. For the purposes of airspace change proposals, the impact upon tranquillity need only be considered with specific reference to Areas of Outstanding Natural Beauty (AONB) and National Parks unless other areas for consideration are identified through community engagement. Qualitative assessment of tranquillity impacts can be undertaken as part of the options appraisal via WebTAG under 'Landscape' (TAG Unit A3 – Section 6).

B77. National Parks and AONBs are designated areas with specific statutory purposes to ensure their continued protection in relation to landscape and scenic beauty.[56] The statutory purpose of National Parks is to conserve and enhance their natural beauty, wildlife, and cultural heritage and to promote opportunities for the understanding and enjoyment of their special qualities by the public. The statutory purpose of AONBs is to conserve and enhance the natural beauty of their area. Change sponsors are required to have regard to these statutory purposes when developing airspace change proposals.[57, 58]

B78. Given the finite amount of airspace available in the UK and the fixed location of airports and National Parks or AONBs, it will not always be practical to completely avoid overflying National Parks or AONBs – and there are no legislative requirements to do so, as this would be impractical. Government policy in terms of noise impacts is to focus on minimising the number of people significantly affected by adverse impacts of aircraft noise. As a consequence, this is likely to mean that one of the key principles involved in airspace design will be avoiding overflight of populated areas below 7,000 feet (amsl) where possible. However, when airspace changes are being considered, it is important that local circumstances, including community feedback on specific areas that should be avoided, are taken into account where possible.

55. Aviation Policy Framework, section 3.25, page 60, Department for Transport, March 2013.
56. A list of designated National Parks in the UK can be found at www.nationalparks.gov.uk. A list of designated AONB can be found at www.landscapesforlife.org.uk.
57. DEFRA, Duties on relevant authorities to have regard to the purposes of National Parks, Areas of Outstanding Natural Beauty (AONB) and the Norfolk and Suffolk Broads Guidance Note, 2005.
58. This does not preclude either a designated Quiet Area (or any other local area that has similar characteristics) from being identified via community engagement during the early development of proposals and options. A sponsor could include a design principle that seeks to avoid such an area if local circumstances point to that as a desirable aim.

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Therefore, in line with the altitude-based priorities, when sponsors are developing airspace change proposals that have the potential to change overflights of National Parks or AONBs below 7,000 feet (amsl) sponsors must show how they have considered and taken account of this impact as part of their option development and final design.

Biodiversity

B79. Biological diversity or 'biodiversity' can be taken to mean: "The variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems".[59]

B80. The Secretary of State's guidance recommends that the CAA keep abreast of policy and guidance issued by the Government, and while no direct reference is made to impacts upon biodiversity, the CAA is required to be familiar with the Wildlife and Countryside Act 1981[60] and the Conservation of Habitats and Species Regulations 2010.[61] The CAA's environmental statement will aim to verify that all environmental factors have been considered in line with relevant Government policy and explain why the CAA agrees that these have been balanced appropriately. In general, airspace change proposals are unlikely to have an impact upon biodiversity because they do not involve ground based infrastructure. As such they are unlikely to have a direct impact that would engage the Birds or Habitats legislation. However, given that all changes below 7,000 feet should take into account local circumstances in the development of airspace structures, the change sponsor should include in its consultations and engagement potential biodiversity implications associated with design options under consideration, and should be mindful of such potential impacts as are identified by stakeholders. The CAA will, in its environmental statement, verify that any biodiversity factors have been considered proportionately.

Temporary changes to airspace design

B81. The Government's guidance states that temporary airspace changes are to last for a fixed period that is not usually to be for more than 90 days, after which the airspace will revert back to its original form. In exceptional circumstances the CAA may extend a temporary change.

B82. In line with Government guidance, in respect of a change that would affect the distribution of traffic below 7,000 feet, where practicable, the CAA requires that any communities affected must be informed of the change before a decision is taken by the CAA about its implementation. The nature and impact of the change will influence what level of information is considered acceptable by the CAA. For large-scale changes impacting on densely populated areas, widespread notification via local media, social media, advertising and owned media may be appropriate, and may reduce community concerns and complaints about the change – in particular if clear information about the scope and duration of changes is provided. Less impactful changes may require less extensive information approaches for the CAA to approve implementation, for example reaching out via third parties and representative organisations, social media channels and website information. The online airspace change portal will also offer another mechanism to communicate with impacted parties.

B83. The CAA is required to consider the sponsor's assessment of the noise impact of each proposed temporary change to airspace design before we make our decision on the proposal, unless we are satisfied that the specific details of the proposal mean that this is not needed.

59. Convention on Biological Diversity (1992), Art. 2 https://www.cbd.int/convention/articles/default.shtml?a=cbd-02
60. http://www.legislation.gov.uk/ukpga/1981/69
61. http://www.legislation.gov.uk/uksi/2010/490/made

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We do not require a sponsor proposing a temporary airspace arrangement to follow the options appraisal requirements, as this would not be proportionate. However, we do require that the following information should be assessed (which we will take into account before agreeing to the temporary change) and conveyed to those affected:

- justification for the change, and confirmation of its effective period
- a qualitative description of changes to traffic patterns, illustrated using operational diagrams overlaid on Ordnance Survey maps or similar; diagrams should be of sufficient detail for those affected to identify where they live in relation of the changes in traffic pattern (see 'Operational diagrams' above)
- details of the frequency of flights and typical altitudes
- typical noise levels at key locations.

B84. There is no requirement to assess any other environmental impacts (i.e. CO_2, local air quality, tranquillity), because these are likely to be negligible for such a short-term change.

B85. These assessment requirements would need to be re-assessed and possibly expanded if the temporary change extended beyond 90 days.

Airspace trials

B86. In line with Government guidance, the CAA requires a trial sponsor to consider and undertake an assessment of the noise impacts of a trial (which the CAA will take into account when deciding whether to agree to the trial). If the CAA agrees to the trial, we require the trial sponsor to use the scale of those impacts to guide the level of information about the trial which the sponsor must provide to stakeholders before the trial commences.

B87. Most trials do not extend beyond 12 months[62] and so annualised metrics that portray average noise levels are not appropriate for determining and conveying the noise impact. If a trial is 90 days or less, the requirements for noise assessment are the same as those for temporary airspace changes (outlined above). If a trial extends beyond 12 months, then the need to use such annualised metrics should be considered and sponsors are likely to be required to portray impacts on that basis, using the metrics set out in this guidance for Level 1 airspace change proposals.

B88. Therefore, for trials longer than 90 days yet shorter than 12 months, that affect traffic distribution below 7,000 feet, the following information must be prepared by the change sponsor and used to engage with those affected:

- 65 dBA L_{max} footprints that illustrate the loudest and most frequent types of aircraft that will be participating in the trial
- equivalent footprints that illustrate where the trial traffic would otherwise have flown (this assumes that any aircraft that partakes in a trial would have flown on an alternate route that reflects current operations)
- information on the expected frequency (both absolute and as a percentage of total traffic) and timing of flights participating in the trial
- operational diagrams that illustrate the estimated overflight swathe of trial traffic, up to 7,000 feet (see 'Operational diagrams' above).

B89. The CAA anticipates that there will be no requirement to assess any other environmental impacts (i.e. CO_2, local air quality, tranquillity), because these are expected to be negligible for such a short-term change that will affect only a small proportion of current traffic.

62. Government expectation is that trials usually do not extend beyond six months (paragraph 2.1c of the Air Navigation Guidance 2017).

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Appendix C

Consultation and engagement

When to undertake this activity

Stage 1: Define	1A: Assess requirement	✓
	1B: Design principles	✓
Define gateway		
Stage 2: Develop and assess	2A: Options development	✓
	2B: Options appraisal	~
Develop and Assess gateway		
Stage 3: Consult	3A: Consultation preparation	✓
	3B: Consultation approval	✓
Consult gateway		
	3C: Commence consultation	✓
	3D: Collate and review responses	✓
Stage 4: Update and submit	4A: Update design	~
	4B: Submit proposal to CAA	~
Stage 5: Decide	5A: CAA assessment	✗
	5B: CAA decision	✗
Decide gateway		
Stage 6: Implement		✓
Stage 7: Post-implementation review		✓

What does this activity entail?

Consultation is a formal process seeking input into a decision, undertaken in line with the Gunning principles and government guidance.

Engagement is a catch-all term for developing relationships with stakeholders, covering a variety of activities including but not limited to consultation, information provision, regular and one-off meetings and forums, workshops and town hall discussions.

Communication with all affected stakeholders throughout the formal airspace change process.

Formal consultation activities at key points during the process, including around developing design principles, and undertaking consultation and post-implementation review.

Best practice ongoing engagement to ensure that airspace change proposals are received by an informed, engaged audience able to effectively feed-in their views.

Using the CAA's airspace change portal effectively as a communication tool.

The CAA's own stakeholder engagement, undertaken during the stages of the process that it leads.

Ensuring all materials are clear and accessible.

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Appendix C

Consultation and engagement

Why is this activity included in the process?

C1. All parties involved in airspace changes require transparency and tailored engagement to meet their unique needs. As such, effective stakeholder engagement is a vital underpinning of the airspace change process.

C2. For consultation to be effective, those who are consulted by sponsors should be able to base their views on a reasonable understanding of the situation, clear information about what is proposed and the potential impact of the changes on them, and be able to express their views and have confidence that their views will inform the final proposal. This is why engagement should not begin only at the start of the process, but should be built on existing relationships.

C3. There are three clear points in the process where sponsors will be explicitly seeking stakeholder input to their proposals, but for that input to be informed and meaningful, engagement will be required throughout the process by sponsors.

C4. This guidance is not restrictive: there is nothing to stop a change sponsor from going beyond both the requirements and best practice set out here if it feels that the local circumstances require it.

C5. The CAA will seek input on the most impactful changes while making its decision, and will undertake engagement activity for some airspace changes at key decision-making points. For Level 1 airspace changes the CAA will offer a Public Evidence Session and will normally publish a draft decision for feedback.

Key terms to check in our glossary		
Airline customers	Bilateral meeting	Consultation
Elected representatives	Engagement	Facilitation
Feedback	Focus group	Gunning principles
Information provision	Local authorities	Non-governmental organisation
Portal	Representative group	Stakeholder

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How to undertake this activity

C6. In particular for the largest, most impactful and most complex airspace changes, engagement activity will be most effective if stakeholders already have a reasonable understanding of how airports, airlines, air navigation service providers and related airspace operate. While direct stakeholder engagement should be greatest during the stages of a formal airspace change, ongoing engagement and information can help stakeholders understand the context for proposed changes and provide constructive feedback and comments.

C7. The CAA does not intend to set out how engagement must be undertaken in a prescriptive way. For the most important aspect of stakeholder engagement, the consultation undertaken in Stage 3, sponsors must submit a consultation strategy to the CAA for approval prior to the consultation beginning. This will give the CAA the opportunity to consider the change sponsor's approach to their unique local circumstances and asses how they intend to manage them proportionately.

C8. As a change sponsor starts to consider the need for an airspace change, beginning to understand how it will potentially impact stakeholders, whether these are other airspace users; impacted communities; representative groups and non-governmental organisations is important. A change sponsor must also consider other industry bodies – such as airports using neighbouring airspace or air navigation service providers – that might experience consequential impacts as a result of its proposed change.

C9. The core principle underpinning the CAA's assessment of whether a change sponsor is engaging stakeholders effectively will be evidence that the change sponsor is engaging in a two-way conversation. The nature of a two-way conversation and how it is evidenced will differ depending on the circumstances, the type of meeting, the relationship between the stakeholder and change sponsor, and the details of the proposal. However, at relevant gateways the CAA will look for documentary evidence that sponsors have used the following building blocks to develop an effective dialogue:

Identifying the right audience

- Who might be impacted? Are they impacted directly or indirectly? How has the audience been identified?

Understanding their situation

- What is the nature of the relationship? What is the relationship history? What is their level of knowledge? Which elements of the proposal will impact them?

Defining their unique requirements

- How will they be engaged? Do they have any different or special requirements? Are there any seldom heard groups impacted? How will material be targeted for different groups and situations identified?

C10. Following this process, the CAA will expect to see evidence of what the sponsor has heard and how this feedback has informed the development of its proposal. How the sponsor develops this reporting will depend on the change, the engagement approach and the audiences engaged, but could consist of meeting minutes; engagement records; analysis of survey or informal consultation outcomes; a 'We asked, you said, we did' analysis; or some other mechanism considered appropriate.

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Providing relevant, authoritative, clear information at the appropriate time

C11. Based on these building blocks, the CAA will expect to see detail of what sponsors have been told by their audiences; how they responded to this feedback; and how it has affected the proposals they are bringing forward.

C12. Earlier in the process, as there will not be clarity on the precise impacts of a proposed change, it will be more challenging to identify potential audiences with whom to engage on this process. It is therefore likely that contact will primarily be with stakeholders' representatives: community leaders; local authorities elected representatives; airport consultative committees; representative groups; governmental organisations; and industry groups. These will likely be a more informed audience, and will often be people with whom the proposer has an ongoing relationship, helping to contextualise the engagement and developing proposal.

C13. Bilateral meetings, participatory sessions and consultative workshops are likely to be the most effective method of seeking meaningful contributions from stakeholders during Stages 1 and 2. Focussed opinion surveys of small numbers of stakeholders may be used to provide some quantitative data on which to base design principles and options appraisals.

C14. Developing the options appraisal documentation allows the change sponsor to move from more generic engagement, designed to reach larger audiences, to more precise identification of the audience. The change sponsor must remain mindful that each stakeholder is likely to have different needs, and the sponsor should reach different audiences in a way which suits those audiences.

C15. Throughout the process, the change sponsor owns the requirement for stakeholder engagement. The CAA will publish documents or updates, and may communicate this to stakeholders, but the onus is on the change sponsor to ensure that all parties are kept updated and informed during the process.

C16. The CAA's intention is that the airspace change process is undertaken publicly. Documents will be published on the airspace change online portal, with the sole exception being the points in the process where the CAA will review a document prior to publication (set out below). These documents must be made available in a manner that is clear and accessible to all stakeholders. Although the concepts communicated in them may be complex, the language used to communicate them should not be.

C17. However, some material is not published:

- material that is confidential in the interests of national security
- material which the CAA has agreed with the change sponsor should not be made public, in order to protect the legitimate commercial interests of a person or business (in the same way that that we are obliged to apply the Freedom of Information Act to any information held by the CAA).[63]

C18. If the proposal contains any such sensitive information, then two versions must be submitted – one full version for the CAA and one redacted version for publication. More information on this appears in Appendix F. The default position is that all material in relation to a proposal is published. We do not anticipate routinely agreeing to withhold large amounts of information, and would only accept redaction of the minimum information necessary to comply with our obligations.

63. For more information on the CAA's obligations please see https://www.caa.co.uk/Our-work/Information-requests/Freedom-of-Information/

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C19. The change sponsor must maintain clear records of engagement activity with all stakeholders throughout the process, to help inform future interactions with stakeholders and to develop the consultation strategy. These records will help the CAA judge the validity of engagement activity at relevant gateways.

C20. One mechanism to show how engagement activity has been undertaken and influenced the development of proposals is to adopt a model similar to the Statement of Community Involvement adopted by local authorities. These explain to the public how they will be involved with the development of local plans, and set out the authority's engagement plans and minimum standards.[64] They can then be updated or cross-checked to show how the engagement activity was undertaken in practice, and how it has influenced the proposal's development. Sponsors may consider such an approach.

C21. Expected engagement activity, evidence and publications are detailed for each Stage and Step of the process in the following pages:

Stage 1: DEFINE

Step 1A: Assess requirement (published outputs: Statement of Need; assessment meeting minutes, proposed timescales)

Step 1B: Design principles (published outputs: airspace change proposal design principles, explanation of how these were influenced through engagement)

C22. Initial contact with stakeholders is likely to be crucial in all change proposals, as transparently communicating what need is being met through the considered change will set the tone for ongoing engagement and will also help sponsors to develop the materials required in subsequent stages.

DEFINE gateway

At the 'Define' gateway, for all changes the CAA will require evidence from the change sponsor that demonstrates that design principles were arrived at following two-way conversations. This must set out what engagement activity was undertaken (i), and what has happened as a result of that activity (ii).

(i) This will normally include records and minutes of workshops and meetings, with identification of those present and the context and nature of the discussion, and it must cover the range of stakeholders who may be impacted by the potential change. As stakeholders will often require information to aid their understanding of airspace design so as to play a part in development, evidence of how sponsors achieved this should be provided.

(ii) Sponsors must make clear where stakeholders have agreed the principles applied (and which have not if universal agreement is not achieved). Where design principles have not been agreed, objections must be clearly set out and attributed to relevant parties, as well as a clear rationale for the change sponsor's decision in light of this feedback.

64. Many local authorities publish their Statements of Community Involvement, so best-practice examples are readily available online.

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C23. The CAA recommends, particularly for complex or higher impact changes, that an engagement strategy is developed during Stage 1 and enhanced during Stage 2 following initial contact with stakeholders. The change sponsor will then be well prepared for devising and submitting the required consultation strategy at Stage 3. This strategy will not be reviewed by the CAA until the 'Consult' gateway, but will help sponsors to structure engagement during earlier Stages.

C24. Design principles must be shown to have been set through a two-way process and involve effective engagement. Engagement here is important to both parties – for the change sponsor to clearly communicate the need for change and their priorities, and for those affected (particularly impacted communities) to have the opportunity to explain what design considerations are important to them as the change sponsor considers possibilities to meet their needs.

C25. The CAA understands that it may not always be possible to achieve agreement across all stakeholders on design principles. Sponsors must set out clearly the competing priorities and explain their choice of options based on this.

C26. This is one stage of the process where neutral facilitation may be helpful. Facilitation is not a requirement, as it may not be appropriate in all circumstances, but where agreement on principles is not reached and facilitation has not been tried, the CAA may in some cases decide not to accept the sponsor's design principles.

Stage 2: DEVELOP and ASSESS

Step 2A: Option development (published outputs: design options, design principle evaluation)

Step 2B: Options appraisal (published outputs: Initial options appraisal and related CAA assessment)

C27. As the change sponsor is required to design options that meet the principles developed during Stage 1b, they must seek feedback from key stakeholders to test their hypotheses. Bilateral meetings and smaller challenge groups are likely to be sufficient to ensure that stakeholder concerns have been properly understood and accounted for in designing options.

C28. In judging the efficacy of engagement, the CAA will not look for discussion on the pluses and minuses of each option – that should come during consultation – but will seek evidence stakeholders are content that their views have been captured and taken into account by the change sponsor. The size and nature of meetings should dictate whether formal record keeping and minutes are necessary (in any situation such notes may be helpful for sponsors and stakeholders), but at a minimum sponsors must set out how decisions they have taken relate to stakeholder feedback.

C29. Within the development of the options appraisal during Step 2B, the key impacted audiences will be far more clearly identified. This insight should be used to inform the development of the consultation strategy in Stage 3.

DEVELOP and ASSESS gateway

At the 'Develop and assess' gateway, the Initial options appraisal must set out impacted audiences, as this information will be a key feature in developing the consultation strategy required during Step 3A and at the 'Consult' gateway.

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Stage 3: CONSULT

Step 3A: Consultation preparation (outputs: draft consultation strategy submitted to CAA; draft consultation documents submitted to CAA, draft Full options appraisal – none published at this stage prior to CAA approval)

C30. Stage 3 is the key stage of the process for the proposer in terms of engagement activity – at this stage, understanding of audiences, channels and messages must be such that an effective and comprehensive consultation strategy can be developed and submitted to the CAA.

C31. This consultation guidance was developed with consideration of the Government's consultation principles, applied to the unique circumstances surrounding an airspace change proposal. The Government's short guidance document may be helpful for a change sponsor to consider alongside this one. In addition, the change sponsor should be aware of the Gunning principles[65] when developing its consultation strategy:

- consultation should occur when proposals are at a formative stage
- the consultation should give sufficient reasons for any proposal to permit intelligent consideration
- the consultation should allow adequate time for consideration and response
- the product of consultation must be conscientiously taken into account.

C32. The fundamental principles of effective consultation are targeting the right audience, communicating in a way that suits them, and giving them the tools to make informative, valuable contributions to the proposals development. The change sponsor's consultation strategy will be judged as to whether it meets these aims. Table C1 overleaf sets out what types of information the CAA will review when considering whether to approve the strategy.

65. The Gunning principles set out legal expectations for what constitutes an appropriate consultation, and are named for a court case in the 1980s involving the London Borough of Brent.

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Table C1: Best practice consultation principles

Audience	Audiences to work with in developing design principles will have been identified at Stage 1; further granularity and detail on impacted communities should be identified in the Initial options appraisal during Step 2b. These should be developed and detailed here. Particular consideration should be given to seldom-heard groups; those who are not regularly in contact with the change sponsor; and those who do not have existing knowledge of aviation. Sponsors must also consider whether it is appropriate to use intermediaries to communicate with impacted stakeholders (for instance airport consultative committees, local authorities, and/or local and national organisations) or whether the nature of the change means direct contact with impacted parties is more appropriate.
Approach	Sponsors must consult stakeholders in a way that suits them – the formal consultation will be undertaken through the portal, and all information must be available there. However, this will not suit all consultees, so based on the audiences detailed above, sponsors must set out how they intend to ensure all audiences are able to respond effectively. Engagement exercises with large numbers of people are challenging to manage in practice, and consultation strategies must set out how sponsors intend to respond to unexpected events and challenges, including escalation and extension plans where appropriate.
Materials	As a matter of course, materials should be short and simple. Respondents should not be expected to understand operational technicalities, still less detailed aviation terminology and practice. While some more complex and detailed materials may be necessary to support feedback from technical audiences, these must only support information that is accessible to an everyday audience. Materials must provide respondents with enough information to ensure that they understand the issues and the potential impact of the proposals on them, and can give informed responses – failure here will lead to an ineffective consultation, which will be of little use to the change sponsor and will be unacceptable to the CAA. Sponsors may consider guidance published by the Plain English Campaign and the Consultation Institute useful.
Length	The accepted standard is that consultations should last for 12 weeks. Any major holidays should also be considered, allowing extra time where appropriate. However, the 12-week period is not set in stone. The CAA is prepared to exercise some flexibility and will consider a shorter period where the change sponsor presents a case based on: • The impact of the change • The audience map and impacted groups (especially seldom-heard people) • Factors outside the change sponsor's control, such as legal constraints • Technical or operational constraints.

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Step 3B: Consultation approval (published outputs: CAA statement on approval of consultation strategy; and, subject to the outcome, publication of consultation strategy, Full options appraisal and related CAA assessment)

C33. The change sponsor may decide whether to publish the consultation strategy prior to commencing consultation or publish it alongside the other consultation material. In either case, publication is likely to be the first point that the full potential audience of impacted stakeholders is made clear, and the change sponsor should prepare for this to be the first time many people are aware that they may be impacted by proposals.

CONSULT gateway

Passing the 'Consult' gateway will require CAA acceptance of the change sponsor's consultation strategy, and signifies that the full suite of consultation materials are now ready to be made available, as set out above.

Step 3C: Commence consultation (published outputs: all consultation documents, including Full options appraisal, queries on the proposal and related responses, consultation responses)

C34. At this stage the consultation will begin, and engagement activity will be undertaken in line with the strategy developed in Step 3A. During consultation, deviations from the strategy should be minimal, and only in line with previously approved escalation and extension plans detailed in the consultation strategy to deal with unforeseen issues.

During the consultation

C35. The consultation period is another point in the process where sponsors should consider whether any public events they run would be enhanced by using a neutral third-party facilitator. In the case of seldom-heard audiences, or for those not currently engaged with the aviation industry, facilitation may be especially useful in achieving effective outputs from consultation events.

Record-keeping

C36. It is expected that the majority of responses to consultations will come via the portal. We will publish the responses at intervals that best manage the resources required for moderation (for example, if a consultation runs for three months, and we deem it best to publish the batches monthly, responses would be published in three separate batches). However, there are several scenarios where additional material may be gathered and must be published on the portal by the change sponsor. In the first place, some respondents may not be able to respond via the portal and may wish to respond with a hard copy. In this situation, the change sponsor must add the response to the portal so that it can be moderated (by the CAA), published and analysed with the other responses. In addition, if the change sponsor runs public events during the consultation, feedback may be gathered formally or informally. The change sponsor may capture and publish this feedback either by way of minutes, a meeting report, or placing feedback materials such as comment cards on to the portal.

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FAQs

C37. As the consultation is undertaken, it may be that a variety of different stakeholders request the same information that was not foreseen when the consultation strategy was developed. Ideally, the consultation development steps should minimise this, but where there are common questions and requests, the change sponsor should develop 'frequently asked questions' (FAQ) material for publication on the online portal. Subject to CAA moderation of responses, we may allow the change sponsor to see the responses before publication (normally 24 hours in advance), to allow the change sponsor to prepare FAQ material if needed.

Step 3D: Collate & review responses (published outputs: sponsor's categorisation of responses)

C38. Categorisation of consultation results is a methodological and careful process that must be undertaken rigorously, and its complexity and importance should not be underestimated. The change sponsor must show how it has heard and understood the feedback it has received; what impact this has had on the proposal it submits; and if the feedback has not influenced its final proposal, why not.

C39. At a high level, the change sponsor should adopt a 'We asked, you said, we did' approach to setting out its qualitative assessment of consultation responses.

C40. Quantitatively, the change sponsor must be able to show which elements of a response may have an impact on its final proposal and which could not. If a consultation response does not impact on a final proposal, the sponsor must be able to show that it has heard and understood the feedback, and explain why it will not affect its final proposal.

C41. Elements of responses which provide information that could impact on the proposal will fall into two types, those which do lead to changes and those which could not. Again, where a response does not impact on the final proposal, the change sponsor must set out the rationale for not acting on proposed changes. This may be because changes wouldn't allow the sponsor to achieve the design principles, because they would be operationally or commercially unviable or because they would have a negative impact on other stakeholders.

C42. In explaining why it has not altered its proposal based on feedback, the change sponsor may wish to pre-populate check boxes of potential reasons and assign a reason to each element of feedback provided.

C43. Responses that may not impact on the final proposals may still contain valuable information, and it is important that sponsors capture and understand feedback from the consultation even where it does not impact on the final proposals.

C44. Table C2 overleaf sets out how these categories break down and affect proposals.

C45. When the categorisation and subsequent consultation report are published, the change sponsor must set out clearly what its approach to categorisation has been, where challenging issues have been tackled and how they have been resolved. The most important principle to adopt is transparency – being clear why responses have been categorised as they have and how all feedback will be acted upon.

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Table C2: Categorisation of consultation responses

Type	Responses which may impact final proposals	Responses which do not impact final proposals
Description	Responses which have been categorised as having the potential to impact on the proposal would include new information or ideas that the change sponsor believes could lead to an adaptation in a lead design option or a new design option.	The content of this response would not include new information or ideas that could lead to an adaptation in a lead design option or a new design option but may include other information that should be logged and considered. For example responses which criticise the consultation format should give sponsors insight to improve future engagement; sentiments identified around trust will help to identify areas where additional future engagement may improve relationships; and criticism of historic activity may help to avoid similar situations in future. The change sponsor must be able to show how it has heard, understood and classified responses which do not impact its final proposal, and set out clearly why.

Sub type	Responses which have impacted the final proposal	Responses which have not impacted the final proposal
Description	The change sponsor must show how the response has been acted on and what changes have occurred to their proposal.	The change sponsor must show why the response has not been acted on and explain why the proposal cannot be modified to meet the recommendation.

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Stage 4: UPDATE and SUBMIT

Step 4A: Update design (published outputs: consultation response document including change log, Final options appraisal, revised design)

Step 4B: Submit proposal to CAA (published outputs: full and redacted airspace change proposal, executive summary and layperson's guide)

C46. The change sponsor must be clear to stakeholders about how proposed airspace changes evolve through the stages of the process and how their feedback has informed these evolutions. At this stage, the change sponsor must set out clearly what has changed between the initial consultation and the final submission, and why those changes have happened. This will build on the consultation response categorisation created in Step 3D.

C47. Stakeholders (and the CAA) must also be able to see clearly how the design principles initially developed in Stage 2, and expanded upon at Stage 3 are being met by the final design.

C48. It is important to keep this process simple – as noted under Stage 3D, one effective mechanism is to adopt the 'We asked, you said, we did' model. This briefly sets out what the initial proposal was, how consultees responded, and what has therefore changed. Any categorisation and analysis that fed into this structure should be set out as an appendix.

C49. Stakeholder engagement during this stage will be even more important if there has been a groundswell of opinion in relation to an issue that the change sponsor does not feel able to address. In this case, alongside written material, further face-to-face engagement should be considered, to clearly and simply contextualise the rationale for stakeholders.

C50. It is possible that following Step 4A, the CAA may require the change sponsor to re-consult if the Final options appraisal shows that the impact of the design has changed substantially. In this circumstance, the CAA will also require a further consultation strategy to ensure that the second round of consultation is managed effectively.[66]

66. There is relevant case law which influences when there is a requirement to re-consult, for example on whether there is "a fundamental difference between the proposals consulted on and those which the consulting party subsequently wishes to adopt". 'Fundamental' was defined as "a change of such a kind that it would be conspicuously unfair for the decision-maker to proceed without having given consultees a further opportunity to make representations about the proposal as so changed." *Kenneth Parker QC (then sitting as a Deputy High Court judge) R (Elphinstone) v Westminster City Council, [2008] EWHC 1287 (Admin).*

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Stage 5: DECIDE

Step 5A: CAA assessment (published outputs: confirmation that document check complete and of decision and call-in request timescales, dates of expected decision and of any Public Evidence Session, written submissions to and transcript of any Public Evidence Session, diary of any additional meetings between CAA and stakeholders, request for any further technical details or amendments, response or revised proposal as 'version 2.0' (if any).)

C51. This stage is unlikely to require stakeholder engagement from the change sponsor, beyond responding to queries, and being aware that the online portal will be updating key groups on the progress. This will include making transparent (using the online portal) any technical or clarification questions raised by the CAA and the change sponsor's responses (see Appendix G).

Public Evidence Session

C52. From the CAA's perspective, the Public Evidence Session (for Level 1 airspace changes) may be a significant point of stakeholder engagement. When the final proposal is published by the change sponsor, the CAA will also notify stakeholders of the date of the Public Evidence Session – there will be at least four weeks' notice. The session will be a facilitated evidence-giving session at which representatives will be expected to speak themselves without formality or legal representation, in order to reinforce that information-receiving nature of the session.

C53. Using the portal, interested parties will be able to book five-minute speaking slots on a first-come, first-served basis, to present their views on the airspace change proposal to the CAA decision-maker directly. Representative groups will be able to book 10-minute slots. Attendees will not have the opportunity to challenge what other speakers say. Following the Public Evidence Session, the CAA will publish a transcript.

C54. The CAA will not require a sponsor to attend the session, as it is designed to offer third parties the opportunity to speak directly to the decision-maker. The change sponsor may still attend – not to argue its case, but, should the Chair invite it to do so, to offer any clarification that is needed.

Step 5B: CAA decision (published outputs: draft decision document (if any) and related feedback, Secretary of State call-in requests and related CAA assessment, any notification that the proposal is eligible for call-in and has been called-in by the Secretary of State (if applicable), decision document including Final options appraisal assessment, safety review (plain English version), operational and environmental assessments, and consultation assessment and statement).

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C55. The final decision document is a CAA publication, and the CAA may choose to engage stakeholders directly at this point (as it may wish to at various other stages of the process). However, it is the change sponsor's role to implement the airspace change and the change sponsor is likely to be the most relevant source of information and recipient of challenge from stakeholders. The CAA will therefore always coordinate with the change sponsor at this stage to ensure that the change sponsor is clear on our approach to publicising our decision and is aware of our intentions with regard to engaging stakeholders. However, in principle the airspace change and associated stakeholder engagement is owned by the change sponsor, and it has responsibility for maintaining a positive and effective relationship with stakeholders.

DECIDE gateway

At the 'Decide' gateway, the CAA will be assessing the full proposal, and Final options appraisal, both of which may have been changed as a result of consultation during Stage 3. Part of the suite of documents that will inform the CAA's decision is the sponsor's categorisation of consultation comments, and the consultation response document setting out how the change sponsor has acted on the feedback provided during consultation. During the Step 5A assessment period, the CAA will produce a consultation assessment, designed to allow the CAA decision-maker to assess whether the proposal was adequately consulted on, in accordance with this guidance and other sources of best practice, and in line with the consultation strategy approved at the 'Consult' gateway. To be approved, a change sponsor must show that it has appropriately categorised consultation responses, and correctly identified the issues arising from the consultation and responded to them appropriately. In developing the assessment, the CAA will compare the change sponsor's consultation feedback report against actual consultation responses and any material provided through the Public Evidence Session, where one has taken place.

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Stage 6: IMPLEMENT

(Amendment to the Aeronautical Information Publication is published)

C56. At this point sponsors must be prepared to give stakeholders a clear understanding of the next steps for the proposal. The CAA's (or if applicable the Secretary of State's) decision will have been published on the online portal and therefore visible to all.

C57. Change sponsors must also consider how to notify relevant stakeholders such as members of the local community and other stakeholder groups about the ultimate outcome of the consultation and the decision. In order to publicise a forthcoming change to as many airspace users (and perhaps service providers) as possible, the change sponsor should consider contacting the Ministry of Defence, the commercial General Aviation press, local General Aviation events, relevant community organisations and the local press.
All that may be needed is a reference to the online portal where the decision has been published.

C58. Most importantly, this means letting those impacted know when they may begin to experience changes, how the change sponsor intends to manage the transition from the change process to business as usual, and that there will be a post-implementation review. For those changes where it is appropriate, this may be the point at which compensation is made available and mitigations are put in place by sponsors.

Stage 7: POST-IMPLEMENTATION REVIEW

(published outputs: notification of change sponsor data collection requirements (in CAA decision), post-implementation review evidence submission, stakeholder feedback on change sponsor's submission, post-implementation review report, review of modification requirements prepared by sponsor (if applicable), report on effect of modifications (if applicable), review of effect of modifications implemented by sponsor (if applicable))

C59. In Stage 7 the CAA commences a post-implementation review, usually 12 months after implementation (see Appendix H). The purpose of the review is for the change sponsor to carry out a rigorous assessment of, and the CAA to evaluate, whether the anticipated impacts and benefits in the original proposal and published decision are as expected, and where there are differences, what steps (if any) are required to be taken.

C60. The change must be considered in relation to the original Statement of Need, design principles and options appraisal. As stakeholder feedback and engagement is a crucial element in each of these stages, it is expected that stakeholders will play a role in the post-implementation review, but this is not a formal consultation process.

C61. Any comments or complaints received after implementation but before the review commences must be collated by the change sponsor in the CAA-agreed format. Any direct feedback that the CAA receives during this period will be forwarded to the change sponsor for inclusion in that feedback dataset.

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C62. Once the change sponsor's data submission is published on the portal (as described in Appendix H), there will be a 28-day window during which any stakeholder may provide any feedback it wants the CAA to take into account when carrying out this review about whether the impacts of the change are those expected, 12 months on. This allows stakeholders to be confident that their feedback is visible to the CAA. This process should be openly and widely communicated to stakeholders. This feedback must be submitted using the online portal.[67] Submissions are limited to one per individual (verified by email address). We give no assurance that we will take account of submissions made outside the 28-day window.

C63. All original audiences must be informed by the sponsor that the post-implementation review feedback window is approaching, with a reminder closer to the time. The portal will publicise that the review is taking place and will be the place where feedback is collected. As implementation may have drawn interest from new stakeholders, this exercise should be open to all.

C64. Before feedback is published on the portal, the CAA will moderate it to remove unacceptable material.[68] Guidelines on what we regard as unacceptable can be found in CAP 1619, but broadly we will moderate responses solely to prevent publication of defamatory, libellous or offensive remarks, or material that causes legal issues like copyright infringement or personal data.

C65. The post-implementation review will result in a CAA report which will detail whether the anticipated impacts and benefits in the original proposal and decision have been delivered, any differences from what was expected and what steps (if any) we require to be taken where there are differences. This may result in requirements for modifications or a requirement for a new airspace change proposal. These outcomes will be clearly signposted on the portal. Where the outcome is that the change sponsor will need to propose a new airspace change in order to achieve the original proposal's objective, the change sponsor will be expected to communicate its intentions clearly and quickly to stakeholders.

67. The CAA will also accept postal responses for the time being. We will reconsider in the light of experience whether this is still necessary when we conduct a review of the airspace change process in 2021 three years after implementation, to judge whether the administrative burden of uploading, monitoring and analysing postal responses remains proportionate.
68. The CAA's review after three years will also reconsider in the light of experience whether it is practical for the CAA to carry out this moderation role. We may decide, instead, that the change sponsor should moderate the responses in accordance with CAA guidance, requiring change sponsors to seek our approval before any redactions are made.

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Appendix D

Airspace design principles

When to undertake this activity

Stage 1: Define	1A: Assess requirement	✗
	1B: Design principles	✓
Define gateway		
Stage 2: Develop and assess	2A: Options development	✗
	2B: Options appraisal	✗
Develop and Assess gateway		
Stage 3: Consult	3A: Consultation preparation	✗
	3B: Consultation approval	✗
Consult gateway		
	3C: Commence consultation	✗
	3D: Collate and review responses	✗
Stage 4: Update and submit	4A: Update design	✗
	4B: Submit proposal to CAA	✗
Stage 5: Decide	5A: CAA assessment	✗
	5B: CAA decision	✗
Decide gateway		
Stage 6: Implement		✗
Stage 7: Post-implementation review		✗

What does this activity entail?

The development of principles that describe the qualities a change should seek to achieve, such as (but not limited to) local priorities and tradeoffs regarding the distribution of noise.

Engagement with local community, operational and other relevant stakeholders to establish those design principles.

Creation of a rationale for accepting or rejecting design principles put forward by stakeholders for assessment by the CAA.

Appendix D

Airspace design principles

Why is this activity included in the process?

D1. Different local areas will have different geographies, population distribution, environmental considerations, economic considerations, and so on. To apply a local context to changes, including the preferences and expectations of different stakeholders, a local conversation is needed to establish a qualitative framework for the design of the change.

Key terms to check in our glossary		
Consultation	Design principles	Engagement
Elected representatives	Feedback	Inform
Local authorities	Non-governmental organisation	Representative group
Respite	Sponsor	Stakeholder

How to undertake this activity

D2. The design principles are an opportunity to combine local context with technical considerations. There are contextual tradeoffs that the change sponsor must consider upfront with stakeholders, in particular with the communities that could be impacted by the change.

D3. The questions a change sponsor might ask stakeholders to inform the development of the principles could include the following (these are offered as an example and this is by no means an exhaustive list):

- are there noise-sensitive buildings that should be avoided, and if so what and where (i.e. hospitals, care homes, schools, higher education establishments, and so on)?
- how should the minimisation of overflight, or of night noise, or the difference between multiple respite routes and concentrated routes be traded off against one another?
- if multiple routes are considered in order to provide respite, what might constitute a sufficient period of respite?
- how should the needs of passengers be considered alongside the needs of communities at different times of day?
- are there areas in which efficiency from a whole airspace perspective or expeditious routeing (shorter or faster routes) take precedence and areas in which other factors should take precedence?

Appendix D

Airspace design principles

D4. In having this two-way conversation with relevant stakeholders, the change sponsor must be clear about the technical considerations that will inform the development of the designs, including:

- the operational aim of the proposal
- safety constraints or opportunities
- operational constraints or opportunities
- technical constraints or opportunities
- economic constraints or opportunities
- the policy and regulatory framework with which the proposal must comply.

D5. Other than the principle of improving or maintaining safety, these factors are in no way immutable and, as a part of the process for the establishment of the airspace design principles, should be challenged as part of the ongoing dialogue with stakeholders.

Outcome

D6. The outcome of this work will be a shortlist of principles to inform the development of airspace design options and against which they can be qualitatively evaluated. Some of the principles may contradict one another and some may be prioritised over others: this will be an iterative process and a qualitative one rather than a purely numerical exercise with binary answers.

D7. The outcome will also record other design principles that were suggested by stakeholders but not shortlisted for the final set of principles, with reasoning as to why this was the case.

D8. The CAA would therefore expect to receive the following output from this activity:

- a list of those stakeholders engaged
- an explanation of the engagement methods employed
- a chronology of the engagement activity
- the issues raised during the engagement process and evidence of a two-way conversation, i.e. evidence that sponsors considered the principles proposed by stakeholders, that these informed the change sponsor's final set of principles, and that when principles were not included in the final shortlist this was explained to the stakeholder proposing them (see Appendix C for details about the two-way conversation)
- the design principles chosen
- the rationale behind the decision to adopt those principles including evidence as to why any stakeholder group's view has been discounted for these purposes.

Technical design principles

D9. The design of airspace structures and instrument flight procedures that falls subject to the airspace change process must conform to various national and international standards and recommended practices. That said, within that framework, there are many design techniques available to airspace designers. A change sponsor must therefore be able to justify the techniques being applied, especially where those techniques have a direct impact on local communities.

Environmental design principles

D10. The CAA is required to follow the Secretary of State's Air Navigation Guidance 2017. Within that guidance, there is a strong emphasis on taking into consideration local circumstances, especially when considering such matters as the potential value of respite routes. It is vital that the change sponsor takes into consideration the views of local communities when establishing airspace design principles, as set out above.

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When to undertake this activity

Stage 1: Define	1A: Assess requirement	✗
	1B: Design principles	✗
Define gateway		
Stage 2: Develop and assess	2A: Options development	✓
	2B: Options appraisal	✓
Develop and Assess gateway		
Stage 3: Consult	3A: Consultation preparation	✓
	3B: Consultation approval	✗
Consult gateway		
	3C: Commence consultation	✓
	3D: Collate and review responses	✗
Stage 4: Update and submit	4A: Update design	✓
	4B: Submit proposal to CAA	✓
Stage 5: Decide	5A: CAA assessment	✗
	5B: CAA decision	✗
Decide gateway		
Stage 6: Implement		✗
Stage 7: Post-implementation review		✗

What does this activity entail?

Options appraisal is a means of assessing the possible different approaches for delivering a desired outcome.

As a high-level objective, a comprehensive list of options is derived, which is then whittled down through a shortlist to the optimal option for delivery.

At the core of an options appraisal is an assessment of the cost and benefits of the proposal. As part of the analysis, the change sponsor is required to put as many costs and benefits as possible into monetary terms, to allow for a direct comparison between options. When quantification of costs and benefits may not be possible or proportionate, a qualitative description of the costs and benefits can be used.

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Why is this activity included in the process?

E1. The options appraisal essentially delivers clear and, where possible, comparable evidence about a range of factors, so that, for a given proposal, different airspace design options can be compared and assessed on the basis of those factors.

E2. In any airspace change there is the potential for conflicts between the interests of the change sponsor, those affected by noise, or airspace users, such as airlines, General Aviation or the military. For example, growth in traffic at airports, in particular in the London area, could result in competing bids for a given block of airspace – or proposals to change the same volume of airspace in different ways. The options appraisal must therefore be used to ensure that the proposed change is appropriate and effective in achieving the overall objective. In many cases, it will encourage sponsors to take a step back and to consider a wider range of solutions to the airspace design. For example, from a change sponsor's perspective, the most optimal route may cause a significant increase in noise, whereas as part of the options appraisal process an alternative may be uncovered that both achieves the change sponsor's objective and has a lower noise impact.

E3. The CAA acknowledges that airspace change decisions cannot be reduced to an entirely numerical exercise. Numerical values are not a substitute for policy direction on which outcomes are important in the design of airspace. For example, a determination as to whether a negative noise or carbon impact should prevent a change that would have a positive economic impact is something that should be set in policy objectives. However, a systematic process that includes quantification of as many of the costs and benefits of a particular airspace change proposal as possible helps to provide consistency in options appraisal for all concerned. It also provides additional data helping the CAA to make the optimal decision against a background of increasing scarcity of airspace capacity.

E4. The options appraisal should be used flexibly as a tool to help refine the options and develop the proposal. It should also support those potentially affected by airspace change in providing a greater degree of challenge to sponsors' plans and encourage a more open discourse.

E5. For the avoidance of doubt, options appraisal is a tool to compare different options for a particular airspace change proposal. It is not intended to be used to compare airspace change proposals by different change sponsors who may be 'competing' for the same block of airspace.

Key terms to check in our glossary		
Air navigation service provider	Baseline	Discount
Discount factor	Discount rate	Gross domestic product deflator
General Aviation	Green Book	Inflation
One-off costs	Ongoing costs	Real prices
Revealed preference	Stated preference	

Appendix E

Options appraisal

How to undertake this activity

Introduction

E6. This guidance is produced to aid airspace change sponsors and those involved with the airspace change process in undertaking or understanding an options appraisal.

E7. It is recommended that this guidance is read in conjunction with The Green Book: Appraisal and Evaluation in Central Government (the Green Book)[69], and relevant sections of the Department for Transport's Transport analysis guidance: WebTAG (WebTAG).[70] The Green Book and WebTAG are considered to be best practice in appraisal. We do not seek to replicate that guidance here, but we do provide signposts to the relevant sections and draw out detail appropriate to the airspace change process. It should be noted that where the Secretary of State calls-in a proposed airspace change, the Green Book and WebTAG set out the guidance that the Secretary of State's appraisal will follow. Annex C of the Air Navigation Guidance 2017 provides an overview of the relevant elements of WebTAG for options appraisal in airspace change.

Phases of options appraisal

E8. The options appraisal is an iterative process that is developed as the change sponsor refines its proposals in response to the engagement and consultation. It must consist of a number of elements:

- high-level objective and assessment criteria
- baseline
- comprehensive list of options
- shortlist of options
- preferred option.

E9. The options appraisal evolves through three phased iterations, with the CAA reviewing the appraisal at each phase. Those phases are:

- 'Initial' appraisal (at Step 2B with the CAA review at the 'Develop and assess' gateway)
- 'Full' appraisal (at Step 3A with the CAA review at Step 3B and the subsequent 'Consult' gateway)
- 'Final' appraisal (at Step 4A, with the CAA review after the formal submission of the airspace change proposal at the end of Stage 4).

E10. This builds the evidence base as the proposal matures, so for example the Final options appraisal contains the Initial and Full appraisals. It is therefore a proportionate approach because it avoids the need for expensive detail on every potential design option. It is also more informative, by ensuring that the detail matures in line with the proposal, and that a reasonable evidence base is made available to all stakeholders early on and increasingly throughout the process.

E11. The CAA expects the change sponsor to use the most up-to-date, credible and clearly referenced sources of data, with modelling carried out in line with relevant best practice.

69. https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-governent
70. https://www.gov.uk/guidance/transport-analysis-guidance-webtag

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Initial appraisal

E12. The Initial appraisal is based around a qualitative assessment. The Initial appraisal sets out how the change sponsor moves from its Statement of Need to a shortlist of options. The Initial appraisal must contain the following, as a minimum:

- a comprehensive list of options. This must include the 'do nothing/minimum' option which will act as the baseline for the analysis. The baseline should be fully described. The list of options must also include:
  - a description of the change proposal
  - an indicator of the likely noise impacts
  - a high-level assessment of other costs and benefits involved
- criteria for assessing the list of options, and the application of those criteria to the list to develop the shortlist of options
- shortlist options described qualitatively and an indication of the preferred option
- what evidence the change sponsor will collect, and how, to fill in its evidence gaps and to develop the Full appraisal.

E13. The list above forms a minimum requirement. The change sponsor is encouraged to develop its shortlist options using as much analysis as reasonably possible, prior to submitting the appraisal to the CAA and prior to engaging with stakeholders. The fuller the assessment at the Initial stage, the greater the benefit to be gained from engagement.

A comprehensive list of options

E14. Step 2A requires the change sponsor to develop a first comprehensive list of options for delivering the high-level objective set out in the Statement of Need (see Appendix A). This may include solutions that are not about changing the airspace. The change sponsor should test the range of options with the stakeholders it engaged with in Stage 1.

E15. Appendix C discusses the level of engagement needed at this point. The change sponsor may consider engaging aviation stakeholders and groups representing local communities to ensure that the feedback that they provided during the development of the design principles has been accurately captured and taken account of.

E16. As part of developing options, the change sponsor should try to:

- look at other examples where a similar issue has been addressed
- identify the full range of interventions available
- develop and consider radical options – these options may not become part of the formal appraisal, but may help to test the parameters for feasible solutions.

Refining options to shortlist

E17. Having developed a comprehensive list of options, these then need to be narrowed down.

E18. The change sponsor must develop a clear list of criteria from its design principles in Stage 1 (see Appendix D) and apply these to the options list. The criteria should not be made overly restrictive, as to do so may remove a potentially suitable solution at too early a stage.

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E19. The refining of options using the criteria is likely to be a high-level exercise without the need for significant detail. But it should still set out clearly why options have been discounted. The change sponsor then produces a design principle evaluation that sets out how its design options have responded to the design principles.

Setting the baseline: doing nothing is not always an option

E20. The change sponsor must do an assessment to understand its current impacts so that a comparison can be made with the impacts of the options – the baseline for the appraisal from which the change is assessed. In most cases this baseline will also be the 'do nothing' option.

E21. In certain cases, doing nothing is not a feasible option in reality. For example, airspace may need to be changed to reflect the UK's international obligations. In such cases, in addition to the 'do nothing' baseline, the change sponsor must set out its informed view of the future and the minimum changes required to address the issues identified – a 'do minimum' option. Assessing the 'do minimum' option against a 'do nothing' baseline allows communities to understand the effect of the 'do minimum' in relation to current circumstances.

E22. The baseline must be considered in relation to its context, which may be changing. For example, if the change sponsor is aware that a housing development or other such project has been given the go-ahead, this should be factored into the baseline as a potential increase in households affected by noise and pollution. Alternatively there may be planned changes that have not yet been implemented. These should be included in the baseline from the time implementation is expected so that the benefits/costs of those changes are not double-counted in the proposed change.

Full appraisal

E23. For the Full appraisal, we expect the Initial appraisal to be developed into a more detailed quantitative assessment, moving from qualitatively defined shortlist options to the selection of the preferred option. The Full appraisal must include:

- each shortlist option fully developed, including the 'do nothing/minimum' option, in particular:
  - all reasonable costs and benefits quantified
  - all other costs and benefits described qualitatively
  - reasons why costs and benefits have not been quantified
- detail on the preferred option, setting out reasons for the preference.

Final appraisal

E24. The Final appraisal will consist of the Full appraisal with any refinements or changes made as a result of the Stage 3 formal consultation with stakeholders.

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Summary

E25. Table E1 below summarises what must be included in each phase of the options appraisal.

Table E1: What to include in each phase of the options appraisal

	Initial	Full	Final
High-level objective and design principles	✓	✓	✓
Comprehensive list of options	✓	✓	✓
Qualitative assessment of comprehensive list of options	✓	✓	✓
Shortlist options	✓	✓	✓
Qualitative assessment of shortlist	✓	✓	✓
Full analysis of shortlist options		✓	✓
Preferred option		✓	✓
Modifications following consultation			✓
Proposed option			✓

Proportionality

E26. As noted earlier, it is not always possible or proportionate to quantify costs and benefits. The frameworks set out in this guidance, the Green Book and WebTAG are designed to be applied flexibly to match the circumstances of the proposal. We expect sponsors to carry out a comprehensive appraisal of the options. However, a Full appraisal for an airspace change that affects all movements in a dense area of airspace with multiple routes and airports is likely to require significantly more detailed analysis than, for example, moving an approach at an airport further away from densely populated areas. In some cases, a qualitative assessment may be all that is required, for example a proposed change to airspace over the sea with no consequential impacts on populated areas.

E27. We cannot provide precise detail on the level of analysis required as this will depend on local factors and the specifics of the particular airspace change. However, when considering the level of detail required, sponsors should include the following:

- a full history of airspace change in the area
- whether the change is likely to involve a wide range of stakeholders with conflicting requirements
- the extent of the change in terms of both airspace users affected and those likely to be affected on the ground
- whether the proposal affects more than one airport
- whether there may be other forthcoming changes in the same area.

E28. We consider that, as a rule of thumb, more detailed analysis should be provided where the proposal is likely to affect more stakeholders and/or affect more than one airport. We will be able to provide more guidance when the change sponsor is carrying out the Initial appraisal.

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E29. Proportionality should not be used as an excuse to avoid undertaking reasonably achievable quantitative analysis, for example where quantitative estimates are readily available such as from the WebTAG data book or other published sources. We expect the change sponsor to set out why it has not undertaken specific quantitative analysis as part of its assessment. The CAA may ask the change sponsor to carry out quantitative analysis if we decide that its rationale is not sufficiently compelling.

E30. In the absence of quantitative analysis, sponsors must make a qualitative assessment of the specific cost or benefit.

E31. In addition to general proportionality considerations, there are hard thresholds that determine cases where we would not expect to see certain types of analysis. In particular, for changes to airspace at 7,000 feet or above we change the requirement for noise assessment, such that noise is no longer a priority, because of the magnitude of the likely impact. Noise from some aircraft types at 7,000 feet or above may be audible, but not of such magnitude that undertaking an appraisal of the impact would be proportionate. Paragraph B56 outlines when the need to consider noise impacts at 7,000 feet or above might be required.

Valuing costs and benefits

E32. The change sponsor will need to value all relevant costs and benefits of the airspace change. The net benefit or cost can then be calculated and compared across the varying options. If necessary, change sponsors should take a pragmatic approach to valuing the various costs and benefits. In some cases this may mean the use of ranges rather than precise figures.

E33. At the Initial appraisal a detailed qualitative description of the particular costs and benefits should be provided. As the change sponsor progresses through the consultation, a greater degree of quantification will be required.

E34. Market prices provide the best estimate of the cost or benefit (for example, the cost of jet fuel can be observed on petroleum markets). However, a number of the costs or benefits in an options appraisal will be wider social and environmental costs, for which there may not be market prices. In such cases, the change sponsor should look for another means to quantify them. There are a number of approaches that can be taken. A key source of values of costs and benefits is published studies, but there may be a need to carry out specific analysis or at least to understand the approach taken in studies used to ensure that they are robust and reliable. Approaches to appraisal are discussed in Chapter 5 of the Green Book.

E35. When appraising costs and benefits of an airspace change option, a change sponsor should assess them incrementally against the baseline. In other words, a change sponsor should assess the additional benefit or cost of the option, not the absolute (total) benefit or cost. For example, if an airspace change were to eliminate the noise over 20 per cent of homes in a particular area with no effect on the remaining 80 per cent, the change sponsor should value the benefit to the 20 per cent, not the cost to the 80 per cent of pre-existing noise. A worked assessment is set out at the end of this Appendix.

E36. Table E2 contains a list of potential costs/benefits that may arise in the assessment of airspace change. This list is by no means exhaustive and sponsors should endeavour to understand all of the potential cost and benefits that may be relevant for their specific change proposal. Safety work is also received as part of the options appraisal process, but is not included in the table below; more information as to how the CAA reviews safety appears at the end of this Appendix.

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Table E2: Guide to expected approach to key analysis for a typical airspace change

Group	Impact	Level of analysis	Description
Communities	Noise impact on health and quality of life	Monetise and quantify	Appendix B sets out detailed guidance on the assessment of noise, carbon, air quality and other environmental impacts. The costs and benefits derived from this analysis should be imported into the options appraisal. Additionally WebTAG A3 can be utilised for the WebTAG noise tool and reporting non-monetised noise metrics i.e. overflights, as well as guiding the qualitative assessment. Greater detail is set out in Appendix B. Change sponsors should also be mindful of the Government's guidance on compensation for increased noise exposure as a result of changes (to both airspace and infrastructure). When assessing the impacts of different options, the requirement for financial assistance towards insulation where residents are newly exposed to noise at the 63dB L_{Aeq} level or above, and compensation to be considered where they experience significantly increased overflight, should be factored into assessments, as this may influence which option sponsors choose to develop.
Communities	Air quality	Qualitative or monetise and quantify, depending on the scope of the proposal	We recognise that air quality can be difficult to monetise without extensive modelling. It is possible to assess qualitatively whether change occurs in air quality. However, we may expect more quantification and thus monetisation for larger proposals where air quality is a key concern. Additional guidance can be found in WebTAG A3.
Wider society	Greenhouse gas impact	Monetise and quantify	Assessment of greenhouse gas is set out in WebTAG A3. There is also a WebTAG greenhouse gas tool which can be used to assess the monetised value based on CO_2 emissions.

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Options appraisal

Table E2: Guide to expected approach to key analysis for a typical airspace change (continued)

Group	Impact	Level of analysis	Description
Wider society	Capacity / resilience	Qualitative	Sponsors should qualitatively assess the effect of the proposal on the overall UK airspace infrastructure. Sponsors are encouraged to discuss potential quantitative methodologies with the CAA.
General Aviation	Access	Qualitative	Sponsors should qualitatively assess the effect of the proposal on the access to airspace for General Aviation. Sponsors are encouraged to discuss potential quantitative methodologies with the CAA.
General Aviation / commercial airlines	Economic impact from increased effective capacity	Quantify	Forecast increase in air transport movements and estimated passenger numbers or cargo tonnage carried. Discuss methodology with the CAA.
General Aviation / commercial airlines	Fuel burn	Monetise and quantify	Fuel costs and the relative efficiency of aircraft are readily obtainable from market data. The change sponsor must seek to quantify and monetise these costs based on its assumptions of the fleets in operation. Discuss methodology with the CAA.
Commercial airlines	Training costs	Monetise and quantify	Where a proposal would lead to a need for retraining, this should be quantified and where possible monetised. Discuss methodology with the CAA.
Commercial airlines	Other costs	Qualitative	Where there are likely to be other costs imposed on commercial aviation, these should be described. Where these costs are quantifiable, an assessment should be made.

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Options appraisal

Table E2: Guide to expected approach to key analysis for a typical airspace change (continued)

Group	Impact	Level of analysis	Description
Airport / Air navigation service provider	Infrastructure costs	Monetise and quantify	Where the proposal requires a change in the infrastructure, this should be monetised. Discuss methodology with the CAA.
Airport / Air navigation service provider	Operational costs	Monetise and quantify	Where a proposal will lead to changes in operational costs, these should be monetised. Discuss methodology with the CAA.
Airport / Air navigation service provider	Deployment costs	Monetise and quantify	Where a proposal would lead to a need for retraining and other deployment, this should be quantified and where possible monetised. Discuss methodology with the CAA.

Note: The table excludes safety work received as part of the options appraisal process.

E37. The change sponsor must discuss its approach to valuing costs and benefits with the CAA. In particular, in considering proportionality, the change sponsor should discuss what it does not plan to quantify as part of its assessment.

Timescales

E38. Airspace change is generally concerned with procedures and practices rather than significant investment in assets. Airspace changes are therefore expected to happen on a more regular basis than investment decisions. It is important therefore that the timeframe over which the assessment is made is appropriate. We consider that proposals should be assessed over a 10-year period, unless there is justification for an assessment over a longer time period.

Real prices and discounting

E39. The values derived for the costs and benefits set out above must be expressed in 'real' rather than 'nominal' terms. When we state 'real' terms we mean prices for which the effect of inflation has been stripped out.

E40. We therefore expect the change sponsor to put all values into real prices. Values will then be reported in the 'base' year for the assessment. The 'base' year for the assessment is the year in which the general price level has been chosen. Generally speaking this will either be the year in which the appraisal is taking place or the prior year.

E41. A detailed discussion on real prices can be found in Chapter 5 of the Green Book and section 2.6 of WebTAG A1.1.

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E42. As well as taking account of inflation in real prices, the change sponsor needs to be aware of people's time preference and discount the values appropriately. In a private transaction, such as an airline leasing or purchasing aircraft, the discount rate would be equal to the organisation's own time-preference rate. Generally speaking, this is an organisation's cost of capital, or it may be some other hurdle rate that the organisation sets for investment. However, an airspace change is not a wholly private transaction; although it does entail private investment, there are significant externalities (i.e. noise and health impacts) associated with the change that impact on those who do not necessarily benefit from it. The change decision is also a public authority decision by the CAA, and the CAA is required to have regard to wider issues than those that a private organisation would take into account. Therefore for the purposes of the airspace change process it is appropriate to use a **social time preference rate**[71], a rate which is reflective of the time preference of society at large and not any individual or enterprise.

E43. The Government currently calculates the social time preference rate for the UK at 3.5 per cent. It is this rate that should be used for discounting for an airspace change proposal. Further discussion can be found in Chapter 5 of the Green Book and section 2.7 of WebTAG A1.1.

A worked cost-benefit example

E44. In the example below (see Table E3), an airport is considering an airspace change to allow for a more flexible runway approach service. Its current approach goes over a village, and it faces planning restrictions on movements as a result, because of ongoing noise impacts. Both the airport and airlines could benefit from more air traffic. The Net Present Value of each option is calculated as the difference in total impacts between the option and the baseline scenario. In this example Option 2 provides the highest Net Present Value, at £0.9m, while Option 1 has a Net Present Value of £0.5m.

- Option 1: The airport has shortlisted a first alternative runway approach. This will require investment from the airport of £0.5m in upgrading its systems and retraining of staff. The approach will increase capacity and bring benefits to airlines and the airport. The impact on noise would be negative, giving a reduction in community benefits of £0.1m annually compared with baseline.
- Option 2: The airport has shortlisted a second alternative runway approach. This will require a larger investment from the airport of £1m in upgrading its systems and retraining of staff. This option will increase capacity and bring benefits to airlines and airports similar to Option 1. Option 2, however, reduces the noise impact giving an increase in community benefits of £0.1m annually compared with baseline.

71. Social Time Preference Rate is discussed in more detail in Annex 6 of the Green Book.

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Table E3: A worked cost-benefit example

Year	0	1	2	3	4	5	NPV
Discount factor	1	0.965	0.931	0.899	0.867	0.837	
Option 1							
Net community benefit	0	-0.1	-0.1	-0.1	-0.1	-0.1	
Net airspace users benefit	0	0.1	0.1	0.2	0.3	0.4	
Net sponsor benefit	-0.5	0.05	0.05	0.1	0.15	0.2	
Present value	-0.50	0.05	0.05	0.18	0.30	0.42	**0.50**
Option 2							
Net community benefit	0	0.1	0.1	0.1	0.1	0.1	
Net airspace users benefit	0	0.1	0.1	0.2	0.3	0.4	
Net sponsor benefit	-1	0.05	0.05	0.1	0.15	0.2	
Present value	-1.00	0.24	0.23	0.36	0.48	0.59	**0.90**

Note: Figures are in £m. The table shows only five years for clarity, but proposals should normally be assessed over a 10-year period.

Safety assessment in the airspace change process

E45. Each airspace change proposal will need a safety assessment, completed by the change sponsor and reviewed by the CAA at Stage 5 of the airspace change process. This final safety assessment will:

- describe the scope of the proposed airspace change
- identify new and changing hazards
- identify and quantify risks arising from those hazards
- set mitigations for those risks.

E46. The CAA has published separate guidance (CAP 760) about the final safety assessment.[72]

E47. The CAA will review the final safety assessment as part of its decision-making, in accordance with Government policy and legislation – noting that section 70 of the Transport Act 2000 states that the CAA must "maintain a high standard of safety".

72. CAP 760 Guidance on the Conduct of Hazard Identification, Risk Assessment and the Production of Safety Cases: For Aerodrome Operators and Air Traffic Service Providers www.caa.co.uk/cap760.

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E48. The change sponsor will be required to provide a plain English summary of the final safety assessment and the CAA will provide a plain English summary of its review (i.e. a summary of the Letter of Acceptance, which forms the CAA's review of the safety assessment) when it makes a decision. These summaries will be published on the online portal as part of the associated options appraisal material. The purpose of a summary is not to limit the information made available, but to ensure that it is clear and comprehensible. When the airspace change is likely to have a detrimental effect on a significant number of stakeholders (such as General Aviation or local communities), those stakeholders have a reasonable expectation that the change sponsor has demonstrated that it has properly considered the potential safety impacts of its proposal. The summary can exclude material which the CAA is satisfied should be kept confidential.

Safety assessment for the Initial options appraisal

E49. An initial indication of safety implications will need to be included in the Initial options appraisal at Stage 2 ('Develop and assess' gateway).

E50. The CAA would expect the initial indication of safety implications to include qualitative statements on the potential impact of each option on safety. An example might be that by reducing the complexity of airspace, the proposal is anticipated to reduce the number of controller interactions, which will impact positively on safety. We do not expect those qualitative statements to compare the safety of one option against another.

E51. If there is only one option put forward at this stage on the basis that "it is the only safe option", the CAA will review the safety implications to determine whether we agree that is the only potential option, on the grounds of safety. If we agree, the Initial appraisal may go forward with only one option. If we disagree, the change sponsor will not pass the gateway and will have to revisit its options development, i.e. Step 2a. The CAA will publish this determination on the online portal at this point.

E52. If there are two or more options, the CAA will not conduct a review of the safety implications carried out by the change sponsor at this stage.

Safety assessment for the Full options appraisal

E53. A more detailed safety assessment will not need to be included in the Full options appraisal at Stage 3 ('Consult' gateway) unless the sponsor has undertaken that work. If, by this stage, only one option remains because of safety reasons, the CAA will carry out a review of the change sponsor's safety work. If we disagree with the change sponsor's assessment, it will have to revisit its Full options appraisal or the CAA may require additional safety information. The CAA will publish this determination on the online portal at this point.

Safety assessment for the Final options appraisal

E54. A final safety assessment will need to be included in the Final options appraisal at Step 4B of Stage 4 (Submit proposal to CAA). At Step 4B, the change sponsor will submit its formal airspace change proposal to the CAA including a complete set of supporting documents, of which the final safety assessment will be one. The change sponsor must publish a summary version of the safety assessment and a summary of the quantitative data on the online portal. The CAA will review this as part of its assessment at Stage 5.

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Appendix E

Options appraisal

How the CAA will review the options appraisal

E55. The CAA will not be the owner of the options appraisal. It is a tool for the change sponsor to use in demonstrating the need for the proposed airspace change. The CAA's role in the option appraisal is threefold:

- to check that the change sponsor has undertaken a formal process of options appraisal, that there has been no bias in the process, and that the change sponsor considered all relevant options
- to undertake some validation of the change sponsor's options appraisal. As part of this the CAA will not review each individual piece of analysis undertaken by the change sponsor. However, the CAA may review the change sponsor's methodologies and input data to ensure that they are robust and based on the best available source. The CAA may also re-run the change sponsor's analysis to check whether it achieves the same result
- the CAA may provide additional guidance to the change sponsor as it seeks to move from Initial appraisal to a Full appraisal.

E56. As such the change sponsor must provide the CAA with all of its supporting data in a machine-readable format to enable the CAA to validate its analysis.

E57. The CAA will provide feedback to the change sponsor on its options appraisal either by meeting or via correspondence. The CAA will publish an assessment of each phase of the change sponsor's options appraisal as indicated at the beginning of this Appendix.

Standardised format for this activity

Design principle evaluation

Sponsors should use this proforma to summarise the result of its comprehensive list options. A report should be set out for each design option. The proforma should be expanded as necessary to take account of each of the change sponsors design principles. A summary of the analysis should be provided with a high level assessment of whether the design principle is not met, partially met or fully met.

Design principle evaluation			**OPTION NO:**
Option Name			ACCEPT / REJECT
Description of option			
Design principle:	NOT MET	PARTIAL	MET
Summary of qualitative assessment *[Repeat for each design principle]*			

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Submission of a formal proposal

When to undertake this activity

Stage 1: Define	1A: Assess requirement	✗
	1B: Design principles	✗
Define gateway		
Stage 2: Develop and assess	2A: Options development	✗
	2B: Options appraisal	✗
Develop and Assess gateway		
Stage 3: Consult	3A: Consultation preparation	✗
	3B: Consultation approval	✗
Consult gateway		
	3C: Commence consultation	✗
	3D: Collate and review responses	✗
Stage 4: Update and submit	4A: Update design	✗
	4B: Submit proposal to CAA	✓
Stage 5: Decide	5A: CAA assessment	✗
	5B: CAA decision	✗
Decide gateway		
Stage 6: Implement		✗
Stage 7: Post-implementation review		✗

What does this activity entail?

The change sponsor's final submission of its airspace change proposal to the CAA for approval – the last step before the CAA assesses the proposal and makes its decision.

Appendix F

Submission of a formal proposal

Why is this activity included in the process?

F1. At Step 4B of the airspace change process, the change sponsor prepares and submits the formal airspace change proposal to the CAA. In particular the change sponsor must structure its submission in accordance with a standard template, accepting the very varied nature of airspace change proposals.

This makes it easier for anyone interested in airspace change to see what is being proposed. As part of the formal submission the change sponsor must include its:

- safety assessment
- operational assessment
- environmental assessment
- consultation feedback report.

Key terms to check in our glossary		
Advisory Route	Aeronautical information regulation and control (AIRAC) cycle	Air traffic service (ATS)
Air transport movement (ATM)	Airspace Modernisation Strategy	Airway
Conditional route	Control areas (CTA)	Control zones (CTR)
Controlled airspace (CAS)	Flexible use of airspace (FUA)	General Aviation traffic (GAT)
Holding patterns	ICAO standards and recommended practices (SARPs)	Instrument Flight Rules (IFR)
Non-directional beacon (NDB)	Operational air traffic (OAT)	Portal
P-RNAV (Area (precision) navigation)	Radiotelephony (R/T) coverage	RNAV (Area navigation)
Safety buffer	Secondary Surveillance Radar (SSR)	Single European Sky (SES)
Standard arrival route (STAR)	Standard instrument departure (SID)	Terminal manoeuvring area (TMA)
Visual Flight Rules (VFR)	VHF omni range/distance measuring equipment (VOR/DME)	World geodetic system coordinates (WGS84)

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Submission of a formal proposal

How to undertake this activity

Submission to the CAA

F2. The change sponsor must submit the formal proposal to the CAA through the airspace change online portal, where it will simultaneously be published and any progress will be recorded. The exception is material that is confidential in the interests of national security, personal details or material which the CAA has agreed with the change sponsor should not be made public, in order to protect the legitimate commercial interests of a person or business (in the same way that we are obliged to apply the Freedom of Information Act to any information held by the CAA). If the proposal contains any such sensitive information, then two versions must be submitted – one full version for the CAA by email to acp.submission@caa.co.uk and one redacted version through the online portal for publication. However, we do not anticipate agreeing to withhold large amounts of information and would only accept redaction of the minimum information necessary to comply with our obligations.

F3. Under normal circumstances, and with the exception of such sensitive material, the formal proposal to the CAA should not contain material that has not been consulted upon. However, it is acceptable for the change sponsor to place in an annex to its consultation material any technical detail that might compromise the clarity of the change sponsor's proposal, providing a plain English summary of the relevant information is in the core documentation.

Template

F4. The change sponsor must use the CAA's template (shown at the end of this Appendix) in order to submit its formal airspace change proposal. The template can be downloaded from the CAA airspace change online portal. The template is structured into sections covering safety review, operational requirements, environmental impacts (from the options appraisal) and the stakeholder consultation response document.

F5. Depending on the nature of the proposal, the details set out in the template may or may not be applicable. Where appropriate, the change sponsor will need to justify whether a specific requirement is not relevant in a particular case.

Redaction of confidential material

F6. The change sponsor should consider whether there is material in the proposal that might require redaction, although there remains a strong presumption of full disclosure and the change sponsor will be required to justify proposed redactions to the CAA before a CAA decision. Such material would include:

- commercial material that we have agreed with the change sponsor should not be made public in order to protect the legitimate commercial interests of a person or business (in the same way that we are obliged to apply the Freedom of Information Act to any information held by the CAA) and which, if published, would significantly compromise the change sponsor, such as contractual information and business relationships between sponsors and operators
- personal details (names, contact numbers) taking into account data protection law
- sensitive information such as mandatory occurrence reports underpinning safety information, where publication is prohibited for legal reasons
- any information that might compromise ongoing legal proceedings
- material we have agreed should not be disclosed in the interests of national security.

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F7. The change sponsor is advised to research properly how to redact confidential information from documents, as the CAA will not be responsible for this. For example, common mistakes are to obscure rather than delete confidential information, or to leave confidential information visible in metadata. Sponsors are also reminded that information held by the CAA is subject to legislation that requires us to consider disclosing it on request – the Freedom of Information Act 2000 and Environmental Information Regulations 2004. For more information on the CAA's obligations please see https://www.caa.co.uk/Our-work/Information-requests/Freedom-of-Information/.

Content of the formal proposal

F8. The formal proposal must adhere to the template using clearly defined headings, drawing from earlier stages and gateways in the process. Depending on the nature of the change, these headings may not all be required. The change sponsor should also be prepared to add to these headings if appropriate:

- Introduction
- Executive summary
- Current airspace description
- Statement of Need/justification
- Proposed airspace description
- Engagement and consultation overview
- Design principles
- Options development
- Analysis/impact of options
- Airspace description requirements
- Safety assessment
- Operational impact
- Supporting infrastructure/resources
- Airspace and infrastructure requirements
- Environmental requirements
- Appendices (draft Aeronautical Information Publication[73] information, supporting evidence, consultation report, environmental analysis/methodology and options appraisal, ACP (airspace change process) aeronautical data template, others as appropriate).

References and selected bibliography

- CAA, CAP 32, the UK Aeronautical Information Publication (which notifies some UK differences and variations from SARPs and PANS)
- CAA, CAP 493, Manual of Air Traffic Services – Part 1 (which reflects the UK application of PANS-ATM)
- CAA, CAP 670, ATS safety requirements
- CAA, CAP 724, the Airspace Charter
- CAA, CAP 760, Guidance on the Conduct of Hazard Identification, Risk Assessment and the Production of Safety Cases: for Aerodrome Operators and Air Traffic Service Providers
- CAA, CAP 1054, Aeronautical Information Management
- CAA Paper 91010, Outline of the method for the determination of separation standards for future air traffic systems
- CAA, Safety Buffer Policy for Airspace Design Purposes Segregated Airspace
- HM Government consultation principles July 2012
- Department for Transport, Guidance to the Civil Aviation Authority on the environmental factors it should take into account when exercising its air navigation functions.

73. From January 2019, any amendments submitted by a data originator or air navigation service provider for onward promulgation in the Aeronautical Information Publication will be subject to the Aeronautical Data Quality Requirements. See Commission Regulation (EU) No 73/2010 (updated by 1029/2014) and CAP 1054 Aeronautical Information Management guidance material for further information. See also page 182.

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- Eurocontrol, ASM.ETI.ST08.5000-HBK-01-00, Airspace Management Handbook for the application of the Flexible Use of Airspace
- Eurocontrol, Doc 94.70.08 EATCHIP, Report on Organisational Structures and Procedures Required for the Application of the Concept of the Flexible Use of Airspace
- Eurocontrol, NAV .ET1.ST10, Guidance Material for the Design of Terminal Procedures for Area Navigation
- European Commission Regulation (EU) No 73/2010 of 26 January 2010 (as amended by Regulation 1029/2014) laying down requirements on the quality of aeronautical data and aeronautical information for the single European sky
- ICAO Annex 2, Rules of the Air
- ICAO Annex 3, Meteorology
- ICAO Annex 4, Aeronautical Charts
- ICAO Annex 6, Operation of Aircraft
- ICAO Annex 10, Aeronautical Telecommunications
- ICAO Annex 11, Air Traffic Services
- ICAO Annex 15, Aeronautical Information Services
- ICAO Annex 16, Environmental Protection
- ICAO Doc 4444, PANS-ATM Procedures for Air Navigation Services – Air Traffic Management
- ICAO Doc 7030, Regional Supplements
- ICAO Doc 8168, PANS OPS Volumes 1 and 2 – Procedures for Air Navigation Services – Aircraft Operations
- ICAO Doc 9426, ATS Planning Manual
- ICAO Doc 9613, Manual on Required Navigation Performance (RNP)
- ICAO Doc 9689, Manual on Airspace Planning Methodology for Determination of Separation Minima
- Ministry of Defence, MAAs and MRPs (Military Regulation Publications)
- The Stationery Office, the Local Government Companion (2003 edition)
- The Stationery Office, Transport Act 2000.

Timescales

F9. The airspace change proposal must identify a preferred AIRAC[74] target implementation date and a reserve date (or dates). Actual implementation could take up to three months to complete. The precise timescale is dependent upon Aeronautical Information Publication cycles. It is, therefore, imperative that the change sponsor is realistic about the implementation and reserve dates. These must allow for the proper drafting and promulgation of documentation, including, where appropriate, Visual Flight Rules (VFR) chart changes. The reserve date is to allow enough time for the change sponsor and the CAA to give proper consideration to any further consultation on the change proposal that might become necessary. In most cases, promulgation would be not less than one AIRAC cycle prior to the effective date, although for major changes (for example those involving extensive new procedures, cross-border airspace, etc.), two AIRAC cycles would normally be necessary.

F10. Subject to the nature of the change, the change sponsor should include an implementation plan which addresses training and examination requirements in order to demonstrate sufficient numbers of suitably qualified staff are able to provide the appropriate levels of air traffic service. Sponsors can seek specialist advice on any such requirements from the CAA.

74. Aeronautical Information Regulation and Control.

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Submission of a formal proposal

Standardised format for this activity

Formal submission of an airspace change proposal

The standardised format for submission of the proposal consists of a number of headings requiring the change sponsor to provide a free-text description of the proposed change, followed by specific design requirements that demonstrate the change sponsor's regulatory compliance.

Title of airspace change proposal

Authorship & revision history

1. Contents

2. Introduction

3. Executive summary

The change sponsor must provide a concise summary of the activity that has led to and influenced the formal proposal, and outline any changes to the proposal resulting from feedback to the consultation. The executive summary should also include, where appropriate, the data required to satisfy the Secretary of State for Transport's criteria for 'call-in'.

4. Current airspace description

A free-text description of the current airspace design and operation including:

- 4.1 Structures and routes
- 4.2 Airspace usage and proposed effect
- 4.3 Operational efficiency, complexity, delays and choke points
- 4.4 Safety issues
- 4.5 Environmental issues

5. Statement of Need

A free-text description of the need for change and the change sponsor's justification for the change. The change sponsor must state whether the proposal forms part of the plan for delivering the Airspace Modernisation Strategy, and, if not, confirmation that the proposal does not conflict with the plan.

6. Proposed airspace description

A free-text description of the proposed airspace design and operation including:

- 6.1 Objectives/requirements for proposed design
- 6.2 Proposed new airspace/route definition and usage

7. Impacts and consultation

A free-text summary of the engagement/ consultation activity undertaken and the forecast impacts of the proposal:

- 7.1 Net impacts summary for proposed route
- 7.2 Units affected by the proposal
- 7.3 Military impact and consultation
- 7.4 General Aviation airspace users impact and consultation
- 7.5 Commercial air transport impact and consultation
- 7.6 CO_2 environmental analysis impact and consultation
- 7.7 Local environmental impacts and consultation
- 7.8 Economic impacts

8. Analysis of options

A free text summary of the options appraisal undertaken as part of the process: the options considered, the analysis of the options and why the preferred option was selected.

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9. Airspace description requirements

The change sponsor must complete those parts of the following proforma that are relevant to its proposal.

	The proposal should provide a full description of the proposed change including the following:	Description for this proposal
a	The type of route or structure; for example, airway, UAR, Conditional Route, Advisory Route, CTR, SIDs/STARs, holding patterns, etc	
b	The hours of operation of the airspace and any seasonal variations	
c	Interaction with domestic and international en-route structures, TMAs or CTAs with an explanation of how connectivity is to be achieved. Connectivity to aerodromes not connected to CAS should be covered	
d	Airspace buffer requirements (if any). Where applicable describe how the CAA policy statement on 'Special Use Airspace – Safety Buffer Policy for Airspace Design Purposes' has been applied.	
e	Supporting information on traffic data including statistics and forecasts for the various categories of aircraft movements (passenger, freight, test and training, aero club, other) and terminal passenger numbers	
f	Analysis of the impact of the traffic mix on complexity and workload of operations	
g	Evidence of relevant draft Letters of Agreement, including any arising out of consultation and/or airspace management requirements	
h	Evidence that the airspace design is compliant with ICAO Standards and Recommended Practices (SARPs) and any other UK policy or filed differences, and UK policy on the Flexible Use of Airspace (or evidence of mitigation where it is not)	
i	The proposed airspace classification with justification for that classification	
j	Demonstration of commitment to provide airspace users equitable access to the airspace as per the classification and where necessary indicate resources to be applied or a commitment to provide them in line with forecast traffic growth. 'Management by exclusion' would not be acceptable	
k	Details of and justification for any delegation of ATS	

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10. Safety assessment

Developed in accordance with CAP 760 Guidance on the Conduct of Hazard Identification, Risk Assessment and the Production of Safety Cases: For Aerodrome Operators and Air Traffic Service Providers.[75]

11. Operational impact

The change sponsor must complete the following proforma to outline the operational impact:

	An analysis of the impact of the change on all airspace users, airfields and traffic levels must be provided, and include an outline concept of operations describing how operations within the new airspace will be managed. Specifically, consideration should be given to:	**Evidence of compliance/ proposed mitigation**
a	Impact on IFR general air traffic and operational air traffic or on VFR General Aviation (GA) traffic flow in or through the area	
b	Impact on VFR operations (including VFR routes where applicable);	
c	Consequential effects on procedures and capacity, i.e. on SIDs, STARs, and/or holding patterns. Details of existing or planned routes and holds	
d	Impact on aerodromes and other specific activities within or adjacent to the proposed airspace	
e	Any flight planning restrictions and/or route requirements	

75. www.caa.co.uk/cap760

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12. Supporting infrastructure/resources

The change sponsor must complete the following proforma to outline the supporting infrastructure and resources:

	General requirements	Evidence of compliance/ proposed mitigation
a	Evidence to support RNAV and conventional navigation as appropriate with details of planned availability and contingency procedures	
b	Evidence to support primary and secondary surveillance radar (SSR) with details of planned availability and contingency procedures	
c	Evidence of communications infrastructure including R/T coverage, with availability and contingency procedures	
d	The effects of failure of equipment, procedures and/or personnel with respect to the overall management of the airspace must be considered	
e	Effective responses to the failure modes that will enable the functions associated with airspace to be carried out including details of navigation aid coverage, unit personnel levels, separation standards and the design of the airspace in respect of existing international standards or guidance material	
f	A clear statement on SSR code assignment requirements	
g	Evidence of sufficient numbers of suitably qualified staff required to provide air traffic services following the implementation of a change	

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13. Airspace and infrastructure

The change sponsor must complete the following proforma to demonstrate that the airspace change complies with the airspace and infrastructure requirements set out in UK/European law and policy, ICAO standards and recommended practices, and Eurocontrol standards.

	General requirements	Evidence of compliance/ proposed mitigation
a	The airspace structure must be of sufficient dimensions with regard to expected aircraft navigation performance and manoeuvrability to fully contain horizontal and vertical flight activity in both radar and non-radar environments	
b	Where an additional airspace structure is required for radar control purposes, the dimensions shall be such that radar control manoeuvres can be contained within the structure, allowing a safety buffer. This safety buffer shall be in accordance with agreed parameters as set down in CAA policy statement 'Safety Buffer Policy for Airspace Design Purposes Segregated Airspace'. Describe how the safety buffer is applied, show how the safety buffer is portrayed to the relevant parties, and provide the required agreements between the relevant ANSPs/ airspace users detailing procedures on how the airspace will be used. This may be in the form of Letters of Agreement with the appropriate level of diagrammatic explanatory detail.	
c	The Air Traffic Management system must be adequate to ensure that prescribed separation can be maintained between aircraft within the airspace structure and safe management of interfaces with other airspace structures	
d	Air traffic control procedures are to ensure required separation between traffic inside a new airspace structure and traffic within existing adjacent or other new airspace structures	
e	Within the constraints of safety and efficiency, the airspace classification should permit access to as many classes of user as practicable	
f	There must be assurance, as far as practicable, against unauthorised incursions. This is usually done through the classification and promulgation	

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13. Airspace and infrastructure (continued)

	General requirements (continued)	**Evidence of compliance/ proposed mitigation**
g	Pilots shall be notified of any failure of navigational facilities and of any suitable alternative facilities available and the method of identifying failure and notification should be specified	
h	The notification of the implementation of new airspace structures or withdrawal of redundant airspace structures shall be adequate to allow interested parties sufficient time to comply with user requirements. This is normally done through the AIRAC cycle	
i	There must be sufficient R/T coverage to support the Air Traffic Management system within the totality of proposed controlled airspace	
j	If the new structure lies close to another airspace structure or overlaps an associated airspace structure, the need for operating agreements shall be considered	
k	Should there be any other aviation activity (low flying, gliding, parachuting, microlight site, etc) in the vicinity of the new airspace structure and no suitable operating agreements or air traffic control procedures can be devised, the change sponsor shall act to resolve any conflicting interests	

	ATS route requirements	**Evidence of compliance/ proposed mitigation**
a	There must be sufficient accurate navigational guidance based on in-line VOR/DME or NDB or by approved RNAV derived sources, to contain the aircraft within the route to the published RNP value in accordance with ICAO/Eurocontrol standards	
b	Where ATS routes adjoin terminal airspace there shall be suitable link routes as necessary for the ATM task	
c	All new routes should be designed to accommodate P-RNAV navigational requirements	

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Submission of a formal proposal

13. Airspace and infrastructure (continued)

	Terminal airspace requirements	Evidence of compliance/ proposed mitigation
a	The airspace structure shall be of sufficient dimensions to contain appropriate procedures, holding patterns and their associated protected areas	
b	There shall be effective integration of departure and arrival routes associated with the airspace structure and linking to designated runways and published instrument approach procedures (IAPs)	
c	Where possible, there shall be suitable linking routes between the proposed terminal airspace and existing en-route airspace structure	
d	The airspace structure shall be designed to ensure that adequate and appropriate terrain clearance can be readily applied within and adjacent to the proposed airspace	
e	Suitable arrangements for the control of all classes of aircraft (including transits) operating within or adjacent to the airspace in question, in all meteorological conditions and under all flight rules, shall be in place or will be put into effect by the change sponsor upon implementation of the change in question (if these do not already exist)	
f	The change sponsor shall ensure that sufficient visual reference points are established within or adjacent to the subject airspace to facilitate the effective integration of VFR arrivals, departures and transits of the airspace with IFR traffic	
g	There shall be suitable availability of radar control facilities	

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	Terminal airspace requirements (continued)	Evidence of compliance/ proposed mitigation
h	The change sponsor shall, upon implementation of any airspace change, devise the means of gathering (if these do not already exist) and of maintaining statistics on the number of aircraft transiting the airspace in question. Similarly, the change sponsor shall maintain records on the numbers of aircraft refused permission to transit the airspace in question, and the reasons why. The change sponsor should note that such records would enable ATS managers to plan staffing requirements necessary to effectively manage the airspace under their control	
i	All new procedures should, wherever possible, incorporate Continuous Descent Approach (CDA) profiles after aircraft leave the holding facility associated with that procedure	

	Off-route airspace requirements	Evidence of compliance/ proposed mitigation
a	If the new structure lies close to another airspace structure or overlaps an associated airspace structure, the need for operating agreements shall be considered	
b	Should there be any other aviation activity (military low flying, gliding, parachuting, microlight site etc) in the vicinity of the new airspace structure and no suitable operating agreements or air traffic control procedures can be devised, the change sponsor shall act to resolve any conflicting interests	

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14. Environmental assessment

The change sponsor must complete an environmental assessment including the following details:

- all environmental assessment requirements must be consistent with the information presented throughout the engagement and consultation process; there should be no new assessment outputs presented in the final proposal that have not already been presented to stakeholders
- where impacts have been modified since consultation, a rationale for the revision must be presented by the change sponsor; the change sponsor should be aware that changes to environmental impacts after consultation has closed may mean that the CAA advises on the need for re-consultation
- for all proposals submitted to the CAA, the underlying data and assumptions for assessment outputs must be made available to the CAA; if this is in the form of separate assessment reports, these must be provided
- more information on the metrics and methodology for an environmental assessment is set out in Appendix B and the environmental requirements technical annex.

The change sponsor must complete the following proforma:

a	WebTAG analysis	Output and conclusions of the analysis (if not already provided elsewhere in the proposal)	
b	Assessment of noise impacts (Level 1/M1 proposals only)	Consideration of noise impacts, and where appropriate the related qualitative and/or quantitative analysis, including whether the anticipated noise impact meets the criteria for a proposal to be called-in by the Secretary of State (paragraph 5(c) of Direction 6 of the Air Navigation Directions 2017) If the change sponsor expects that there will be no noise impacts, the rationale must be explained	
c	Assessment of CO_2 emissions	Consideration of the impacts on CO_2 emissions, and where appropriate the related qualitative and/or quantitative analysis If the change sponsor expects that there will be no impact on CO_2 emissions impacts, the rationale must be explained	

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	Theme	Content	Evidence of compliance/ proposed mitigation
d	Assessment of local air quality (Level 1/M1 proposals only)	Consideration of the impacts on local air quality, and where appropriate the related qualitative and/or quantitative analysis If the change sponsor expects that there will be no impact on local air quality, the rationale must be explained	
e	Assessment of impacts upon tranquillity (Level 1/M1 proposals only)	Consideration of any impact upon tranquillity, notably on Areas of Outstanding Natural Beauty or National Parks, and where appropriate the related qualitative and/or quantitative analysis If the change sponsor expects that there will be no tranquillity impacts, the rationale must be explained	
f	Operational diagrams	Any operational diagrams that have been used in the consultation to illustrate and aid understanding of environmental impacts must be provided	
g	Traffic forecasts	10-year traffic forecasts, from the anticipated date of implementation, must be provided (if not already provided elsewhere in the proposal)	
h	Summary of environmental impacts and conclusions	A summary of all of the environmental impacts detailed above plus the change sponsor's conclusions on those impacts	

Note: As explained in Appendix B, the CAA must only take account of civil environmental impacts, meaning that noise, carbon and local air quality assessments will exclude impacts generated by military aircraft and operations.

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15. Annexes

Formal airspace change submissions will include a number of annexes depending on the nature of the change. These may include, but are not limited to:

- proposed changes to the UK Aeronautical Information Publication required to implement the change
- supporting evidence such as traffic figures, economic data, trial and simulation data
- procedure design information
- safety case information
- details of any Letters of Agreement between the change sponsor and other stakeholders required to mitigate issues raised during the development of the proposal.

From January 2019 any amendments submitted by a data originator or air navigation service provider for onward promulgation in the Aeronautical Information Publication will be subject to the Aeronautical Data Quality Requirements. See Commission Regulation (EU) No 73/2010 (updated by 1029/2014) and CAP 1054 Aeronautical Information Management guidance material for further information.

At present, the UK cannot fully comply with these data quality requirements until a harmonised coding standard is agreed that enables the compliant transfer and management of aeronautical data. As an interim solution, the change sponsor should read the Aeronautical Data within CAP 1616 ACPs Policy Statement, which covers the submission and approval of:

- ICAO International Codes and Routes Designators reservations
- World Geodetic System (WGS84) latitudes, longitudes, tracks and distances
- Aeronautical Information Publication templates for common areas and routes
- metadata.

Although the ACP aeronautical data template is the primary means for supplying this data, with prior CAA approval it may be possible for data originators and air navigation service providers to use alternatives.

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Appendix G

CAA decision criteria

When to undertake this activity

Stage 1: Define	1A: Assess requirement	✗
	1B: Design principles	✗
Define gateway		
Stage 2: Develop and assess	2A: Options development	✗
	2B: Options appraisal	✗
Develop and Assess gateway		
Stage 3: Consult	3A: Consultation preparation	✗
	3B: Consultation approval	✗
Consult gateway		
	3C: Commence consultation	✗
	3D: Collate and review responses	✗
Stage 4: Update and submit	4A: Update design	✗
	4B: Submit proposal to CAA	✗
Stage 5: Decide	5A: CAA assessment	✓
	5B: CAA decision	✓
Decide gateway		
Stage 6: Implement		✗
Stage 7: Post-implementation review		✗

What does this activity entail?

The CAA reviews and assesses the airspace change proposal, and for Level 1 will hold a Public Evidence Session. The CAA may request supplementary information or clarifications to the proposal, which will be published on the online portal. The CAA prepares assessment papers to inform and provide guidance to the airspace change decision-maker.

The CAA decides whether to grant (possibly with conditions) or reject the airspace change proposal. For Level 1 proposals the CAA normally publishes a draft decision before reaching its final decision. Where the Secretary of State calls-in the proposal and is therefore the decision-maker, the CAA produces a 'minded to' decision for the Secretary of State.

Appendix G

CAA decision criteria

Why is this activity included in the process?

G1. As the UK's regulator of civil aviation, the CAA role in the airspace change process is ultimately to decide whether an airspace design change proposal should be approved or rejected. In order to fulfil that role, the CAA must take into consideration a wide range of legislative and regulatory requirements and guidance in reaching a balanced decision, as set out in the Air Navigation Directions 2017 and section 70 of the Transport Act 2000.

G2. At this stage in the process the CAA assesses the proposal in detail, producing reports on safety, operational, environmental and consultation activities and implications. The CAA considers all the information it has requested and received from the change sponsor during the process, and which must inform its decision in accordance with the legal and policy framework. If we have held a Public Evidence Session we will also take into account information we have received directly from other stakeholders. This stage is included so the CAA can undertake that detailed assessment, take further representations from stakeholders when deemed necessary, and make its thinking transparent when making a decision.

Key terms to check in our glossary		
Call-in	Controlled airspace (CAS)	Flexible use of airspace (FUA)
Operational air traffic (OAT)	Portal	Public Evidence Session
Section 70	Single European Sky (SES)	Sponsor

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CAA decision criteria

How we undertake this activity

Step 5A CAA assessment

G3. During this step, the CAA assesses the airspace change proposal and all the documentation and evidence accompanying it. In all, four reports will be generated by the CAA:

- **safety review:** assessing whether the design proposed will maintain a high standard of safety
- **operational assessment:** covering the operational/technical compliance of the proposal
- **consultation/process assessment:** covering process compliance and consultation/engagement activity
- **environmental assessment and statement:** assessing the environmental impact of the change.

G4. The CAA will publish on the online portal the operational and consultation assessments, and the environmental assessment and statement. Templates for these reports are on the online portal. The CAA will also publish on the online portal a summary of the safety review. The purpose of the summary is not to limit the information made available, but to ensure that it is clear and comprehensible. The four reports inform whether the proposal should be approved.

Technical queries or clarifications to the proposal

G5. In some cases, the CAA will require additional information or clarification from the change sponsor in order to progress its assessment. This may lead to changes to the proposal itself which, if substantial, will require re-consultation. Where such activity does not result in a requirement for the change sponsor to undertake additional consultation, the following procedure will apply:

- the CAA writes to the change sponsor explaining the assessment and requesting supplementary information, or technical corrections or clarifications
- if applicable, the change sponsor resubmits the proposal as 'version 2.0' (and so on, if further revisions are needed)
- once resolved, the CAA's request and the change sponsor's resubmission or response (including any revised consultation and a log of correspondence leading to that revision) are published on the online portal together.

Public Evidence Session

G6. For Level 1 proposals, there is the opportunity for a Public Evidence Session to be held. The Session is an opportunity for stakeholders to share with the CAA their view on the submitted proposal, which due to revision made after taking into account the consultation feedback, may differ from the proposal shared during the consultation stage.

G7. For all Level 1 changes the CAA offers a Public Evidence Session. We will announce the date on the online portal and communicate this to stakeholders who responded to the consultation and gave permission to be contacted again. If no one books a slot to give evidence, the session will be cancelled.

G8. The session is held in accordance with the principles set out in the description of Stage 5 in the main body of this document.

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Step 5B CAA decision

G9. The CAA's general duties and material factors in the exercise of its air navigation functions are set out in section 70 of the Transport Act 2000. This section of the guidance concerns the CAA's role in making decisions on proposed airspace changes with the aim of:

- providing greater transparency and evidence of consistency in decision-making in line with better regulation principles
- defining how the CAA interprets its section 70 duties
- provide as much certainty as possible for stakeholders on how the CAA will consider the those factors and the decision we will reach
- show stakeholders (whether they be users of airspace or not) how the CAA expects to balance the statutory material factors where there is a conflict between them
- maintaining the CAA's ability to make the best decision in every circumstance.

Potential conflicts between the factors in section 70(2)

G10. During the assessment, the CAA will consider any conflicts that may arise as a result of the implementation of the proposed changes.

G11. Subject to maintaining a high level of safety, the CAA will approve an airspace change proposal that contributes positively to all the material factors in section 70(2) and where there is no conflict between those material factors.

G12. Where a particular proposed airspace change would contribute positively to some of the material factors, but negatively in respect of others, section 70(3) refers to this situation as a conflict. Section 70(3) then requires the CAA to apply those material factors in the manner it thinks is reasonable having regard to them as a whole.

Interpreting the CAA's duties in section 70(2)

G13. Once a proposal has been formally submitted, and the anticipated impacts analysed against the material factors, the CAA has a duty to take into account, the CAA will first assess whether there is a conflict between the factors in section 70(2). As its starting point, when considering a proposal, the CAA will give its duty to 'secure' something higher weight than its duty to 'satisfy' or 'facilitate'. (These are all terms used in the CAA's statutory duties in section 70(2). For example, the CAA would give the obligation to secure the most efficient use of airspace higher weight than the obligation to satisfy owners and operators of aircraft.

G14. The CAA regards the term 'to take account of' as meaning that the material factors in question may or may not be applicable in a particular case (for example, national security) and also that the range of ways they could affect our decision could be wide. This means that sometimes, a factor we must 'take account of' is prioritised over one we need to 'secure'.

G15. Not all of the material factors will be relevant in all airspace change proposals.

G16. Table G1 later in this Appendix sets out examples of beneficial characteristics of an airspace change proposal which could be used to demonstrate how the proposal impacts each material factor. The table also sets out examples of detrimental characteristics which, if they arise from the proposal, would likely indicate that the proposal has not contributed positively towards one of the material factors or has had a detrimental effect.

G17. The examples are not an exhaustive list, nor should they be taken as examples that will demonstrate a factor under every circumstance. However, it is expected that for most proposals that reflect these examples, they will be evidence that a change sponsor has considered the factor in question.

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G18. The examples act as guidance for airspace change sponsors to help them gauge whether or not any of the material factors are in conflict (section 70(3) of the Transport Act 2000). If there is conflict between any material factors, this does not mean that the proposal automatically fails and is refused by the CAA. What it does mean is that the CAA will need to use its judgement to apply the factors in the manner it thinks is reasonable having regard to them as a whole and that the proposal may be approved.

G19. Where there is a conflict, and therefore section 70(3) applies, the CAA will use its discretion to determine the weight that each of the section 70(2) factors should be given. In such cases the CAA will be prepared to provide impartial advice to the change sponsor prior to the proposal being submitted formally about how this conflict could be minimised, including encouraging the change sponsor to engage as appropriate with affected stakeholders about how this might be achieved. Any such advice will be published.

G20. There may be good reasons why the CAA may need to resolve a conflict other than in accordance with the wording of section 70(2) (as explained above). Some examples are given below, but this list is not exhaustive:

- *Local circumstances* – such as where the CAA might make an airspace change that takes account of the noise of aviation over the ability to secure the most efficient use (i.e. where design principles, as described in Stage 2 of the process, mean an airspace design creates less efficient paths that avoid a population centre, where this is supported by the change sponsor and by local communities)
- *Interdependencies* – such as where the CAA might make an airspace change that reduces the efficient use of airspace or does not meet the requirements of operators and owners in order to meet an international obligation
- *Magnitude of the impact* – such as when the impact of an airspace change on a higher-weight objective is small, whereas the impact on a lower-weight objective is large
- *Complexity of the airspace* – such as when an airspace structure modified through the consultation process in an attempt to meet different user requirements may render it safe, but almost unusable by operators or owners of aircraft, or unworkable by air traffic control
- *Airspace not at full capacity* – such as when it is deemed that securing the efficient use of airspace is less important and it could be appropriate to increase the weight placed on other factors.

G21. Once the proposal is submitted formally for decision, the CAA will consider the rationale and evidence supporting the proposal against its statutory duties.

G22. Where the initial assessment was that the application of those material factors is in conflict, the CAA will judge the proposal according to the extent of that conflict, having regard to the factors as a whole. For example, a change sponsor may be able to demonstrate that a conflicting objective has a 'minimal', 'acceptable', 'reasonable', or 'equitable' impact despite being negative.

G23. For the avoidance of doubt, it should be noted that the obligation on the CAA in section 70(3) is not fulfilled by securing the most efficient use of airspace. That objective, in section 70(2)(a), is just one of the section 70(2) factors that the CAA must consider in making its decision.

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The CAA's interpretation of section 70(2)(a) including "the most efficient use of airspace"

G24. This sub-paragraph requires the CAA "to exercise its air navigation functions in the manner it thinks best calculated to secure the most efficient use of airspace consistent with the safe operation of aircraft and the expeditious flow of air traffic".

G25. The CAA regards an efficient use of a scarce resource as one that makes the best use of it. In determining the best use of airspace, the CAA has identified the different elements that could make up an airspace change and its consequences, applying recognised principles of statutory interpretation. For example, because section 70(2)(a) explicitly refers to both the efficient use of airspace and the expeditious flow of aircraft, the latter cannot be viewed as a synonym for the former. Thus, while expeditious flow may contribute to the efficient use of airspace, and is therefore a consideration in determining efficient use of airspace, efficient use of airspace must mean something different. Similarly, the matters set out in sections 70(2)(b) to (g) cannot be viewed as characteristics of an efficient airspace change; they are different material factors and, applied singly, would yield different outcomes.

G26. The CAA uses the following overall definition of "the most efficient use of airspace": The most aircraft movements through a given volume of airspace over a period of time in order to make the best use of the limited resource of UK airspace from a whole system perspective.

G27. The CAA uses the following definition of "expeditious flow": The shortest amount of time that an aircraft spends from gate to gate, from the perspective of an individual aircraft, rather than the wider air traffic system.

G28. Thus the CAA would regard the increased efficiency of an individual flight, sometimes referred to as flight efficiency, as a factor in expeditious flow rather than an efficient use of airspace.[76]

G29. The CAA may consider multiple factors in assessing a proposal against the duty of making the most efficient use of airspace. Those factors may also be relevant to the CAA's other section 70(2) duties. In general, the CAA will be guided by the factors that contribute to an efficient use of airspace shown in Table G2 on page 195, but not all will be relevant in a given airspace change proposal, and some may actually oppose each other.

G30. Section 70(2)(a) gives the CAA the duty to secure the most efficient use of airspace, but the most the CAA can currently achieve is an analysis of options presented by an airspace change sponsor as to which is the most efficient. To judge this, the CAA regards the appropriate metric as the number of aircraft through a given volume of airspace. While it is theoretically possible to attribute a value to different types of use of airspace, and/or to measure the efficient use of airspace in terms of the number of passengers, these metrics are not currently technically feasible. In assessing the efficient use of airspace, the CAA will therefore count each aircraft, whatever its size or purpose, as one.

76. It is a standard feature of airspace management that the most expeditious flow for an individual aircraft is sacrificed in the interests of the most efficient use of airspace, i.e. aircraft do not fly their most direct route to their destination; they fly their most direct route permitted by air traffic control within an airspace structure designed to make the most efficient use of airspace, from a whole-system, all-aircraft, perspective.

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The CAA's interpretation of section 70(2)(c)

G31. The CAA interprets "any person (other than an operator or owner of an aircraft)" as including airport operators, air navigation service providers, people or businesses on the ground who may be affected by aviation noise or other environmental impacts (although the environmental impact on all stakeholders is also considered separately), passengers on aircraft, owners of cargo being shipped by air, or anyone else affected by an airspace change proposal.

Beneficial and detrimental characteristics of airspace change in the context of the CAA's section 70(2) duties

G32. For every airspace change proposal submitted to the CAA, the change sponsor is required to demonstrate in both its stakeholder consultation and its submission to the CAA how it has considered each of the material factors in section 70(2) of the Transport Act 2000.

G33. Table G1 on the next page sets out examples of beneficial characteristics of an airspace change proposal which could be used to demonstrate how the proposal addresses each factor. The table also sets out examples of detrimental characteristics which, if they arise from the proposal, would likely indicate that the proposal has not contributed positively towards one of the material factors or has had a detrimental effect.

G34. The examples are not an exhaustive list, nor should they be taken as examples that will demonstrate a factor under every circumstance. However, it is expected that for most proposals that reflect these examples, there will be evidence that a change sponsor has considered the factor in question.

G35. The examples act as guidance for airspace change sponsors to help them gauge whether or not any of the factors are in conflict (see section 70(3) of the Transport Act 2000). If there is conflict between any factors, this does not mean that the proposal automatically fails and is refused by the CAA. What it does mean is that the CAA will need to use its judgement to apply the factors in the manner it thinks is reasonable having regard to them as a whole and that the proposal may be approved.

G36. If it is apparent that a proposal will result in the application of the section 70(2) factors being in conflict, the CAA is obliged by section 70(3) to apply those objectives in the manner it thinks is reasonable having regard to them as a whole. In such cases the CAA will be prepared to provide impartial advice to the change sponsor prior to the proposal being submitted formally about how this conflict could be minimised, including encouraging the change sponsor to engage as appropriate with affected stakeholders about how this might be achieved.

G37. Once the proposal is submitted formally for decision, the CAA will consider the rationale and evidence supporting the proposal against its statutory duties. Where the initial assessment was that the application of those factors is in conflict, the CAA will judge the proposal according to the extent of that conflict, having regard to its duties as a whole. For example, a change sponsor may be able to demonstrate that a conflicting objective has a 'minimal', 'acceptable', 'reasonable', or 'equitable' impact, despite being negative.

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Table G1: Examples of characteristics of an airspace change proposal

Transport Act 2000 section 70(2)	Examples of a beneficial characteristic for this objective	Examples of a detrimental characteristic for this objective
"to secure the most efficient use of airspace" The efficient use of airspace is defined as: "The most aircraft movements through a given volume of airspace over a period of time in order to make best use of the limited resource of UK airspace from a whole system perspective."	• The volume of regulated airspace (meaning controlled and subject to a classification other than G) is appropriate (including any buffer) for operations intending to use the airspace but no bigger • Airspace classification is appropriate for operations intending to use the airspace but classification is no higher than necessary • High proportion of movements are sequenced • High proportion of movements take place alongside similar aircraft or aircraft with similar capability (Uniformity) • (Assuming high demand for use of a particular airspace) high proportion of movements are planned and/or follow pre-planned path (Predictability) • Low number of controller interactions • Least complex airspace design (one way of achieving this is systemised airspace, for example, performance-based navigation) appropriate for the intended utilisation • Airspace which is designed to be used flexibly, that is activated/deactivated and can be accessed when active if operations permit (Flexible Use of Airspace) • Appropriate surveillance capability for the intended use in accordance with national policy • Minimise the occurrence of 'choke-points'	• A proposal that reduces the total number of aircraft movements • Existence of obsolete or unused procedures and/or profiles • Inappropriate airspace classification that results in a reduction in the total number of aircraft in an airspace, for example because the airspace is classified as X when all the other factors in fact only require Y • A greater need for tactical interventions • A high number of controller interactions

Appendix G

CAA decision criteria

Table G1: Examples of characteristics of an airspace change proposal (continued)

Transport Act 2000 section 70(2)	Examples of a beneficial characteristic for this objective	Examples of a detrimental characteristic for this objective
"the expeditious flow of air traffic" Proposed definition: "The shortest amount of time that an aircraft spends from gate to gate, from the perspective of an individual aircraft, rather than the wider air traffic system".	• Enabling optimum routes (vertical and/or horizontal) • Enabling 3D/4D operations (for example, free routeing) • Short or no delays (airborne holding or on the ground)	• A proposal that increases gate-to-gate times • Creating sub-optimal routes, for example, longer track miles, stepped climbs/ descents
"to satisfy the requirements of operators and owners of all classes of aircraft"	• Satisfy the requirements of all operators • Minimum financial cost to operators using airspace (i.e. minimum cost of capability/ equipment) (Equipage) • Enabling 3D/4D operations (for example, free routeing) • Only establish the least restrictive airspace structure • Enable the most fuel efficient routes to be flown thereby reducing the cost of fuel for operators	• Failing to satisfy the requirements of all operators • Restricting access for some operators • Increasing costs to aircraft operators for access to airspace

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CAA decision criteria

Table G1: Examples of characteristics of an airspace change proposal (continued)

Transport Act 2000 section 70(2)	Examples of a beneficial characteristic for this objective	Examples of a detrimental characteristic for this objective
"to take account of the interests of any person (other than an operator or owner of an aircraft) in relation to the use of any particular airspace or the use of airspace generally"	• No increase or a reduction in third-party safety risk • No reduction or an improvement in third-party impact • Meets known requirements of interested parties, for example air navigation service providers, airports, government (local and national), non-governmental organisations, residents, general public • No negative impact on other commercial interests	• Increase in third-party safety risk • A potential reduction in competition in a particular market – for example, between competing airports or operators • Consequences that run counter to Government policy or instruction • Increase in public annoyance due to overflights • Negative impact upon tranquillity or visual intrusion in Areas of Outstanding Natural Beauty or National Park • Negative impact upon biodiversity
"to take account of any guidance on environmental objectives given to the CAA by the Secretary of State"	• Demonstrating that the requirements and priorities of the Department for Transport's Air Navigation Guidance have been met • Improvements to environmental impacts, or at least no reduction • Improvement or no impact on any environmental factors required by the CAA	• Failing to demonstrate that the requirements of the Department for Transport's Air Navigation Guidance have been met • Worsening of any environmental impacts • Negative impact on any environmental factors required by the CAA

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CAA decision criteria

Table G1: Examples of characteristics of an airspace change proposal (continued)

Transport Act 2000 section 70(2)	Examples of a beneficial characteristic for this objective	Examples of a detrimental characteristic for this objective
"to facilitate the integrated operation of air traffic services provided by or on behalf of the armed forces of the Crown and other air traffic services"	• Facilitates Ministry of Defence access where required • Maintenance of tactical freedom • Use of common Communication, Navigation, Surveillance platforms negating technical non-compatibility • Technical interoperability	• Increase in costs imposed on Ministry of Defence • Inadequate access for Ministry of Defence • Increased resource implications for military Lower Airspace Radar Services units
"to take account of the interests of national security"	• A proposal that maintains or improves national security • A proposal that improves the ability to react to national security needs	• A proposal that weakens national security • Negative impact on tactical freedom/ military training
"to take account of any international obligations of the United Kingdom notified to the CAA by the Secretary of State"	• A proposal that directly achieves or enables progress towards such an obligation especially in relation to Functional Airspace Block/Single European Sky Air Traffic Management Research (SESAR)	• A proposal that means the UK fails to meet any such obligation, or that would delay meeting such an obligation

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Table G2: Factors in assessing the most efficient use of airspace

Factors that the CAA *would* consider in assessing the efficient use of airspace	Factors that the CAA *would not* consider in assessing the efficient use of airspace	
	Factor	***Comment***
Volume of airspace	Efficiency of an individual flight	Any resulting benefits would be a factor in assessing the impact on, for example, the requirements of aircraft operators and owners
Classification of airspace	Reduced fuel burn	This is an outcome from the increased efficiency of an individual flight
Sequencing of movements	Access to or sharing of airspace	This would be a factor in assessing the impact on the requirements of aircraft operators and owners
Uniformity (aircraft or capability level)	Price paid by airspace users to the air navigation service provider for services received	En-route services are subject to separate economic regulation by the CAA
Predictability (high-demand airspace)		
Air traffic controller interactions		
Presence of choke points		
Complexity of airspace design		
Level of surveillance capability		
No obsolete procedures or profiles		
Flexible use of airspace		
Level of air traffic control service offered		

Appendix G

CAA decision criteria

Secretary of State's call-in function

G38. For strategic nationally important change proposals, for proposals with significant impacts on the economic growth of the UK, or for proposals with high (as defined)[77] noise impact potential, the CAA may be notified at the decision stage that the Secretary of State has decided to call-in the proposal for the Secretary of State to make the decision rather than the CAA. This function and the associated process is described more fully under Stage 5 in this document, and also in section 6 of the Government's Air Navigation Guidance 2017.

G39. Anyone can request that the Secretary of State calls-in an airspace decision within the first 28 days after the airspace change proposal has been submitted to the CAA on the online portal (Stage 4B). It is solely a matter for the Secretary of State whether he/she agrees to that request. The CAA's function where a proposal has been called-in is then to issue to the Secretary of State a 'minded to' decision which contains the same information as a CAA decision (see below), with the objective of providing a CAA opinion on a proposal to the Secretary of State.

G40. If the change is not called in, the CAA proceeds with the process.

G41. If the proposal has been called-in, the Secretary of State's decision will be communicated to the CAA. We will then take the necessary next steps in our process (Stage 6) to implement the decision.

Draft decision and final decision

G42. Before reaching a final decision on Level 1 proposals, the CAA will normally publish a draft decision for public review. The objective of doing this is to ensure that we have not missed, misunderstood, or misinterpreted any relevant matters that could affect the decision. The draft decision:

- is not designed for stakeholders to make new representations
- should not be considered as a further opportunity to go back over material that the CAA has already considered and addressed.

G43. Therefore in considering responses to the draft decision, the CAA will not consider any representation that was or could have been raised at an earlier stage of the process. We will only consider comments on the draft decision that are material to the outcome.

G44. This part of the process aims to ensure that the final decision is based on accurate information and is as comprehensive, clear and robust as possible.

G45. The CAA will publish the draft decision on the online portal. Responses should be made using the portal[78], subject to the following conditions:

- responses are limited to one per individual (verified by email address)
- written statements will be moderated by the CAA before publication to remove unacceptable material
- we cannot give any assurance that we will take into account any response received more than four weeks after the draft decision is published.

G46. It is normally our policy to publish a draft decision on Level 1 proposals. However, we recognise that this adds more time to the process, and in certain circumstances the delay may be disproportionate to the benefit of publishing a draft decision. In such circumstances, when the CAA publishes its final decision we will clearly explain our reason for not publishing a draft decision.

77. As defined in The Civil Aviation Authority (Air Navigation) Directions 2017.

78. The CAA will also accept postal responses for the time being. We will reconsider in the light of experience whether the offline response mechanism is still necessary when we conduct a review of the airspace change process in 2021 three years after implementation, to judge whether the administrative burden of uploading, monitoring and analysing postal responses remains proportionate.

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G47. The CAA will give stakeholders 28 days to respond. We give no assurance that we will take account of comments received after that time. We will then allow a further 28 days for us to assess stakeholder comments.

Timescale

G48. Timescales will be clearly stated on the online portal.

G49. The CAA offers a key performance indicator for the time period for the decision at Stage 5, in the form of 'best endeavours to make the decision within 16 weeks (for Level 1 changes) or 10 weeks (for Level 2 changes), subject to the change sponsor also meeting its time commitments'. This will be dependent on:

- the timeline provided by the change sponsor for the submission of the formal proposal at Step 4A, subject to our agreement
- the CAA and change sponsor adhering to those deadlines
- whether the change sponsor has fulfilled the requirements set out in this guidance
- whether the CAA holds a Public Evidence Session, in which case a further two weeks will be needed for the CAA assessment
- whether the CAA publishes a draft decision, in which case a further eight weeks will be needed for the CAA decision.

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Appendix H

Post-implementation review

When to undertake this activity

Stage 1: Define	1A: Assess requirement	✗
	1B: Design principles	✗
Define gateway		
Stage 2: Develop and assess	2A: Options development	✗
	2B: Options appraisal	✗
Develop and Assess gateway		
Stage 3: Consult	3A: Consultation preparation	✗
	3B: Consultation approval	✗
Consult gateway		
	3C: Commence consultation	✗
	3D: Collate and review responses	✗
Stage 4: Update and submit	4A: Update design	✗
	4B: Submit proposal to CAA	✗
Stage 5: Decide	5A: CAA assessment	✗
	5B: CAA decision	✗
Decide gateway		
Stage 6: Implement		✗
Stage 7: Post-implementation review		✓

What does this activity entail?

The change sponsor collects and publishes data on how the airspace change has performed over a 12-month period. During a defined window at the end of that 12-month period, stakeholders can provide their own feedback to the CAA.

The post-implementation review is an assessment of whether the anticipated impacts and benefits in the original proposal and published decision are as expected and, where there are differences, what steps (if any) the CAA requires to be taken.

Appendix H

Post-implementation review

Why is this activity included in the process?

H1. While the impact of any particular airspace change can, in most cases, be simulated and the subsequent outcome predicted, there may be unpredicted consequences that appear once a change is implemented. These consequences could be safety-related, operational, technical or environmental. The post-implementation review is an assessment of whether the anticipated impacts and benefits in the original proposal and published decision are as expected, and where there are differences, what steps (if any) the CAA requires to be taken. The review is necessary to identify any subsequent requirements to further modify flight procedures or the airspace structure (as applicable) to give effect to the terms of the original CAA decision (Stage 5), the need for which can only be determined after a period of operational experience, post-implementation. In addition, it is important to establish whether any conditions placed on the original CAA approval have been met.

H2. The post-implementation review does not, however, set out to re-run the original decision associated with the airspace change.

Key terms to check in our glossary		
Air navigation service provider	Air safety report	Airprox report
Airspace design	Airspace infringement	Airspace structure
Communications, navigation and surveillance infrastructure	Continuous Climb Operations (CCO)	Continuous Descent Operations (CDO)
Feedback	Flight procedures	Instrument flight procedures (IFP)
Letter of Agreement	Mandatory occurrence report	Portal
Standard Arrival Route (STAR)	Standard Instrument Departure (SID)	

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Post-implementation review

How to undertake this activity

Data collection

H3. When the change sponsor receives a decision document from the CAA, it will include the data the CAA expects the change sponsor to collect to aid the post-implementation review. This data may need to be collected incrementally. The types of data that the change sponsor may be required to provide, why it may be needed and how it is assessed are shown in Table H1 later in this Appendix. The CAA may also advise the change sponsor of additional data requirements after the decision has been published.

Timescales

H4. The post-implementation review will usually commence 12 months after the change has been implemented. If it is deemed unlikely that the necessary data will be available after 12 months, the CAA will be prepared to consider an extension to allow for a better data sample (see Stage 7).

H5. The data collected by the change sponsor and any analysis required to be undertaken by the change sponsor under the terms of the review will be published on the online portal 28 days after the post-implementation review commences. Following the publication, the change sponsor may be required to submit supplementary data should the need arise.

H6. After this data is published, stakeholders will have 28 days in which to submit any evidence or views on the data that they want the CAA to take into account as we carry out the post-implementation review. The change sponsor will make relevant stakeholders aware (including those who responded to the consultation and permitted the change sponsor to contact them again) and direct them towards the online portal to submit their feedback. We give no assurance that we will take account of submissions received outside of this period.

H7. The CAA will usually publish the results of the review within three months of receipt of the change sponsor's data. This period may be extended in the event that:

- a large volume of feedback is received, to allow for the additional analysis required, or
- assessment of the original data set leads the CAA to request further data from the change sponsor.

Analysis

H8. The CAA's review of the sponsor's analysis of the data collected as part of the post-implementation review will consist of the following:

1. An **assessment** comparing the actual **operational** impact of the change against the impact forecast in the original options appraisal and subsequent formal proposal. This assessment contains:
   - an assessment of whether the level of detail supplied by the change sponsor as part of the post-implementation review met the requirements outlined in the original decision document
   - an assessment of the ongoing operational situation and the current operating environment
   - an assessment of how the airspace change has, or has not, delivered the forecast operational benefits
   - an assessment of whether adequate resource has been applied to deliver the change and whether adequate communications, navigation and surveillance infrastructure remains in place
   - an assessment of the actual operational impacts to all airspace users and airfields, and on traffic levels, and whether these differ markedly from those forecast.

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Post-implementation review

2. An **assessment** of the **environmental** impacts which reviews the environmental assessment provided by the change sponsor and considers whether the actual impact is as predicted. The assessment will also consider whether any assumptions in the original environmental assessment remain valid. The change sponsor must either:

   - confirm that the impacts are as anticipated and presented in the approved airspace change proposal (together with any necessary supporting evidence), or
   - present a re-assessment of the impacts that were presented in the airspace change proposal using actual data to update the results.

3. An **assessment** of the **feedback**, comprising:

   - feedback that the change sponsor has received in the period since the change was implemented (the change sponsor will need to maintain a database of that feedback and provide it to the CAA in the form set out in Table H1), and
   - feedback that the CAA has received in the period since the change was implemented, which the CAA will provide to the change sponsor for inclusion in its feedback database, and
   - feedback received by the CAA during the 28-day window via the online portal.

H9. Together these assessments will seek to identify the core issues associated with the impact of the change and any unforeseen consequences that may need to be addressed as part of the review.

Outcome from the post-implementation review

H10. The post-implementation review can lead to two possible outcomes. The CAA may:

- confirm that the implemented design satisfactorily achieves – within acceptable tolerance limits – the objective and terms of the CAA's approval, and the change is confirmed; or
- require modifications to better achieve the objective and terms of the CAA's approval; once the modifications have been implemented and operated for a period (approximately six months), there are three further possible outcomes:
  - noting that the modifications did not better achieve the objective and terms of the CAA's approval, the CAA may conclude that the original design was satisfactory and the original change is confirmed; or
  - noting that the modifications did not better achieve the objective and terms of the CAA's approval, the CAA may conclude that the original design was not satisfactory and the original change is not confirmed. In this case, in order to pursue its change, the change sponsor will need to commence a fresh airspace change proposal from Stage 1; or
  - the CAA may conclude that the modifications do better achieve – within acceptable tolerance limits – the objective and terms of the CAA's approval and so the modified design is confirmed.

H11. Even where the change has been found to have achieved the objectives expected within the tolerances proposed, it may be appropriate for the change sponsor to carry out further mitigation or engagement activity to address issues that have emerged during the course of the airspace change.

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H12. In the event that the review identifies the need for modification to the airspace design (for the reasons set out above), the change sponsor will be required to identify a timeline for modification, simulation and/or validation, CAA design approval (if required) and implementation. This timeline will be published on the online portal. Typically, the original airspace design will remain in operation until the amended design is implemented. Once implemented, the revised airspace design will be monitored, nominally for a six-month period. During that time, stakeholders will be able to provide feedback on the revised design via the online portal. Following the monitoring period, the CAA will assess the impact of the amended airspace design using the criteria established for the original post-implementation review.

H13. In the event that the modified airspace design does not meet the requirements set out in the post-implementation review, consideration will be given to returning the airspace to its original design structure. Any further change will be subject to a new airspace change proposal. In some cases, returning the airspace to its original design may not be possible because of interdependencies with adjoining airspace structures and operations. In that event, the CAA will work with the change sponsor and then make a decision as to what will happen in the meantime.

The change sponsor's post-implementation review submission

H14. Table H1 overleaf sets out a list of the potential data sets the CAA may require the change sponsor to submit for the CAA's post-implementation review assessment. This list is not exhaustive, and some requirements will not apply in every case.

H15. Where the data illustrates impacts other than those anticipated, the change sponsor will need to provide (and evidence) its analysis of why this is the case.

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Table H1: Potential post-implementation review data requirements

Data/information	Why it is needed	How it is assessed
Safety data – incidents related to the airspace design: • Recurring instances of Instrument Flight Procedures (IAPs, SIDs, STARs, Holds) not being flown correctly to be notified to the appropriate CAA IFP regulator who approved the procedure. • Mandatory Occurrence Reports • AIRPROX reports • Air Safety Reports	The change sponsor will need to provide data to enable an assessment whether that the new airspace design is at least as safe as the original design, if not safer (taking into account changes in traffic levels)	The CAA will review the change sponsor's statistics concerning these events and assess whether the revised airspace design is a contributory factor in those incidents
Service provision/ resource issues • data on refusals of service • data on air traffic delays • details of additional resource allocated, taking into account daily and seasonal traffic patterns	The change sponsor will need to demonstrate that adequate resources are in place to facilitate the operation of the new airspace design, and that air traffic services are being provided as forecast in the original proposal without unanticipated impact on other airspace users	The CAA will assess whether there is adequate resource in place to support the operation comparing the change sponsor's data with the approved proposal
Utilisation of Continuous Climb Operations (CCO) and Continuous Descent Operations (CDO) • % achieving CCO and/or CDO, compared monthly before and after the change (i.e. comparing the month of July before and after the change)	Where the original change cited improvements in CCO/CDO utilisation, the change sponsor will need to provide data to demonstrate any subsequent improvement	The CAA will assess whether the anticipated benefit has been delivered comparing the change sponsor's data against the approved proposal

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Post-implementation review

Table H1: Potential post-implementation review data requirements (continued)

Data/information	Why it is needed	How it is assessed
Infringement statistics • % change in infringements, compared monthly before and after the change	Where the revised airspace design changes the dimensions of controlled airspace, the change sponsor will need to provide an analysis of airspace infringements	The CAA will assess whether the airspace design was a contributory factor in any increase in infringements. Was an infringement risk identified in the approved proposal and has it been mitigated?
Traffic figures (air transport movements) • actual vs predicted figures • % change compared monthly before and after the change • reconfirmation that there have been no factors that would cause a material change to the traffic forecasts provided in support of the original proposal, i.e. that the original forecasts are still reasonable	Traffic figures over the period will give a general overview of the nature of the operation following the implementation of the change. In addition, where the change was predicated on a forecast increase in traffic numbers, the change sponsor will need to confirm whether or not the increase forecast in the approved proposal has been realised	The CAA will consider the extent of any difference between the predicted and actual traffic figures and the extent to which the impacts of the change can be explained by those differences
Traffic dispersion comparisons • graphical representation (traffic density plots) • lateral and vertical analysis	It is necessary to establish whether aircraft are flying to routes forecast in the approved proposal. A key part of the CAA's post-implementation review will be to analyse the 'before and after' dispersal of aircraft to understand whether the new airspace design is being operated as anticipated	The CAA will assess whether the dispersion of traffic is as anticipated in the approved proposal

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Post-implementation review

Table H1: Potential post-implementation review data requirements (continued)

Data/information	Why it is needed	How it is assessed
Operational feedback: • air safety reports • direct feedback from airlines • relevant flight operation sub-committee (sub-group of airport consultative committee)	The change sponsor will have to present any feedback directly received by aviation stakeholders operating in, or affected by, the revised airspace design	The CAA will assess whether there have been any unforeseen or unintended operational impacts of the proposal
Denied access statistics • refusals of access (month on month/ before and after the change) • reasons for individual refusals of access	This links to service provision/ resources mentioned above. The change sponsor provides data on refusals of access to the revised airspace design and any underlying factors	The CAA will assess whether other airspace users are being impacted other than as anticipated as a result of the change. CAA will analyse the reasons for any refusals
Utilisation of SIDs/ STARs/IFPs • % of flights achieving track keeping, compared month on month before and after the change	Information concerning the utilisation of the various procedures implemented as part of the change. The information may highlight areas of unforeseen consequence, for example where a particular procedure in being used more than anticipated with a subsequent impact	The CAA will assess whether the utilisation data is other than expected
Letters of Agreement (LoAs) • operational agreements between ANSPs and airspace users • data on activation/ utilisation of LoA procedures	Where a Letter of Agreement detailing specific procedures was a specific condition of the CAA approval, the change sponsor will need to evidence the level of use of that agreement	The CAA will assess whether any LoAs have had the anticipated effect of mitigating the impact of the change on stakeholder activities

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Table H1: Potential post-implementation review data requirements (continued)

Data/information	Why it is needed	How it is assessed
Impact on environmental factors (including noise) In general, change sponsors will undertake a re-assessment of the impacts that formed part of the original proposal. Depending on the Level and scale of the proposal that may include: • re-assessment of noise impacts, taking account of actual traffic patterns and traffic volumes • re-assessment of CO_2 emissions, taking account of actual traffic patterns and traffic volumes	The change sponsor will have to either: (a) confirm that the impacts are as anticipated and presented in the approved airspace change proposal (together with any necessary supporting evidence); or (b) present a re-assessment of the impacts presented in the airspace change proposal using actual data to update the results	The CAA will review and assess the change sponsor's analysis and determine the extent to which the CAA agrees
International obligations – impact • details on any feedback from operators or neighbouring States	The change sponsor will need to demonstrate that any international obligations identified at the time of the change have been discharged	The CAA assesses whether the obligations have been met
Impact on Ministry of Defence operations • details on any feedback from Ministry of Defence	The change sponsor will need to demonstrate that there has been no unforeseen impact on Ministry of Defence operations	The CAA assesses whether there has been any unforeseen impact on the Ministry of Defence that would need rectifying
Stakeholder feedback (in the format specified by the CAA) • feedback/complaints received by the change sponsor and CAA in the period between implementation and post-implementation review • details of location of complaints	Feedback is needed to identify any issues from a community perspective that were not anticipated as part of the approved proposal; monthly data over the course of a year is needed so that seasonal traffic changes are taken into account	An assessment is made to identify any unforeseen or unintended impacts of the proposal

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Glossary

Although we have avoided the use of abbreviations where possible in this guidance, in the interests of completeness we have included below some common abbreviations – as well as other terms – that relate to airspace change.

Term	Abbreviation	Description
Acute Myocardial Infarction	AMI	Medical condition – usually referred to as a heart attack.
Advisory route	ADR	A designated *route* along which air traffic *advisory* service is available.
Aerodrome traffic zone	ATZ	Aerodrome traffic zone – normally, circular zones around an aerodrome where pilots and ATS providers must follow specific requirements.
Aeronautical Information Publication	AIP	Long-term information essential to air navigation, including the detailed structure of UK airspace and flight procedures, which forms part of the UK Integrated Aeronautical Information Package. Sometimes informally known as the Air Pilot. Publication is the responsibility of the CAA, but is carried out under licence by NATS. www.ais.org.uk
Aeronautical Information Regulation and Control	AIRAC	For operationally significant changes, the AIRAC cycle is used where revisions are produced every 56 days (double AIRAC cycle) or 28 days (single AIRAC cycle). These changes are received well in advance so that users of the aeronautical data can update their flight management systems that are used to guide aircraft along their flightplans.
Aeronautical Information Regulation and Control cycle	AIRAC cycle	28-day cycle over which changes to the AIP are made. See Aeronautical Information Regulation and Control.

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Term	Abbreviation	Description
Air Navigation Directions		The Civil Aviation Authority (Air Navigation) Directions 2017 as amended by The Civil Aviation Authority (Air Navigation) (Amendment) Directions 2018. These Directions set out the CAA's air navigation duties and were jointly issued by the Secretary of State for Transport and the Secretary of State for Defence. For ease of reference, the CAA has published a consolidated version of the directions. https://www.caa.co.uk/Commercial-industry/Airspace/Airspace-change/Airspace-Change/
Air Navigation Guidance	ANG	Guidance to the CAA on its environmental objectives when carrying out its air navigation functions, and to the CAA and wider industry on airspace and noise management, October 2017, Department for Transport Guidance from the Secretary of State which the CAA is required to take account of when considering airspace change proposals. https://www.gov.uk/government/publications/uk-air-navigation-guidance-2017
Air navigation service provider	ANSP	An organisation which operates the technical system, infrastructure, procedures and rules of an air navigation service system, which may include air traffic control.
Air safety report		A report raised internally within an airline/operator whereby flight crew can report safety-related concerns.
Air traffic control	ATC	Service from an air navigation service provider providing guidance to aircraft through controlled airspace.
Air traffic control surveillance minimum altitude chart	ATSMAC	The lowest altitude that a radar controller can allocate to an inbound or outbound aircraft.
Air traffic management	ATM	The combined processes of air traffic control, air traffic flow management, and aeronautical information services. ATM can also mean air transport movement.

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Term	Abbreviation	Description
Air traffic service	ATS	Generic term that covers flight information services, alerting services, air traffic advisory services, air traffic control services (area control service, approach control service or aerodrome control service) and aerodrome flight information services.
Air traffic services airspace	ATS Airspace	Airspace in which control by air traffic services and specific rules of operations are required.
Air transport movement	ATM	Air transport movements are landings or take-offs of aircraft used for the transport of passengers, cargo or mail on commercial terms. ATM can also mean air traffic management.
Airline customers		Those airlines which operate from an airport or use the services of an air navigation service provider.
Airport consultative committee		An advisory body set up by an airport which provides a forum for representatives of airport users, local authorities and other relevant bodies to discuss matters concerning the development or operation of the airport that may affect users and people living and working locally. See section 35 of the Civil Aviation Act 1982 (as amended by the Airports Act 1986).
Airprox report		An airprox is a situation in which, in the opinion of a pilot or air traffic services personnel, the distance between aircraft as well as their relative positions and speed have been such that the safety of the aircraft involved may have been compromised.
Airspace change process		The staged process an airspace change sponsor follows to submit an airspace change to the CAA for a decision. The process includes actions associated with implementation and post-implementation review, after the CAA or, where applicable Secretary of State, decision.
Airspace change proposal		A request (usually from an airport or air navigation service provider) for a permanent change to the design of UK airspace.
Airspace design		Together, the airspace structure and flight procedures.

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Term	Abbreviation	Description
Airspace infringement	Infringement	When an aircraft enters controlled airspace without having previously obtained permission to do so from air traffic services.
Airspace Modernisation Strategy	AMS	A co-ordinated strategy and plan for the use of UK airspace for air navigation up to 2040, including for the modernisation of the use of such airspace, prepared and maintained by the CAA, incorporating the previous Future Airspace Strategy. It is a requirement of the Air Navigation Directions 2017. www.caa.co.uk/fas
Airspace structure		Designated volumes of airspace within identified characteristics, including the equipment aircraft wanting to enter that airspace must carry and actions pilots must carry out before entering that airspace. The volumes of airspace are designed to ensure the safe and optimal operation of aircraft. Airspace structures consist of: (a) controlled airspace, namely control zones, control areas, terminal control areas and airways (b) airspace restrictions, namely danger, restricted and prohibited areas (c) radio mandatory zones, transponder mandatory zones (d) other airspaces specified by the CAA when defining the airspace change process, such as, for example, flight information zones, aerodrome traffic zones, temporary segregated areas, temporary reserved areas or free-route airspace.
Airspace4All Ltd	A4A	Implementation group representing VFR (Visual Flight Rules) community interests (including General Aviation) in airspace matters, including modernisation strategy. Formerly known as the Future Airspace Strategy VFR Implementation Group Ltd (FASVIG). https://airspace4all.org/
Airway		A corridor of controlled airspace of defined width with a defined lower base, extending to Flight Level 245 (a nominal altitude of 24,500 feet) unless otherwise denoted.

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Term	Abbreviation	Description
Area navigation	RNAV	A method of navigation which permits aircraft operation on any desired flight path within the coverage of ground- or space-based navigation aids or within the capability of self-contained aids, or a combination of these. (ICAO Doc 9613) https://www.icao.int
Area navigation routes		An air traffic service route created for aircraft capable of employing performance based navigation technology.
Area of outstanding natural beauty	AONB	An area of countryside which has been designated for conservation because of its significant landscape value, recognising its national importance.
Baseline		Scenario in analysis of different options where the impacts of the change not being implemented are analysed (also known as 'do nothing' or 'do minimum' option).
Bilateral meeting		Meeting between two participants as a part of the engagement around an airspace change.
Biodiversity		The variability among living things from all ecosystems (including terrestrial, marine and other aquatic among others) and the ecological complexes of which they are part; including diversity within species, between species and of ecosystems.
Call-in (by Secretary of State)		For certain types of airspace change, the Secretary of State may decide to call-in a particular airspace change proposal and to make a decision instead of the CAA, a decision which the CAA will then be required to implement.
Carbon dioxide	CO_2	Naturally occurring atmospheric gas, which causes greenhouse effects leading to global warming, and ocean acidification in increased concentrations.
Classes of airspace		Airspace is broken down into different classes, defined by ICAO. In the UK, Classes A, C, D and E are controlled airspace and Class G is uncontrolled airspace (Classes B and F are currently unused in the UK).
Communications, navigation and surveillance infrastructure	CNS infrastructure	Technological infrastructure supporting air traffic service provision.

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Term	Abbreviation	Description
Conditional route		An airspace route that is only available under certain circumstances.
Consultation		Formal process seeking input into a decision, undertaken in line with the Gunning Principles, and government guidance.
Continuous climb (or descent) operations	CCO or CDO	Allow arriving or departing aircraft to descend or climb continuously, to the greatest extent possible.
Control area	CTA	Area of controlled airspace, usually surrounding an aerodrome, extending from ground level to a specified altitude.
Control zone	CTR	Area of controlled airspace, usually surrounding an aerodrome, extending between two specified altitudes.
Controlled airspace	CAS	Airspace in which air traffic control must have control over aircraft to maintain safe separation between them.
Danger Area		Airspace within which activities dangerous to the flight of aircraft may exist at notified times.
Direct	DCT	A term used in relation to flightplan clearances and type of approach.
Discount		A method used to convert future costs or benefits to present values using a discount rate.
Discount factor		The factor by which a future pound, or other unit of account, needs to be multiplied by to obtain the present value.
Discount rate		The annual percentage rate at which the present value of a future pound, or other unit of account, is assumed to fall away through time.
Elected representatives		Democratically elected politicians – can be local (parish council, local authorities), regional and national (Assembly members and Parliamentarians), or trans-national (Members of the European Parliament).

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Term	Abbreviation	Description
Engagement		Catch-all term for developing relationships with stakeholders, covering a variety of activities including but not limited to consultation, information provision, regular and one-off meetings and fora, workshops and town hall discussions.
En-route holding		Pattern adopted by aircraft on the instruction of air traffic services to manage delay and sequencing, and hold them in the air until onward clearance (usually to land) is provided.
En-route phase		That part of the flight from the end of the take-off and initial climb phase to the commencement of the approach and landing phase.
Environmental research and consultancy department	ERCD	Environmental Research and Consultancy Department (of the CAA).
Equivalent continuous sound level	L_{eq}	Measure of sound.
European Aviation Safety Agency	EASA	The European Union authority for aviation safety.
Facilitation		Process (usually led by a neutral third party) to help structure and run discussions and engagement in a mutually beneficial way.
Feedback		Informal response to engagement – change sponsors may be expected to seek feedback from stakeholders in addition to formally consulting them.
Flexible use of airspace	FUA	Concept promoted by Eurocontrol wherein airspace is no longer designated as purely 'civil' or 'military' airspace, but considered as one continuum and allocated according to user requirements.
Flight information region	FIR	Specified region of airspace, coordinated through the International Civil Aviation Organization.
Flight procedures		Part of the airspace design. A set of predetermined segments intended to be followed by a pilot when arriving to or departing from an aerodrome.
Flight rules		Aircraft can operate under Visual Flight Rules (VFR) or Instrument Flight Rules (IFR). There is also an intermediate form, Special Visual Flight Rules (SVFR).

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Term	Abbreviation	Description
Focus group		Small group of stakeholders brought together to offer feedback or discussion relating to proposals.
Future Airspace Strategy	FAS	Replaced by the Airspace Modernisation Strategy, FAS was a collaborative initiative between a range of stakeholders for modernising the UK's airspace (which set the direction, but did not include details or recommendations about specific structures or flightpaths). www.caa.co.uk/cap1711 www.caa.co.uk/fas
Future Airspace Strategy Industry Implementation Group	FASIIG	Implementation group representing largely commercial aviation industry interests in FAS.
General Aviation	GA	Essentially all civil flying other than commercial airline operations, which therefore encompasses a wide range of aviation activity from powered parachutes, gliding and ballooning to corporate business jets, and includes all sport and recreational flying.
General Aviation traffic	GAT	See General Aviation.
Green Book		'The Green Book: appraisal and evaluation in central government' is HM Treasury's guidance for public sector bodies on how to appraise proposals before committing funds to a policy, programme or project. https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-governent
Gunning principles		Principles that set out the legal expectations surrounding formal consultation.
Helicopter routes		Nominated airspace routes designed for use by helicopter traffic.
Holding patterns		Flight patterns adopted by aircraft to hold until cleared to land by air traffic control.
Holding stack		Airspace used to 'hold' aircraft until they are able to land at an airport. Heathrow airport has four stacks set by government.
Independent Commission on Civil Aviation Noise	ICCAN	The independent UK body responsible for creating, compiling and disseminating best practice to the aviation industry on the management of civil aviation noise and advising government in this area.

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Term	Abbreviation	Description
Inflation		The general change in the value of goods and services over time. At a national level it is measured by the Consumer Price Index.
Information provision		The requirement on change sponsors to ensure that stakeholders are provided with relevant, comprehensible information about proposals in a timely fashion.
Instrument approach procedure	IAP	A set series of aircraft manoeuvres from the initial approach to landing.
Instrument flight procedures	IFP	Procedures designed to international/ national criteria, published in the UK AIP, flown by aircraft with reference to ground-based or satellite-based navigation aids and most usually associated with arrival at or departure from an airport.
Instrument flight rules	IFR	The rules under which a pilot can fly and navigate an aircraft, in certain weather conditions, primarily through use of on-board instruments.
International Civil Aviation Organization	ICAO	The agency of the United Nations responsible for international standards for civil aviation which the UK is bound by international treaty to implement.
International Civil Aviation Organization standards and recommended practices	ICAO SARPs	Technical specifications set by the International Civil Aviation Organization for aviation, implemented and regulated national by states globally to manage safety risks.
Judicial review		A type of court proceeding in which a judge reviews the lawfulness of a decision or action made by a public body. A judicial review is a challenge to the way in which a decision has been made, rather than the rights and wrongs of the conclusion reached. The court will not substitute what it thinks is the 'correct' decision.
Letter of Agreement	LoA	Operational agreements between air navigation service providers and airspace users.
Local air quality	LAQ	Measure of pollutants in the air.
Local authorities		Local government institutions, which although differing in composition and role across the UK, are led by elected representatives.

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Term	Abbreviation	Description
London airspace management programme	LAMP	Major airspace change proposal covering airspace in the south east of the UK aimed at modernising airspace structures.
Lower air traffic services route	Lower ATS Route	An air traffic route notified in the UK aeronautical information publication in lower airspace.
Lower airspace		Controlled airspace below Flight Level 245 (a nominal altitude of 24,500 feet).
Magnetic variation		Magnetic variation is the angle on the horizontal plane between *magnetic* north (the direction the north end of a compass needle points, corresponding to the direction of the Earth's magnetic field lines) and *true* north (the direction along a meridian towards the geographic North Pole). Variation changes as the position of the magnetic North Pole drifts, affecting compass bearings.
Manual of Air Traffic Services Part II	MATS Pt II	A locally specific manual used by each air navigation service provider which underpins how its air traffic controllers manage aircraft, and in turn influences their decisions.
Maximum sound level	L_{max}	Measure of sound.
Military operations		Operations undertaken by military aircraft, or military aerodromes.
N70 contour		Measure of noise impact that shows the number of aircraft noise events above 70 decibels during a period.
Name-code designators		Short standardised names for geographical coordinates.
National Air Traffic Management Advisory Committee	NATMAC	National Air Traffic Management Advisory Committee – an advisory body chaired by the CAA with representation across the UK aviation community, consulted for advice and views on airspace management and strategy matters.
NATS		The biggest air navigation service provider in the UK, formerly National Air Traffic Services. Parent company of NERL (NATS En Route plc) and NSL (NATS Services Limited). www.nats.co.uk

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Term	Abbreviation	Description
Noise preferential route	NPR	Aircraft departing from certain airports follow set departure routes agreed by Government or the Local Authority, with the aim of providing certainty in respect of, and, where possible, minimising noise impacts on the ground. Noise Preferential Routes are not decided by the CAA nor covered by the processes described in this guidance.
Non-directional beacon	NDB	Radio transmitter at a specified location used by aircraft as a navigational aid.
Non-governmental organisation	NGO	An organisation that is neither a part of a government nor a conventional for-profit business.
Notified airspace design		Details of airspace structure and procedures published in the UK aeronautical information publication.
NOx	Oxides of nitrogen	Term used to describe nitric oxide (NO), nitrogen dioxide (NO_2) and other oxides of nitrogen.
One-off costs		Costs that are incurred only once as part of a project, for example new infrastructure. One-off costs may be either sunk or recoverable costs.
Ongoing costs		Costs that are incurred on an ongoing basis as part of a project, for example fuel costs or staffing costs.
Overflight		For the purposes of airspace changes, overflight is defined according to the CAA's report, CAP 1498 which outlines a measurement based upon community perception. It does not portray noise impacts. www.caa.co.uk/cap1498
Overflight contours		Contours created using the CAA's overflight metric. They are similar in concept to noise contours but differentiate areas according to the frequency with which they are overflown.

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Term	Abbreviation	Description
Performance-based navigation	PBN	A concept developed by ICAO that moves aviation away from the traditional use of aircraft navigating by ground-based beacons to a system more reliant on airborne technologies, utilising area navigation and global navigation satellite systems. (Air Navigation Guidance 2017) More specifically, area navigation based on performance requirements for aircraft operating along an ATS route, or an instrument approach procedure or in a designated airspace. (ICAO Doc 9613) https://www.icao.int
Portal		The CAA's airspace change portal – an online portal containing details of all current and previous airspace changes, including the ability to respond to consultations. https://airspacechange.caa.co.uk
Primary noise metrics		Those metrics used by the change sponsor to determine significant impacts of noise – for example WebTAG which uses L_{Aeq} noise values to arrive at a total for significant adverse effects from noise – and which will be the primary impact metric used by the CAA when considering the anticipated noise impacts of a proposed airspace change.
Prohibited area		An area of airspace of defined dimensions within which the flight of aircraft is prohibited.
Public Evidence Session		An opportunity for stakeholders other than the sponsor to provide the CAA with views on an airspace change proposal directly.
Radio mandatory zone	RMZ	Defined airspace structure in which the carriage and operation of radio equipment is mandatory unless previously agreed.
Radio telephony coverage	R/T coverage	The volume of airspace that a radio frequency emanating from a particular transmitter/receiver site can operationally cover.
Real prices		Real price or constant prices are prices adjusted for general price level changes over time, i.e. inflation. Real price are displayed in a base year such that a statement may say the data is 'in 2017 prices'. This means that all the prices shown are as they would cost in 2017.

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Term	Abbreviation	Description
Representative group		Stakeholder group that gathers together those with similar interests in a proposal. It could be at an industry level (for instance the Airport Operators Association), national level (for instance the Aviation Environment Federation) or local level (for instance HACAN).
Required navigation performance	RNP	Type of performance-based navigation. See Performance Based Navigation.
Respite		Planned and notified periods where overflight or noise impact are reduced or halted to allow communities undisturbed time.
Restricted area		An area of airspace of defined dimensions within which the flight of aircraft is restricted in accordance with certain conditions.
Revealed preference		The inference of willingness to pay for something for which there is no market price by examining consumer behaviour in a similar or related market.
Safety buffer requirement		CAA policy setting out requirements for a safety buffer between classes of airspace.
Secondary noise metrics		Those metrics used by the change sponsor to determine non-significant impacts of noise, for example Nx contours, and which will be the secondary impact metrics used by the CAA when considering the anticipated noise impacts of a proposed airspace change.
Secondary surveillance radar	SSR	Type of radar which both detects and sets position of aircraft in the air, and also receives information from the aircraft.
Single European sky	SES	European legislation that supports a programme of modernisation and harmonisation of airspace structures and air traffic control methods for a more systemised and efficient European air traffic management system.
Single European sky air traffic management research	SESAR	European project which concerns the roll-out of new technology across the European Union.
Single European sky regulations		Regulations which underpin the SES process.

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Term	Abbreviation	Description
Sound exposure level	SEL	A metric for the duration and intensity of noise generated by a single aircraft at the measurement point.
Sound exposure level footprints		Contour map which shows the noise impact of individual or multiple aircraft over an area over a period of time.
Special visual flight rules	SVFR	A special case of operating under visual flight rules.
Sponsor (or change sponsor)		An organisation that proposes, or sponsors, a change to the airspace design in accordance with the CAA's airspace change process.
Stakeholder		An interested third party in an airspace change proposal – neither the change sponsor nor the CAA or Department for Transport.
Standard arrival route	STAR	Published flight procedures followed by aircraft on an Instrument Flight Rules (IFR) flightplan just before reaching a destination airport. More specifically, a STAR is a designated IFR arrival route linking a significant point, normally on an ATS route, with a point from which a published Instrument Approach Procedure (IAP) can be commenced.
Standard instrument departure	SID	Published flight procedures followed by aircraft on an Instrument Flight Rules (IFR) flightplan immediately after take-off. More specifically, a SID is a designated IFR departure route linking the aerodrome or a specified runway of the aerodrome with a specified significant point, normally on a designated ATS route, at which the en-route phase of a flight commences.
Stated preference		The inference of willingness to pay for something for which there is no market price, derived from people's responses to questions about preferences for various combinations of situations and/or controlled discussion groups.
Terminal control area		Area of controlled airspace surrounding an airport.
Terminal manoeuvring area	TMA	A designated area of controlled airspace surrounding a major airport where there is a high volume of traffic.

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Term	Abbreviation	Description
Tranquillity		There is no universally accepted definition of tranquillity and therefore there is no accepted metric by which it can be measured. In general terms it can be defined as a state of calm. The consideration of impacts upon tranquillity for airspace changes is with specific reference to National Parks and Areas of Outstanding Natural Beauty (AONB), plus any locally identified 'tranquil' areas that are identified through community engagement and are subsequently reflected within an airspace change proposal's design principles
Transponder mandatory zone	TMZ	Defined airspace structure in which the carriage and operation of transponder equipment is mandatory unless previously agreed.
Transport Analysis Guidance	WebTAG	Department for Transport options analysis and modelling tool and associated guidance. https://www.gov.uk/guidance/transport-analysis-guidance-webtag
Uncontrolled airspace		Airspace in which aircraft are able to fly freely through the airspace without being constrained by instructions in routeing or by air traffic control, unless they require an air traffic control service.
Upper air traffic services route	Upper ATS route	An air traffic route notified in the UK aeronautical information publication in upper airspace.
Upper airspace		Controlled airspace above Flight Level 245 (a nominal altitude of 24,500 feet).
Upper information region	UIR	Flight information region in upper airspace.
VHF Omni Range and Distance Measuring Equipment	VOR/DME	Combination of two types of radio beacon placed together and used in the UK to provide an en-route navigation service.
Visual flight rules	VFR	The rules under which a pilot can fly and navigate an aircraft, in certain weather conditions, by seeing where the aircraft is going.
Visual reference point	VRP	Fixed point on land or sea used by pilots to fix position of their aircraft in relation to their route.
World geodetic system coordinates	WGS84 coordinates	Standardised global coordinate system used in navigation and Global Positioning Systems (GPS).

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Commercial Viability of Manston Airport

AviaSolutions FINAL Report for Thanet District Council

September 2016

aviasolutions
A GECAS Company

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Glossary of Terms

- **Air Journeys:** Also referred to Journeys. A unit of measurement for the number of flights taken by passengers.
- **Air Traffic Movement:** Abbreviated to 'ATM'. Defined as an aircraft landing or taking-off for commercial purposes.
- **Belly-hold:** A term referring specifically to passenger aircraft (as opposed to freighters). This term refers to the hold of the aircraft that is utilised for the carriage of passengers' baggage and freight.
- **Capacity per ATM:** A unit of measure defined as the number of seats or freight capacity on each ATM. Often an average of a larger sample.
- **Capacity:** The total capacity of an airport or aircraft to transport passengers or freight.
- **Catchment Area:** Airports draw their passengers from within a catchment area. The size of the airport and its network affect the size of the catchment area. Typically, the smaller the airport the smaller the catchment area that it can draw upon.
- **Discovery Park Limited:** Also referred to as Discovery Park. An entity that is closely linked to Stone Hill Park Limited through shared ownership.
- **Freight per ATM:** A unit of measure defined as the number of tonnes of freight loaded on each ATM. Often an average of a larger sample.
- **Freight:** Also referred to as Cargo or Air Freight. This includes all shipments that are transported for commercial purposes on board the aircraft under an Air Waybill excluding 'Mail'.
- **Freighter:** An aircraft specifically designed for the transportation of freight. This type of aircraft has no seats fitted, and in their place, has a cargo hold.
- **Full Service Carrier:** An airline business model that includes carriers who have traditionally offered all services included in one ticket price. This includes carriers such as British Airways, Lufthansa, Air France-KLM and Virgin Atlantic.
- **IATA Airport Code:** A three letter code designated by IATA to many airports around the world. All major airports are assigned a code, the most commonly used in this report are.
- **Kent Airport Limited:** Formally Infratil Kent Airport Limited. An entity whose main purpose is the operation of Manston, Kent's International Airport.
- **Kent Facilities Limited:** Formally Infratil Kent Facilities Limited. An entity whose main purpose is the provision of facilities to the operator Manston, Kent's International Airport. This entity in effect owns the airport site.
- **London System:** Also referred to as London Area Airports. A term referring to six airports of London (LHR, LGW, STN, LTN, LCY, SEN).
    - London City - LCY
    - London Gatwick - LGW
    - London Heathrow - LHR
    - London Luton - LTN
    - London Southend - SEN
    - London Stansted - STN
- **Low Cost Carrier:** Abbreviated to LCC. Low cost carriers are one of the major airline business models. Major European LCCs include Ryanair, easyJet, Norwegian, Wizz, and Vueling.
- **Million Passengers per annum:** Abbreviated to mppa. A standard unit of measurement for airport capacity or throughput.
- **Narrow-Body:** A type of aircraft, typically distinguished as one which has a fuselage wide enough for one passenger aisle. Includes aircraft such as Boeing B737 series and Airbus A320 family.
- **Passenger Movement:** A unit of measure referring to the number of passengers arriving or departing from an airport.
- **Passenger:** Abbreviated to PAX. The fare paying passengers on board an aircraft. Excludes those travelling on non-revenue tickets such as airline employees.
- **Passengers per ATM:** Abbreviated to PAX per ATM. A unit of measure defined as the number of passengers carried on each ATM. Often an average of a larger sample.
- **Peak Demand:** The demand at its highest point for an airport. There are several forms of peak demand, these include a daily peak (often early morning) and annual peaks (often around holiday seasons).
- **RiverOak Investment Corporation LCC:** Also referred to as RiverOak. An American investment firm that is seeking to acquire the Manston Airport site.
- **RTK:** Revenue tonne kilometre. A unit of measure in the freight industry. Calculated as the tonnes uplifted multiplied by distance flown.

- **Stone Hill Park Limited:** Previously Lothian Shelf (718) Limited. The current entity that owns Manston Airport.
- **Unaccommodated Demand:** A term referring to the demand that cannot be accommodated at a particular airport or combination of airports due to it exceeding the capacity available.
- **Wide-Body:** A type of aircraft, typically distinguished as one which has a fuselage wide enough for two passenger aisles. Includes aircraft such as Boeing 767, 777 and 787 series and Airbus A330, A340 and A350 family.

1. Introduction

1.1. Context

Thanet District Council ("TDC") appointed AviaSolutions to provide independent advice on whether a re-opened Manston Airport might a have financially viable future as an operational airport.

The airport closed in May 2014 and the current owner, Stone Hill Park (formally Lothian Shelf 718), has submitted a planning application for a mixed-use development on the site, comprising 2,500 dwellings, general business and commercial areas which is reported to support the creation of up to 4,000 jobs, and a range of leisure and sports activities.

RiverOak Investment Corporation ("RiverOak") is an American investment firm that wish to acquire the Manston site and re-establish airport operations. The re-established airport would be freight focussed but would also offer passenger services along with ancillary businesses. RiverOak are seeking a Development Consent Order (DCO) under the Planning Act 2008 to compel the sale of the site as a Nationally Significant Infrastructure Project.

TDC is seeking guidance on whether the airport has a reasonable prospect of operating as a financially viable, standalone entity within the period of the Local Plan which extends to 2031.

AviaSolutions commenced this study on 13th July 2016.

1.2. Scope and Limitations

The scope of AviaSolutions work was set out in the procurement document issued in June 2016 by TDC and our proposal for services submitted in the same month. Specifically, the scope requested:

> "The Council requires an independent assessment advising whether or not it is possible to run a viable and economically sustainable free-standing airport operation from Manston. The Council is seeking advice from an independent expert aviation consultant who can make this assessment within the context of the national and international air traffic market, the viability of airport operations at a national and international scale and likely future developments in airport operations."
>
> *Source: TDC Briefing Document*

Our proposal and this subsequent report have been developed in the context of these requirements. It is therefore necessary to indicate specifically those areas which fall outside of the scope of our works, and to which we have given no credence in the application of our analysis. These areas include:

- Whether Manston Airport is an asset of national significance
- The effect of any scenario on the wider Kent economy, or subsequently the effect on the UK economy as a whole
- The legal, planning, environmental, or social effects of any scenario, or whether these elements would present any challenges
- The economic benefit or need for industrial or housing units in the Thanet area
- The comparison between any airport scenario and any other alternative use of the airport site
- Passing judgement on the use of the site beyond that of whether an airport may be viable
- We take a neutral view with regards to the local campaign groups, both those for and against the airport

It should also be noted that many of the stakeholders engaged by AviaSolutions sought to broaden the discussion to include a wide range of airport-related topics. Whilst this has provided useful context and highlights the political sensitivity of the airport, AviaSolutions study is restricted to commercial analysis and does not seek to provide any legal, environmental or socio-economic advice or comments.

1.3. Our Approach

AviaSolutions commenced the study with a review of the various documents that describe the history of Manston Airport, the local and national planning context and the current development proposals for the site. The two main aspects of our work however were seeking the views of stakeholders relevant to the specific topic of airport commercial viability, and an extensive analysis of the relevant air transport market.

In conjunction with TDC, we agreed the primary and secondary stakeholders to be contacted for this engagement. Our interview programme was not intended to canvass the views and opinions of the many parties and individuals with views, many strong held, about the airport and its future. It was intended to seek facts about its historic development and proposed future development from the two prospective developers (Stone Hill Park and RiverOak) and from a range of parties within the air transport and freight industries. It is these parties and their like who will determine whether commercial aviation activities could be viable on the Manston site. Whilst conducting these interviews, many companies and individuals spoke on the condition of anonymity.

Our analysis added to our existing knowledge of the air transport industry the specifics that are associated with Manston Airport, namely its historic traffic performance, details of its catchment area, and the experiences of previous airline and freight users of the airport. AviaSolutions has developed two models specifically for this study. The first assessed the capacity of six airports serving the London Area and how future passenger and freight traffic might be distributed between these airports including Manston, and the second was a financial model to assess the potential cashflow outlook for Manston Airport.

1.4. Report Structure

In this report, we first summarise the history of Manston Airport and describe the different visions of its future put forward by Stone Hill Park and RiverOak. We next describe different scenarios for possible air transport use of Manston Airport, before investigating the passenger and freight traffic potential of each scenario. We then describe our financial model, setting out the basis of our revenue and cost assumptions if Manston were to be brought back to use as an operational commercial airport. Finally, we bring together the different threads of our analysis and reach our conclusions on the financial viability of Manston Airport.

1.5. AviaSolutions' Qualifications

AviaSolutions has been appointed to provide an independent assessment of the prospects for Manston Airport. We are is an aviation management consultancy, established in 2001. In October 2012, GE Capital Aviation Services acquired 100% ownership, adding consultancy to the leasing business for which it is known. Since then, AviaSolutions has grown rapidly, building an airline business in addition to our traditional airport advisory services. Over the past 15 years AviaSolutions has earned a strong market reputation in a number of key areas:

- Airport Strategy and Support
- Airline Strategy and Support
- Airport and Aviation Transactions
- Air Service Development
- Regulation, Policy and Planning
- Passenger and Cargo Traffic Forecasting
- Route and Network Strategy
- Ground Handling
- Business and Commercial Advisory

2. Executive Summary

2.1. Summary

AviaSolutions was appointed by Thanet District Council ("TDC") to advise on whether viable airport operations could be re-instated on the site of Manston Airport. Following ownership by the Ministry of Defence, three separate private companies tried and failed to operate Manston Airport profitably and the airport closed in May 2014. TDC needs to prepare its next Local Plan looking forward to 2031, and has two proposals for the use of the site: an operating airport or a mixed residential, business and leisure development.

AviaSolutions has discussed the re-opening of Manston Airport with a number of organisations and individuals, and carried out a detailed assessment of the air transport market and the potential finances of a re-opened Manston Airport. On this basis of this work, we have concluded that it is most unlikely that Manston Airport would represent a viable investment opportunity even in the longer term (post 2040), and certainly not during the period of the Local Plan to 2031.

The assessment of financial performance of a re-opened Manston Airport is based on relatively favourable assumptions for Manston Airport. We would typically position the financial forecast as a 'High Case' as a number of tailwinds are required to deliver the financial forecast in terms of passenger and freight volume and the revenue yield that can be achieved. Throughout the research AviaSolutions has consistently taken a positive outlook with regards to the underlying demand assumptions. Specifically, this means that we have opted for the upper bounds of traffic, the upper bounds of unit operating revenue, the lower bands of unit operating costs, and minimal asset costs and capital investment requirements.

2.2. Background

Since the Ministry of Defence sold Manston Airport in 1998, three separate private sector investors have attempted to develop the airport as a viable commercial undertaking. These ventures have all been unsuccessful and have incurred substantial losses in the process. The airport closed in May 2014. TDC has undertaken extensive exercises to find new investors prepared to re-open the airport, but has failed to identify an appropriate party. One interested party, RiverOak Investment Corporation LLC ("RiverOak"), has though emerged from this process, and is interested in acquiring the site and developing Manston Airport as a freight airport. RiverOak has been critical of previous owners, considering that they were not sufficiently active in seeking to develop and market Manston as a freight airport. In contrast, the current owner of the site, Stone Hill Park Limited ("Stone Hill Park"), has brought forward plans to develop the area for mixed residential, employment and leisure uses. TDC has identified a need to understand whether an airport would be a viable use for the site, and whether there is a reasonable prospect of that occurring within the period of the Local Plan to 2031.

2.3. Historic Performance of Manston Airport

During its years of operation as a commercial airport, Manston had a range of air services to domestic and short haul Europe points, and handled around 30,000 tonnes of freight a year, almost exclusively imports of fresh produce coming on dedicated freighter aircraft. The scale and nature of the passenger traffic suggests that Manston has relatively few air journeys originating or destined for a catchment area of East Kent that it might reasonably be expected to serve: we estimate that demand from this catchment area is about a third of the size of the demand in a catchment area of Southend Airport. While we consider that a re-opened Manston Airport would attract some passenger services and regain freighter operations at a level similar to its historic performance, our financial assessment is that this would be insufficient to support financially viable operations of the airport.

2.4. Manston as an Overflow Airport for London

Manston is located in the South East of England, where there is a need for additional runway capacity. This issue has been researched extensively over recent years, including the Davies Commission which recommended in 2015 that a third runway be constructed at Heathrow. A decision on the new runway

capacity is expected to be made in October 2016. In addition to the recommendation for Heathrow, Davies also considered a second runway at Gatwick, opening up the possibility of alternative decisions, including of course that either both or neither runway may be approved. We have developed a detailed model of how future passenger and freight demand might be distributed around the six airports in the London area under different airport capacity scenarios, in order to assess how much unaccommodated demand would be generated by 2050. We have also assessed how much traffic might be attracted to a re-opened Manston Airport.

These traffic estimates have been inputs to a financial model which AviaSolutions has developed to assess Manston's viability to 2050. We have based our estimates of unit aeronautical revenue, commercial revenue and operating costs on those levels achieved at other UK airports of a similar scale to that projected for Manston. We have also assumed that the site could be acquired for £10 million, and that further capital expenditure of £27 million would be required to re-commission the site as a licensed commercial airport. We further assume that the business is financed initially through an equity injection from shareholders of £50 million with no debt funding.

The scenario recommended to Government by the Davies Commission is the construction of a third runway at Heathrow. Under this scenario, the forecast passenger traffic at Manston would initially grow to almost 2.5 million passengers per annum (mppa) immediately before the opening of the third runway in 2030, but would fall materially afterwards. Retained earnings would not become positive until around 2040, preventing payment of dividends to equity investors until around that date. EBITDA margin would become positive in the early 2030's and grow and reach 41% by 2050. On this basis, we would very much doubt that an informed private sector investor would consider an equity stake in Manston Airport.

The scenario which most supports the re-opening of Manston Airport is one in which no new runways are built in the South East of England in the period to 2050. In this scenario, forecast operating cash flow of Manston Airport is negative until 2025; re-financings of £20 million are required in both 2028 and 2029 to fund terminal expansion; and retained earnings remain negative until 2029 preventing the payment of dividends. Thereafter, financial performance improves significantly, but it is 2043 before EBITDA margin reaches 50%.

It should be noted that these conclusions are based on a set of assumptions that favour Manston Airport at all times, with examples including above market aeronautical yield, aggressive cost reduction projections and minimal acquisition costs, which, while in our opinion are achievable, would nonetheless require some significant management attention. This attention would be focused on two aspects, securing new business at advantageous aeronautical revenue per passengers from LCC's and structuring the business to take advantage of unit cost reduction through scale. . These would not be assumptions which AviaSolutions would suggest are presented as a Base Case to an Investment Committee considering the proposition, but rather ones describing a potential upside scenario. In our experience, it is likely that an Investment Committee would not consider investing on this basis.

This scenario of no runway development in the South East of England before 2050 is also a low probability scenario in our view. It also carries a high risk that a decision in 2016 not to commission another runway could be reversed at any time in the future. If Manston were operational at the time a decision were reversed the impact on the business would be considerable, and the decision is not one in which the owners would have any control whatsoever To give just one minor illustration of the risk, it was reported in early September 2016 that Heathrow Airport Limited was considering requesting permission to operate an additional 19,000 ATMs each year, which if granted would reduce the traffic that might spill to Manston.

The other runway scenarios which collectively are more likely than 'no runway development', produce worse financial forecasts for Manston Airport.

2.5. Conclusions

AviaSolutions concludes that airport operations at Manston are very unlikely to be financially viable in the longer term, and almost certainly not possible in the period to 2031.

3. Manston Airport: History and Development Proposals

3.1. Introduction

In this chapter, we briefly describe the history of Manston Airport and the different development proposals that are currently being tabled. We also summarise the information and views that we gathered during our interviews with each prospective developer of the site.

3.2. Manston Airport History

The history of Manston Airport has been well documented in a series of reports and investigations about its prospects. Like many airports, it started life as a military airfield and played an important role during the Second World War. Although it continued as an Air Force base after the war, civilian operations were permitted. In 1998, the Ministry of Defence sold the site to the Wiggins Group plc, which endeavoured to build up commercial operations, including investment in an airline (EU Jet) to provide passenger services. However, the airline quickly ceased operations in July 2005 and the parent group (renamed Planestation), went into administration.

The following month, Infratil Limited acquired Manston Airport from the administrators, and sought to continue commercial air transport operations. However, without the support of a based airline, passenger numbers returned to the historically low levels experienced prior to EU Jet. In each year that Infratil Limited owned Manston it incurred losses of more than £3 million per annum and wrote off the purchase price of £17 million. Infratil disposed of the airport and associated liabilities in November 2013 for the notional price of £1.

Manston Skyport Limited completed its acquisition of the airport in December 2013, but in the face of continuing financial losses gave notice to staff in March 2014. The airport closed for operations on 15 May 2014.

TDC then explored the possibility of using a Compulsory Purchase Order (CPO) to buy the airport, and then sell immediately onto a private sector investor willing to use the site as a commercial airport. A month-long search yielded a small number of interested parties but further scrutiny indicated that none provided the Council with sufficient confidence that it would be indemnified were it to exercise its CPO rights. This led the Council to reach an initial conclusion in December 2014 that it was unable to find a CPO Indemnity partner.

At the request of RiverOak Investment Corporation (one of the previously interested parties), in May 2015 it started a review of this decision and in October 2015 reached the same conclusion. Nonetheless, at the start of 2016, the Council launched a further search for a CPO Indemnity partner, but this again proved unsuccessful.

In the meantime, the former airport site was sold in September 2014 to the current owners, Stone Hill Park Limited

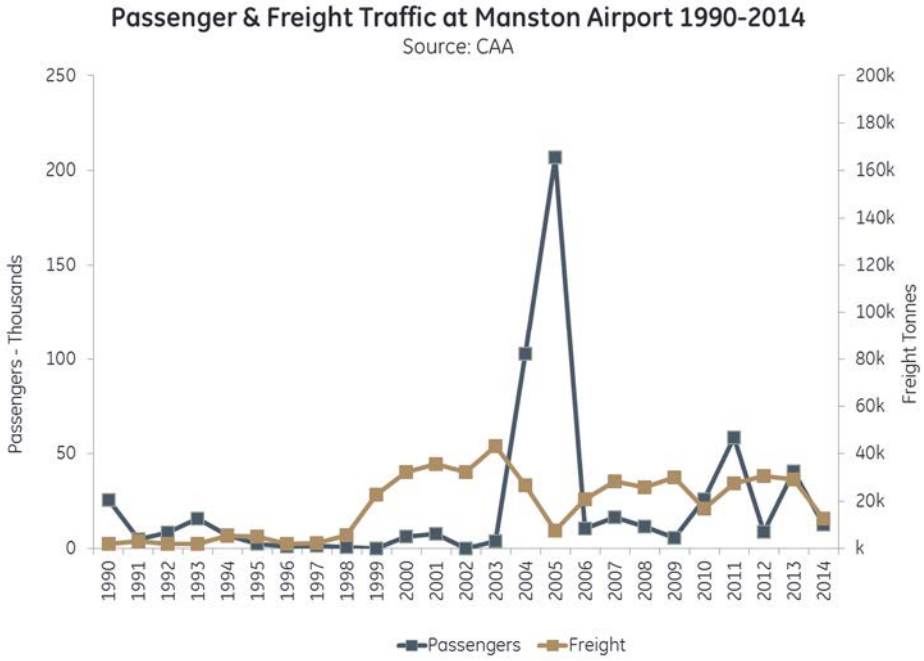
3.3. Commercial Activity at Manston Airport

Immediately after Wiggins Group plc acquired the airport Manston saw an increase in freight traffic. This grew rapidly to circa 30,000 tonnes per annum, however the passenger element of the business stagnated. After Wiggins Group plc invested in an airline specifically for the region, EUJet, the airport saw rapid growth in passengers increasing to 200,000 in 2004. EUJet however, quickly fell into financial difficulty and ceased operations in July 2005 bringing an abrupt halt to the passenger growth.

In the years since, through the ownership of Infratil and Manston Skyport, freight volumes were maintained at circa 30,000 tonnes per annum. Passenger volumes increased with the introduction of Flybe in 2010 but

fell back as the routes were withdrawn. Most recently, KLM began operations from the airport in 2013 but were also withdrawn due to the announcement of the airports closure.

Since being taken into private ownership the airport has averaged 30,500 passengers and 25,000 tonnes of freight per annum, with the peak being 207,000 passengers in 2005 and 43,000 tonnes of freight in 2003.



3.4. Stone Hill Park Development Proposal

Stone Hill Park Limited has lodged a planning application with TDC to construct a mixed development of residential and business units on the site of the former airport.

Stone Hill Park set out its position with regard to the history of the airport, indicating its years of financial losses under various ownerships. The company also outlined the steps that had been taken by management and consultants, both when the airport was operational as Manston SkyPort, and when it came into its ownership, to revive the airport's fortunes. It should be noted that Stone Hill Park indicated that no documents or reports were available to evidence these efforts. Stone Hill Park concluded that the airport site would be better utilised as a redevelopment site than as an airport[1].

3.5. RiverOak Investment Corporation Development Proposal

RiverOak was perhaps the most interested party in TDC's search for an Indemnity Partner to support its consideration of a CPO. It has indicated that its plan for the re-opening of Manston Airport is based on attracting 10,000 annual movements by freighter aircraft.

During AviaSolutions interviews, RiverOak provided a high level review of why it wished to acquire the airport and its vision of the airport's future development. The strategy is to develop a freight hub with supporting passenger services. RiverOak criticised the previous owners' lack of effort to develop air freight traffic at Manston.

[1] The scope of this report does not extend to a consideration of other uses for the airport, and AviaSolutions is therefore not able to comment on the reasonableness or otherwise of the alternative use proposals.

RiverOak was unwilling to disclose any material detail of its Business Plan for reasons of commercial confidentiality. Therefore, the discussion over future viability was at a more generic high-level basis, with RiverOak not disclosing any traffic projections, revenue projections, cost base or specific airlines (passenger or freight) with whom it had discussed plans (with the exception of Ryanair). It did not name any parties that had given firm commitments to use a re-opened Manston[2].

A critical factor for RiverOak's proposal is that in order to establish an airport on the Manston site it will need to obtain ownership of the site from the current owners. They have not secured the site's sale through negotiation with the owners and are currently preparing for a DCO process, a part of which shall aim to demonstrate to the relevant authorities that the airport site is nationally significant transport infrastructure. If successful, RiverOak may then be granted the ability to purchase the site on a compulsory basis. Without this power, there appears little prospect at present of the group securing ownership.

[2] For the avoidance of doubt, AviaSolutions therefore does not offer any opinion about the reasonableness or otherwise of RiverOak's commercial plans for the airport.

4. Potential Development Scenarios

4.1. Introduction

In this chapter, we describe a number of possible development scenarios for Manston Airport. These scenarios have been developed on the basis of our experience of the air transport industry and provided the background for our discussions stakeholders within the air transport industry.

We first describe two scenarios (4.2 and 4.3) that consider possible developments at Manston with regards to cargo and passengers. These scenarios are considered in isolation from decisions made in relation to the provision of a runway in the London area. However, given that Manston is in the South East of the UK, its potential development is likely to be directly influenced by any runway decision. Consequently, we incorporate the first two scenarios into a wider consideration of possible developments in the London area in view of the possibility that Manston might provide some 'over-flow' airport capacity. These considerations are drawn together in our four distinct demand scenarios for Manston Airport.

4.2. Cargo Activity

In the past, Manston Airport was able to attract a certain level of cargo activity, and a potential future role would be for it to again serve this market. In our assessment, we assume as a minimum that Manston attracts this previous freight, totaling 30,000 tonnes per annum.

We also consider whether the scale of activity might be greater than experienced in the past. There would be two possible causes for this:

- The selection of the East Kent area by a major multinational manufacturing (e.g. an Asian electronics or white goods company) or retail group (e.g. Amazon) as the location of its distribution network. Such location decisions can have a significant impact on freight volumes. However the UK's planned exit from the EU leaves makes this less likely.
- As a consequence of their lower sensitivity to airport location, freighters are generally amongst the first category of traffic to be 'squeezed' out of busy airports. With the pressure on runway capacity in the South East of England, it is possible that freighters currently operating through the London airport systems might seek to move to an alternative airport. We discuss this further throughout the remainder of this chapter.

We also considered the role of integrators in the air freight market. Whilst general cargo traffic tends to be more flexible about the location of the airport it uses than passenger traffic, this does not apply to the major integrated freight operators. The business model of operators such as DHL, FedEx and UPS is based on a hub and spoke principle involving both aircraft and road feeder services: the surface element of the network has a greater requirement for a central location within the market being served. We consider the geographic location of Manston precludes it from being a suitable base airport for an integrator in particular when compared to UK competitors such as East Midlands Airport.

4.3. Regional Passenger Airport

Manston Airport played a role from the early 2000s until its closure as a local airport serving the East Kent region. Although our research and analysis (described in Section 5) has indicated that its core catchment area produces significantly less demand for air travel than the area around Southend Airport, we consider that it might nonetheless be able to support an operation equivalent to one or two 150-200 seat passenger aircraft operated by a LCC based at Manston. However, the longevity of such a development may be limited since if a new runway were to be built at Heathrow or Gatwick, the LCC concerned would in all probability transfer its aircraft to the new runway. There are many reasons why these aircraft would be re-based, including:

- Gaining access to vitally important catchment area

- Competitive positioning, the major LCCs are likely to fiercely compete and attempt to gain first mover advantages
- The airlines will need to base multiple aircraft at the airport with a new runway in order to achieve economies of scale on the cost lines of their business
- Securing slots at valuable airports to secure slots
- Airlines have finite resources, including the number of aircraft they have to operate. A major structural change in the runway capacity environment will demand that those resources be reviewed and the optimum allocation revised.

In our analysis we make the assumption that the airport quickly ramps up to 800,000 passengers per annum on this basis until such a time as a new runway is opened, at which point the aircraft are re-based and the passenger traffic lost. This volume of annual passengers is equivalent to two B737-800 based aircraft with a typical LCC seat configuration. We also assume that Manston would not feature in the network plans of airlines for non-based aircraft.

4.4. Runway Development in the South East

The shortage of airport capacity in the South East of England has been widely debated for many years, if not decades. The most recent public investigation was undertaken by the Davies Commission which reported to Government in 2015. No decision on its recommendation to provide a third runway at Heathrow has yet been made, although one is expected in October 2016. Even if a decision is made as currently planned, it could be ten years or more before that runway would be operational. The Davies Commission considered a long list of possible locations for additional runway capacity in the South East, although it should be noted that Manston Airport (still open at the time) was not one of them, and despite its available capacity a new runway was still deemed necessary.

The Commission short-listed two schemes at Heathrow for a third runway (LHR3) and the provision of a second runway at Gatwick (LGW2), and recommended LHR3. During the next ten years, there will be a shortage of airport capacity in the South East, leading to a scenario in which Manston acts as an overflow airport for demand that cannot be accommodated elsewhere. We consider that there are four possible outcomes from the Government's current decision process:

- Build LHR3: While in line with the Davies Commission recommendation, this choice would nonetheless be the most controversial, and probably take the longest time to deliver.
- Build LGW2: It is likely that a runway at Gatwick would be available earlier than at Heathrow. It is probably the outcome that would be least supportive of a re-opening of Manston Airport, since Gatwick is the closest airport to Manston, and a runway there is likely to be operational several years before one at Heathrow.
- Build both: Should Government indicate that its policy would permit both to be built, Gatwick shareholders might well conclude that while its runway could be operational first, there would be a significant risk of loss of traffic to Heathrow as and when its additional runway opened.
- No expansion: It is possible that Government will not sanction any runway expansion in the South East. It is the outcome that would be most supportive of a re-opening of Manston Airport, albeit an outcome that could be reversed at any time in the future, thereby depriving a re-opened Manston of traffic.

It is feasible that there would be a legal challenge, irrespective of which of the above possibilities were chosen (possibly less so with the fourth 'do nothing' option), further delaying the opening of a new runway. It is unclear whether the Government's decision would indicate simply its preferred location with the airport operator then following the normal planning process to obtain the necessary permissions, or whether it would seek to provide the permissions through a Parliamentary process.

4.5. Dynamics of Traffic in the London Airport System

The six airports of the London Airport system all have different owners, and each has a particular characteristic in the traffic which it handles. However, there is a dynamic in the distribution of traffic between the airports, which also have a particular hierarchy.

Heathrow is the premier airport, and there are numerous examples of airlines moving services there when they are able to do so. This has been evidenced with airlines purchasing slots from incumbent Heathrow

airlines, for example in February 2016 Oman Air purchased a pair of Heathrow slots from Air France-KLM for a reported $75 million.

Gatwick is clearly the second airport in the system, and secondary slot trading is also beginning to take place. The airports of Stansted and Luton to the north of London play similar roles in supporting the low cost airline market. London City Airport is very much a niche airport and has marginally relieved pressure on Heathrow by serving an increasing range of short haul (often business-oriented) destinations. The least busy airport is Southend which has grown again in the last few years as a result of easyJet basing two to three aircraft at the airport.

4.6. Model Scenarios

Before the construction of a new runway at Heathrow and/or Gatwick, there is expected to be a shortage of airport capacity with passenger demand growing. We have developed a simulation model to estimate the size of unaccommodated demand at one airport, and how the demand might respond to an airport capacity shortage. Our demand cascade follows the form of:

- Some passengers using the airport to connect between flights will choose to use other airports as their connection point (voluntarily to avoid over-crowded facilities and delayed flights, or as a consequence of airlines increasing fares to such passengers);
- Some passengers will choose not to travel, or not to travel by air (as air fares are increased);
- Some passengers will endeavour to use another London airport; and
- The remaining potential travellers are available for attraction by UK airports other than the six London area airports.

We have used our experience and discrete analyses to determine the likely sizes of the first two categories above, and then estimated the passenger handling capacities of the airports. In general, this is based on the number of Air Transport Movements (ATMs) that each airport's runway system can handle[3] and the average number of passengers per ATM at the airport. There is a long-term and widespread trend for passengers per ATM to increase, meaning that the passenger handling capability of an airport can grow even though there may be no change in the number of ATMs that it can handle. We have also divided the maximum ATMs between passenger and freighter operations, maintaining freighter operations at the average level seen over the five years 2011 to 2015[4], except at Stansted. Within this model we have also considered freight demand and the ability of airlines to carry this demand, either on the dedicated freighter ATMs or in the belly-holds of passenger aircraft.

Once the total unaccommodated demand for the London System has been identified we then apply analysis to identify the share of this unaccommodated demand Manston might attract. These 'spill' demand scenarios are in addition to the base loads of 800,000 passengers (up until a new runway) and 30,000 tonnes of freight. Our demand scenarios are therefore:

- LHR3: The spilled passenger demand Manston would capture if a third Heathrow runway were developed and in addition 800,000 passenger per annum and 30,000 tonnes or freight per annum until FY2030.
- LGW2: The spilled passenger demand Manston would capture if a second Gatwick runway were developed and in addition 800,000 passenger per annum and 30,000 tonnes or freight per annum until FY2025.
- Both: The spilled passenger demand Manston would capture if a third Heathrow runway were developed and a second Gatwick runway were developed and in addition 800,000 passenger per annum and 30,000 tonnes or freight per annum until FY2025.
- No Runway: The spilled passenger demand Manston would capture if no new runway were developed and in addition 800,000 passenger per annum and 30,000 tonnes or freight per annum until FY2050.

[3] *In the cases of Heathrow, Stansted and London City there are also statutory limits*
[4] *One of Stansted's S106 conditions specifies the division of ATMs between passenger and freighter, with freighter ATMs being 20,500 per annum, and passenger ATMs 243,500 per annum*

4.7. Development Options Outside of Scenarios

We have not included in the possible scenarios any development that does not include commercial air transport operations. Hence, we do not consider the potential use of the Manston site as; a Maintenance, Repair and Overhaul (MRO) centre, an aircraft refurbishment or fit-out location, aircraft 'tear-down' or storage centre, or flight training facility. These and similar activities are often sought by owners of airports with low levels of aircraft activity as a means of generating ancillary revenue to boost income. However, the operators of these businesses are often flexible about the location of the works, and as such, the businesses providing these types of activities are highly sought-after by existing airports and the businesses are able to negotiate favorable commercial terms.

Given the intense competition that exists for these types of business, in our judgment no private sector investor would re-open Manston Airport based primarily on this type of activity. Similarly, while the site has an historic position in aviation and has a heritage centre, and this activity could add to viability, this would be only a marginal financial contribution and would be dependent on there being a commercially viable airport around which to build such an activity.

We also discounted the possibility of Manston developing as a business aviation (GA) centre: it is simply too distant from London to be an attractive offering to corporations and high net-worth individuals using private jets and would struggle against established airports such as Farnborough and London City.

5. Passenger Analysis

5.1. Introduction

In this section, we discuss the passenger market both at Manston and in the London Area as a whole. We then explore the potential demand scenarios outlined in section 4.6.

5.2. Historic Passenger Traffic at Manston Airport

Various passenger services have operated at Manston Airport in the past. In general, they were consistent with the type that might be expected at a small UK regional airport, namely scheduled services to major short haul domestic and European destinations, supplemented by charter flights to the more popular Mediterranean holiday resorts.

Passenger volumes peaked in 2005, when EUJet, then a subsidiary of Planestation, was operating from Manston Airport. A large number of destinations were served, although EUJet was achieving a load factor of only 41% when it ceased trading in July 2005.

Destinations/Origins of Manston Airport Passengers, 2005

Airport	Passengers	Airport	Passengers
Edinburgh	32,259	Gerona	6,177
Dublin	26,879	Newcastle	5,118
Amsterdam	16,600	Belfast	4,563
Manchester	15,091	Barcelona	4,351
Malaga	14,119	Ibiza	3,657
Prague	10,434	Shannon	2,897
Nice	9,848	Valencia	2,316
Murcia	9,774	Glasgow	2,200
Alicante	7,822	Madrid	2,077
Palma	7,584	Other international	12,186
Geneva	6,801	Other domestic	18
Faro	6,502	Total	209,273

Source: CAA Airport Statistics

After EUJet ceased trading, passenger volumes fell dramatically, and remained persistently below 20,000 per annum until 2010/11 when Flybe commenced some limited flying to domestic destinations. The service to Manchester performed poorly, with an average load factor of 26% (source: CAA) and was soon terminated. A Belfast service had a marginally better load factor at 44% but ultimately was unsustainable. The highest performing route in terms of load factor was to Edinburgh which reached a load factor of 53% Passengers were mainly outbound from Manston and travelling for personal or leisure reasons resulting in fare yields being relatively low. The culmination of this poor demand resulted in Flybe ceasing services from the airport (source: Flybe Interview).

In 2013, KLM commenced a twice daily service on weekdays from and to Amsterdam, aiming to feed its connecting hub at Schiphol as well as facilitating travel to and from the city. KLM operates to many airports in the UK on this basis and in 2013, KLM carried nearly 36,000 passengers. However, in that same year, a further 48,000 passengers from Manston's core catchment area travelled to Amsterdam from other London Area Airports, meaning that the Manston service captured just 42% of the demand that arose from Manston's core catchment area (albeit services started only in April 2013).

Passengers to Amsterdam, 2013

London Area Airport	Passengers to Amsterdam from Manston Catchment Area, 2013
Heathrow	22,008
Gatwick	20,048
London City	4,091
Stansted	1,932
Luton	596
Total	48,675
Passengers on KLM service from Manston	35,854 (42%)
Total Catchment Area Passengers to Amsterdam	84,529 (100%)

Source: CAA Passenger Survey (N.B. Southend not included in survey)

5.3. Local Demand

We have defined an area of eastern Kent as Manston's core catchment area, as shown in the diagram below.

To gauge the demand from Manston Airport's core catchment, we analysed the number of journeys from the core catchment to a basket of easyJet destinations (using Southend Airport's easyJet network as a typical example). The London airports captured 517,000 air journeys to these UK domestic and short haul

European destinations[5]. This figure does not include the small number of passengers that travelled via Manston to Amsterdam in the first three months of the year.

District	Passengers from Manston's Catchment Area
Ashford	59,463
Canterbury	78,339
Dover	48,575
Maidstone	74,279
Medway	131,123
Shepway	41,159
Swale	47,074
Thanet	37,315
Total Using London Area Airports	**517,327**
Passengers on Services from Manston	**12,344**
Total Catchment Area Passengers to these points	**529,671**

Source: CAA Passenger Survey (N.B. Southend not included in survey)

In contrast, in 2014, the core catchment area for Southend generated more than 580,000 passengers to and from these points flying from the other London Airports. This is in addition to the passengers carried by easyJet from Southend to these destinations.

A proportion of the passengers that used services from Southend will have come from outside the airport's core catchment area. The analysis indicates that the maximum proportion of demand from a core catchment area that a small airport might attract is around 60%. This assumed percentage capture is broadly in line with the 42% capture by KLM from Manston during its first nine months of operations in 2013.

Airport Used	Passengers from Southend Catchment Area
Gatwick	270,450
Stansted	251,443
Heathrow	21,978
London City	20,868
Luton	16,820
Total using London Area Airports	581,559 (38%)
Passengers on easyJet services from Southend	959,523 (62%)
Total Catchment Area Passengers to these points	1,541,082 (100%)

Source: CAA Passenger Survey (N.B. Southend not included in survey)

If this same percentage were applied to the 2014 demand from Manston's core catchment area, it suggests that the maximum number of passengers that might be attracted to these points on services from a re-opened Manston would be some 330,000 per annum (529,000 x 62%). To sustain operations, it is therefore conceivable that Manston would, like Southend, almost certainly need to attract passengers from outside its catchment area. Southend is some 55 minutes from central London by rail (with pedestrian access between airport terminal and station), while Manston is scheduled to be 75 to 105 minutes from

[5] *Barcelona, Belfast, Amsterdam, Faro, Alicante, Ibiza, Malaga, Jersey, Palma. Geneva, Venice, Edinburgh, Berlin, Krakow, Tenerife*

Central London. Manston would face a significant challenge to match Southend's attraction to passengers from central London.

Train to London from airport, (Assumes Ramsgate connection for Manston)

Airport	Train to London	Connect to Terminal	Vs. Manston
Heathrow	15 minutes every 15 minutes from Paddington	Direct to terminal	75 minutes quicker
Gatwick	30 minutes every 15 minutes from Victoria	Direct to terminal	60 minutes quicker
Stansted	50 minutes every 15 minutes from Stratford / Liverpool Street	Direct to terminal	40 minutes quicker
Luton	40 minutes every 10 minutes to Kings Cross St Pancras	10 minute shuttle	50 minutes quicker
London City	On the DLR Line	Direct to terminal	Variable
Southend	53 minutes to Liverpool Street, 44 minutes to Stratford. 8 trains an hour at peak	Direct to terminal	37 minutes quicker
Manston	75 - 105 minutes to Ramsgate, four trains per hour to Kings Cross St Pancras	15 minute shuttle	n/a

Source: Airport website, national rail

This potential level of passenger demand at Manston for short haul services would be approximately equal to that which could be handled by one 150 seat narrow-body aircraft (such as a Boeing B737 or an Airbus A319) operated by an LCC based at Manston.

5.4. Airline Interviews

AviaSolutions spoke to several passenger airlines with regards to potential future operations at Manston airport. More detailed notes are provided in Appendix A.

Ryanair provided the most positive indication of future service concluding that:

> '*Ryanair are constantly reviewing their network and remain open to approaches from any airport. If the airport became operational, the airline would review its potential and fit within the wider airline network in due course, and is available to discuss terms with the owners at any time*'
> Ms. Kate Sherry, Deputy Director of Route Development, Ryanair

Whilst Ryanair remained somewhat open to the possibility of future services, it was in our opinion, far from a commitment to serve Manston airport if it should re-open. We received a similar positon statement from KLM, effectively citing that a re-opened Manston would be included in the annual network review.

Discussions with other carriers indicated a less positive outlook for the airport, with Flybe, an airline that had previously served Manston stating:

> 'I*t is unlikely that, even if Manston should reopen, the airline would choose to serve the airport.*'
> Mr. Martin Pearce, Flybe

Other airlines and individuals interviewed had similar stances, stating that:

> *'…Manston would not be a consideration for us…'*
> Major European LCC

and that:

> '*Following the BREXIT vote many airlines will be considering their approach to the UK. During a period of uncertainty, it will be difficult for Manston to convince carriers to open routes to the airport*'
> Ex-Director of Network Route Development for Major European LCC

We also discussed with a major UK carrier its views on Manston Airport as part of an operational resilience strategy. This is an aspect of the airport which has been made promoted as a potential benefit to the UK aviation sector. Flight Operations within an airline is a highly scrutinised function, in particular with regards to fuel and diversionary airport selection. When calculating a Flight Plan, airlines plan contingency fuel based on regulatory standards that ensure sufficient fuel is available upon landing, meeting this minimum landing fuel is a core part of the duty of all aircraft commanders. Our contact stated that:

'It is my personal view that Manston does not offer any safety or resilience benefits of a material nature to the UK system. The airport is located in close proximity to six London airports which offer excellent resilience already'
Manager, Flight Operations, Major UK Carrier

Based on AviaSolutions interviews in relation to passenger services, we conclude that whilst there is some notional interest in passenger services at Manston Airport, no airline was committed at present, or in the future seeking to serve to the airport should it re-open. No airline wished to give any more commitment beyond that it would consider Manston as part of their process of reviewing their network.

5.5. Potential Overflow from London Area System - Model

We outlined in Section 4 the principles on which we have based our model of how passenger traffic might cascade around the London Area Airport system. In this section we set out the main assumptions and results.

Capacity
The starting point of our assumptions is the ATM capacity of the London airports. At a number of airports, the ATM capacity has a statutory cap (as opposed to an estimate based on its physical capacity). At these airports we have assumed up to 97.5% of the movement cap to reflect constraints on the optimal scheduling and peak demand profiles.

Airport ATM Capacity

Airport	Annual ATM Capacity	Comment
Heathrow	480,000	With two runways. Statutory limit
	720,000	With three runways, from 2030 if added
Gatwick	280,000	Estimated capacity of single runway
	480,000	With two runways, from 2025 if added
Stansted	264,000	Statutory limit. Includes 20,500 for freight flights
Luton	100,000	Estimated. Statutory passenger cap of 18 mppa
London City	111,000	Statutory cap (noise-adjusted) - passenger limit of 6.5 mppa
Southend	53,300	Statutory cap

These ATM capacities are converted into a passenger capacity by multiplying by the average number of passengers per ATM. Passengers per ATM have historically increased over time as a result of larger aircraft with more seats and the increase in the number of seats occupied (the load factor).

We have assumed a continuation of this trend, although at a rate of 0.5% per annum, much lower than seen in recent years. It may be seen that even by 2050, the number of passengers per ATM with this assumption never exceeds 200 at any airport. This assumption acts to increase the demand that cannot be accommodated at the six London Area airports. However, it is likely that when faced with runway capacity constraints, airlines will increase passengers per ATM at a faster rate than would otherwise be the case. Our assumed rate of increase is consequently likely to lead to an over-estimation of the demand that is available to be handled at Manston.

Passengers per ATM

Airport	Passengers per ATM					CAGR 2011 to 2015	CAGR 2015 to 2050	Pax per ATM 2050
	2011	2012	2013	2014	2015			
Heathrow	146.6	149.5	155.0	156.8	159.7	2.2%	0.5%	190.2
Gatwick	137.9	142.5	145.2	149.7	153.5	2.7%	0.5%	182.8
Stansted	142.3	144.1	146.3	149.2	155.9	2.3%	0.5%	185.6
Luton	136.4	139.0	141.8	143.3	145.1	1.5%	0.5%	172.8
London City	49.2	46.9	49.7	52.0	54.5	2.6%	0.5%	64.9
Southend	33.8	84.9	102.4	95.5	100.4	5.7%*	0.5%	119.5

* 2012 to 2015

Demand

We have based our forecasts of future passenger traffic on those set out in the Davies Commission Report - unconstrained carbon traded forecast (the most optimistic). Given that the early forecast volumes have been superseded by actual performance, we have uplifted the forecast figures to reflect actual demand seen across the London System in the intervening years.

Demand Allocation London System

Demand is then compared to capacity available, and assigned to the airport which Davies assumes is its natural first choice. The greatest demand is for Heathrow, and traffic not accommodated there is assumed to (a) spill to other non-London Area airports for connecting traffic, (b) 5% is assumed not to travel (by air), or (c) spill to Gatwick.

A similar process is then followed for Gatwick, with any unallocated demand being allocated to one of the other four London Area airports, until each has reached its capacity. At this point, any unaccommodated demand becomes available for other airports outside the London System to handle. We summarise below the forecast demand at the London Area airports in 2050 for each of our defined scenarios, together with unaccommodated demand.

Forecast Passenger Demand (mppa) at London Area Airports, 2050

Airport	Scenario			
	LHR R3	LGW R2	Both	Neither
Heathrow	134	89	134	89
Gatwick	51	88	88	51
Stansted	45	45	45	45
Luton	17	17	17	17
London City	7	7	7	7
Southend	2	2	2	2
Unaccommodated	44	40	5	79

Unaccommodated Demand (mppa) by Scenario and Year

Year	Scenario			
	LHR R3	LGW R2	Both	Neither
2020	5	5	5	5
2025	11	9	9	11
2030	17	6	2	25
2035	9	9	4	36
2040	16	16	5	49
2045	27	27	3	61
2050	44	40	6	79

Demand Allocation - Regionals

This Unaccommodated Demand is potentially available to airports other than the six London airports and specifically to airports in regions other than the South East as well as to Manston. Using CAA data, we have calculated the origin and destination distribution of passengers at the London Airports split by the part of the UK they are travelling either to or from. This indicates that 49% of total passengers are travelling to or from Greater London and 4% to or from Kent. We have assumed that the distribution of future Unaccommodated Demand matches the pattern of demand seen in 2014, such that if 100 passengers were unaccommodated, 49 of those are travelling to or from Greater London and 4 to or from Kent.

We have then estimated how much of this Unaccommodated Demand Manston may reasonably be assumed to capture. Given its location in Kent it is reasonable to assume it would capture a large share of the Unaccommodated Demand for Kent (4 passengers in the example above). We have assumed that this share is 90% (90% of the 4 passengers). Applying a similar logic, we assume that the Greater London passengers would have more choice and therefore Manston would capture a smaller share of this market. We have assumed Manston will captures 10% of the Greater London market (10% of the 49 passengers).

It is also important to recognise that currently 27% of passengers using the London Area airports do not have origins or destinations in the South East region, but use surface means to access the air services at the London airports. It is our view that airlines will consider adding additional capacity at airports to the North and West of London (potentially Southampton, Bournemouth, Cardiff, Birmingham, Manchester) to dissipate this excess demand and permit the London System to absorb the demand growth in the Greater London area. These non-London airports, in general, have a wider catchment area already provide services from many carriers with the associated economics of scale and mature presence in these markets.

Surface Origin/Destination of Terminating Passengers at London Area Airports, 2014 (mppa)

Area	LHR	LGW	STN	LTN	LCY	Total	%
South East	36.0	28.1	11.6	10.2	3.3	84.2	73%
of which							
Greater London	24.9	15.0	10.1	5.3	3.1	56.7	49%
Kent	0.9	2.5	0.4	0.1	0.1	4.1	4%
Other UK regions	11.3	7.2	7.5	5.0	0.3	31.2	27%
Total Terminating	47.3	35.2	19.1	10.2	3.6	115.4	100%
Connecting	25.8	2.6	0.8	0.2	0.1	29.5	
Total Terminal	**73.1**	**37.9**	**19.9**	**10.4**	**3.6**	**144.9**	

Source: CAA Passenger Survey

In addition to this overflow of unaccommodated demand, in each of our scenarios we have added the introduction of an LCC base of two aircraft supporting 800,000 passengers per annum from 2018, equivalent to two Ryanair B737-800 aircraft. This base continues at Manston until a new runway is opened at Heathrow and/or Gatwick. In the year when new capacity is introduced, the Manston based aircraft are assumed to transfer to the airport with the new runway, as the airline concerned seeks to establish presence at that airport at the same time as consolidating its operations in the London area.

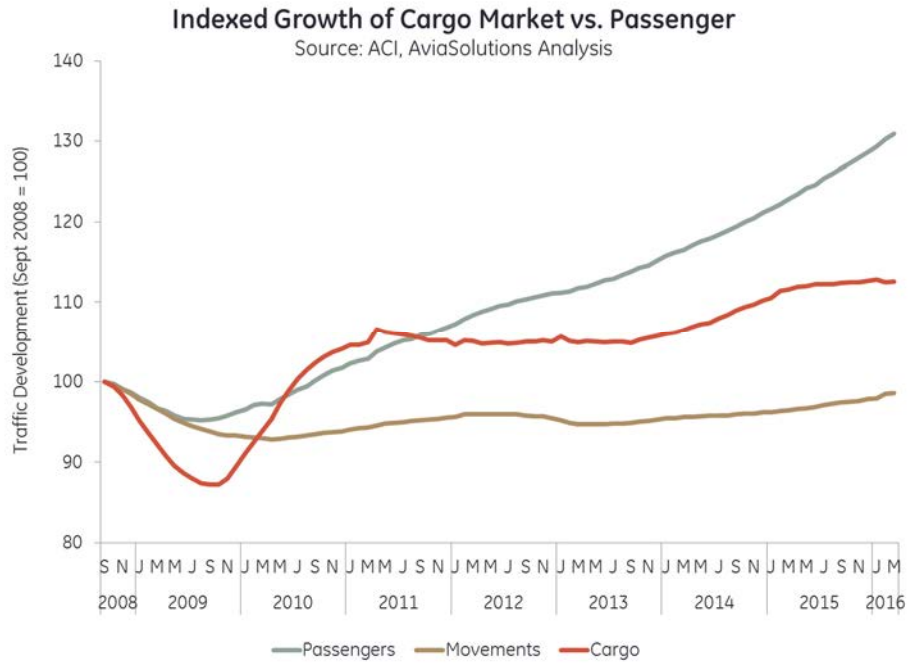
6. Cargo Analysis

6.1. Introduction

In this chapter we examine the air cargo market and its overall prospects. We also consider how freight traffic might develop at Manston Airport in our scenarios.

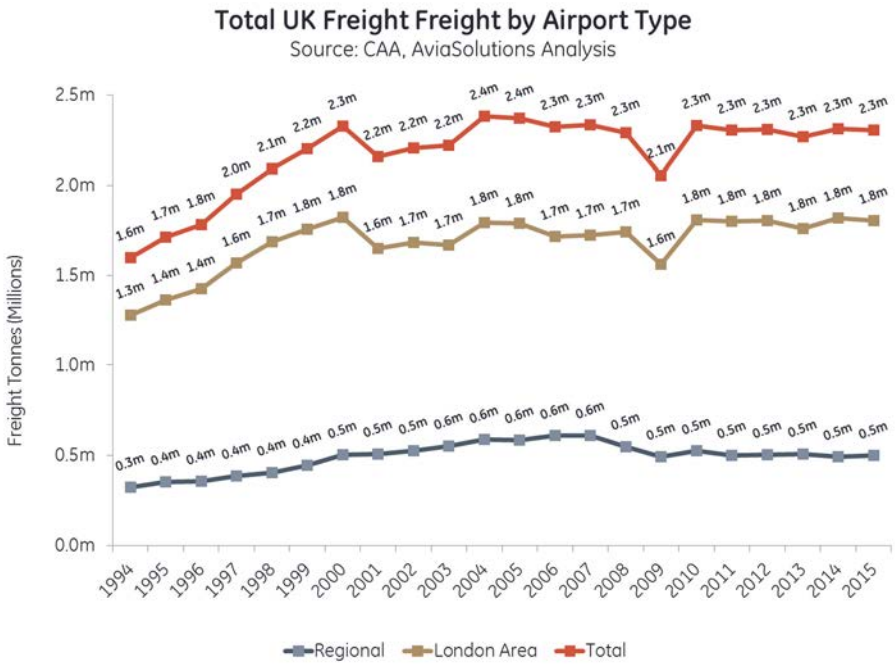
6.2. Overall Cargo Market

The air cargo market declined significantly after the global financial crisis of 2008. Although cargo volumes recovered to previous levels within two years following the crash in 2008, growth over the last five or six years has been modest.



A similar pattern has been observed in the UK. Indeed, total air freight handled at UK airports has been virtually constant at around 2.3 million tonnes per annum since 2000, with the exception of reductions immediately after the start of the recession in the early 2000s and the financial crisis in 2008. Prior to this period, demand for air freight had grown at CAGR of 8% since 1990.

There is a reasonably even split between freight set-down (imports for international freight) at 52.5% and freight picked-up (exports) at 47.5%. More than 95% of UK air freight in 2015 was international.



Within this national context, individual airports' performance has varied, with the five London area airports (Heathrow, Gatwick, Stansted, Luton and City) increasing their aggregate share slightly to just under 80%, with regional airports reducing by an equivalent amount.

The busiest airport for freight has consistently been Heathrow, responsible for two thirds of the country's air freight. This position owes much to the very considerable cargo capacity in the holds of the wide-body aircraft providing the many long haul passenger services from the airport. In contrast, East Midlands' position as the second busiest freight airport is due to its role as the centre of the UK distribution network of the integrated cargo carriers, especially DHL but also UPS and Royal Mail. Stansted is preferred by FedEx and is also used by the cargo operations of a number of airlines. These included British Airways before it discontinued its all-freighter operations in April 2014 and switched to the freighter operations of Qatar Airways.

It has been argued by, for example, York Aviation on behalf of the Freight Transport Association that the stagnation of growth in UK air freight market since 2000 has been caused by a lack of airport capacity in the London area and specifically at Heathrow. Whilst the lack of ATM growth at Heathrow has undoubtedly hampered the development of the national air freight market, it is also true that over this period there was adequate airport capacity available at both Stansted and Manston to support additional dedicated freighter movements. Freighter movements at Stansted decreased over the period[6], while Manston closed. This strongly suggests that the stagnation of UK airfreight is not a consequence of capacity constraints given the excess capacity at Stansted and Manston.

Air freight activity in the UK is highly concentrated, with just six airports handling 95% of the UK's air freight volume.

[6] *Stansted's freight ATMs declined from 13,967 in 2000 to 9,956 in 2015*

Freight by UK Airport

Airport	Freight (Tonnes) 2013	2015	% of 2015 Total	Cumulative Share	% carried on Freighters in 2015
Heathrow	1,422,939	1,496,551	65%	65%	5%
East Midlands	266,968	291,689	13%	78%	100%
Stansted	211,952	207,996	9%	87%	100%
Gatwick	96,724	73,371	3%	90%	0%
Manchester	96,373	100,021	4%	94%	10%
Manston	29,306	-	0%	94%	100% (2013)
Belfast International	29,288	30,389	1%	95%	100%
Luton	29,074	28,008	1%	97%	96%
Birmingham	21,067	7,164	0%	97%	0%
Edinburgh	18,624	19,322	1%	98%	99%
Total	**2,267,812**	**2,304,345**			**30%**

Source: Analysis of CAA Statistics

In 2015, there were around 60,000 ATMs by all-freight aircraft across UK airports. These were split almost equally between international and domestic operations. Freight movements are relatively concentrated on a small number of airports, with East Midlands and Stansted accounting for 64% of movements in 2015.

Airport	Freighter ATMs Domestic	International	Total	Int. as % of 2015 Total
Heathrow	3	2,385	2,388	8%
East Midlands	9,603	12,516	22,119	42%
Stansted	3,445	6,511	9,956	22%
Gatwick	0	3	3	0%
Manchester	205	830	1,035	3%
Belfast International	4,091	17	4,108	0%
Luton	183	1,519	1,702	5%
Birmingham	0	0	0	0%
Edinburgh	3,883	1,088	4,971	4%
Other	10,136	5,032	15,168	17%
Total	31,549	29,901	61,450	100%

Source: Analysis of CAA Statistics

It is important to note that, in the UK market, only 30% of airfreight is carried on dedicated freight aircraft. This is substantially less than the global average, where approximately 56% of RTK's are transported on freighters. In part, this disparity is due to the excellent belly-hold networks available from UK airports and in particular from Heathrow.

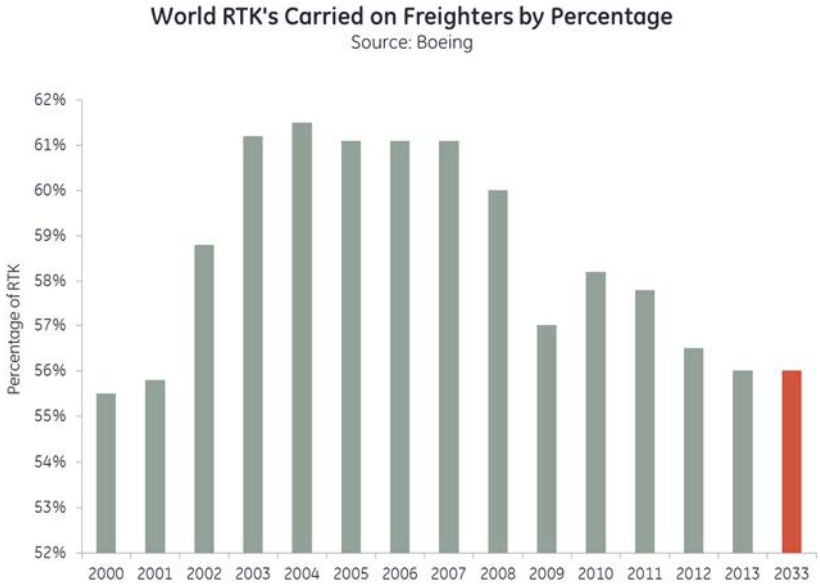
As passenger demand increases additional belly-hold capacity will enter the market. This capacity growth is unhooked from the demand scenario for belly-hold cargo and can result in excess capacity in the market. As a result airlines will often sell this belly-hold capacity using a marginal cost pricing structure. This pricing structure does not need to account for the high cost of the aircraft and must only meet the additional marginal cost that each kilogram of cargo incurs. Through the application of this pricing

structure, belly-hold cargo often undercuts the minimum price that can be charged on dedicated freighter operations.

As a result of this market dynamic, an airport focused on airfreight carried by dedicated freighters may be overly exposed to a declining or stagnant total market, or at best to a market that is not exposed to strong potential.

However, there are some elements of the market that appear to be limiting the increase in belly-hold capacity. These include

- Some of the newer aircraft types have a smaller belly-hold cargo capacity than the aircraft they replace; and
- Low Cost Carriers (such as easyJet and Ryanair) are gaining market share but generally ignore the freight market.



Manston

Before its closure in 2014, Manston Airport was the sixth busiest airport in the UK for freight. For the last ten years of operations the airport handled between 25,000 and 30,000 tonnes of freight annually, representing just over 1% of the UK market (refer table 'Freight by UK Airport' on previous page)

In 2013, the overwhelming majority of the airport's freight was carried on all-freight aircraft, CargoLux being the primary operator. There were 511 freighter movements (landings or take-offs) during the year, with an average of 57 tonnes of freight per movement. In reality Manston was almost exclusively used for imports, and this averaged 107 tonnes per import, with virtually no export volume.

6.3. Freight Industry Interviews

Our discussions with representative of the cargo industry indicate that much of the cargo at Manston was fresh produce from Africa. The airport was popular with shippers as it was uncongested, offered good quality handling services (provided by airport staff) and the airport charges were competitive. While it is close to continental Europe, airlines/shippers nonetheless had to incur the costs of flying freight aircraft virtually empty on the return leg to their base airport (e.g. Luxembourg, Ostend and Liege) after off-loading. When Manston closed, it is understood that some movements transferred to Stansted, whilst others switched to airports on the near-Continent and their loads trucked across the Channel to the UK.

Our primary interest in interviewing representatives of the freight industry (current and former executives), and previous users of the airport was to assess potential future use. It was clear from these discussions that whilst the airport clearly offered a professional service, the strategic position of the airport was a clear disadvantage.

> *'Airlines base the decision on where to operate their freighters based on a multitude of factors. However, the overriding factor is based on where investments in infrastructure have been made by*

their clients, freight forwarders. These capex investments by freight forwarders are required to ensure they maintain economies of scale through their transit facilities and distribution centres. In the UK, these investments are centred at Heathrow, and more recently Stansted'
Senior Executive in Cargo Division for airline operating freighters at Stansted.

The individual went on further to discuss the possibility of relocating his freighters to Manston Airport and was unequivocal in his position:

'The airline would be extremely unlikely to consider moving services to Manston, even if we were no longer able to serve Stansted, regardless of the commercial terms offered. If the airline had to move services, we would consider East Midlands and Manchester or other centrally located airports before Manston'
Senior Executive in Cargo Division for airline operating freighters at Stansted

This view was echoed by Mr. Stanley G. Wraight, a cargo professional with a global reputation, and over 40 years' experience in the cargo industry:

'The conclusion is there is virtually no incentive for operators to move operations to Manston, there are alternative UK airports that offer competitive services on reasonable terms. The UK doesn't need another airport for freight that has no USP. If Manston were to be developed it would be essential for it to gain a niche market such as becoming an Amazon or Alibaba e-commerce base'
Mr. Stanley G. Wraight – Senior Executive Director Strategic Aviation Solutions Limited

Balancing this view were those of an air cargo charter broker who had previously used Manston for charter services. The airport had offered excellent service and, while the broker's use might be for a moderate level of ATMs, it would be keen to re-establish a presence, provided the right commercial terms could be agreed:

'...we would certainly be interested in using the airport again if it re-opened but in order to do so, we would be looking to secure competitive rates for landing, parking and screening charges...'
Air Cargo Charter Broker – UK

We conclude therefore that there is limited interest from the cargo industry in using a re-opened Manston Airport for air freight. The larger scheduled freighter operators are unlikely to relocate their services to the airport, particularly if the airport does not have a unique product offer. We believe it is more likely that were Manston Airport to re-open, the most likely role would be to serve smaller freight operators and the larger operators on an *ad-hoc* basis. There is no compelling reason to believe that the airport would be able to generate appreciably more freight activity than previously, other than in the context of a shortage of airport capacity in the London area.

6.4. Potential Future Freight Operations - Model

Based on our research and analysis, it is AviaSolutions' view that if Manston were to re-open as an airport, it would attract some dedicated freighter operations. However, in the absence of a firm commitment from a multinational to establish a distribution centre near Manston, the growth of freight activity at the airport would be in line with historic performance, with incremental growth resulting from a general expansion of the UK cargo market and a diversion of freighter flights if these were constrained at Stansted.

Demand

There are very few national forecasts for the development of air freight. One example is the report developed by Oxford Economics and Ramboll for Transport for London as part of the investigation of the development of an estuary airport for London. A potential cause of the stagnation of growth in air cargo since 2000 was identified as the increase in oil and jet fuel price. Trend forecasts were based on average growth from 2000 to 2012 (the Lower Bound) and from 1990 to 2012 (the Upper Bound). The difference in growth rates of the two periods produce very different forecast outcomes.

Average Annual Growth	Period	London Area Airports	UK

Belly Hold Cargo	1990-2012	2.95%	2.87%
Belly Hold Cargo	2000-2012	0.49%	0.48%
Dedicated Cargo	1990-2012	2.76%	3.52%
Dedicated Cargo	2000-2012	0.02%	0.40%

Source: Oxford Economics

We note that despite being one of the world's leading economics consultancy's, Oxford Economics relied on a forecasting technique based on historic trends, rather than econometric regression analysis seeking to correlate historic growth in air cargo with changes in external/exogenous variables such as GDP, international trade etc. that might be driving the freight growth. Boeing and Airbus base their long term forecasts on GDP changes. The Oxford Economics' approach is consistent with it either not being confident in any relationships that exist, or simply not finding any explanation for the stagnation of air freight. Certainly, the forecasts produced have an exceptionally large range between low and upper bounds, which indicate the difficulty of forecasting cargo growth with confidence.

We have used the mid-point of these forecasts to drive our cascade model of how traffic might be distributed across the London area airports as and when airport capacity becomes constrained. We have estimated available capacity for cargo based on belly hold capacity generated on passenger services and on dedicated freighter flights.

Capacity

We have considered only belly-hold capacity Heathrow and Gatwick. At Heathrow with a significant number of wide-bodied aircraft (35%), we estimate the average belly-hold freight capacity to be 7 tonnes per ATM at LHR (2015), significantly higher than the actual freight per ATM of 3 tonnes. In an environment of freight growth, we have assumed this figure would increase at 1% per annum, reaching 4.3 tonnes per ATM in 2050, a load factor of 61%.

Currently, the majority of flights (85%) at Gatwick are narrow-bodied aircraft to short haul destinations, and likely to carry minimal volumes of freight. We estimate Gatwick's belly-hold capacity to be two tonnes per ATM. In 2015, actual belly-hold loads averaged less than 0.3 tonnes per ATM. We have assumed that this increases at 1.5% per annum, and reaches just over 0.3 tonnes per ATM in 2050, reaching a load factor of 15%.

We have assumed that the number of dedicated freighter flights remains at the average activity of the last five years at Heathrow and Luton. However, at Stansted permitted freighter movements may approach the statutory cap of 20,500 per annum. We have not included freighter movements at any of the other London airports. As the capacity per ATM on freighters at both Heathrow and Stansted was significantly above the loads actually carried, we have assumed that loads on freighters at these airports would grow by 1.5% per annum if UK freight market was growing at the forecast rate noted above. These assumptions take average loads on freighters to 55 tonnes and 53 tonnes respectively in 2050, still materially lower than the available capacity. We have assumed that the average load on freighters at Luton continues at 2015 levels.

Airport	Capacity Type	2011	2012	2013	2014	2015	Capacity 2015
Heathrow	Belly Hold load (tonnes)	3.0	3.0	2.9	3.0	3.0	7
	Freighter ATMs	2,456	2,380	2,365	2,084	2,388	2,388
	Freighter load (tonnes)	31.3	30.0	29.9	32.8	32.9	83
Gatwick	Belly Hold load (tonnes)	0.4	0.4	0.4	0.3	0.3	0.3
Stansted	Freighter ATMs	9,359	9,602	9,788	9,340	9,741	20,500
	Freighter load (tonnes)	20.3	21.3	21.2	21.7	21.0*	80*
Luton	Freighter ATMs	1,717	1,810	1,716	1,520	1,701	1,693
	Freighter load (tonnes)	15.6	15.9	16.3	15.1	15.8	15.8

* The average load in international freighter ATMs in 2015 was 31.7 tonnes per ATM, and the capacity on these movements 80.3 tonnes. We have used this as our forecasting base since most freight traffic is international.

Demand Allocation

These assumptions indicate that all forecast freight demand can be accommodated in all scenarios up to 2045. It is only in this year that some demand remains unaccommodated in two of the scenarios, although by 2050 there is unaccommodated demand in all scenarios.

Unaccommodated Demand (Tonnes x 1,000) by Scenario and Year

Year	Scenario			
	LHR R3	LGW R2	Both	Neither
2020	0	0	0	0
2025	0	0	0	0
2030	0	0	0	0
2035	0	0	0	0
2040	0	0	0	0
2045	0	35	0	123
2050	173	178	62	278

There is strong anecdotal evidence that a material proportion, probably around 20%, of air freight flying to and from the UK actually originates or is destined for continental Europe and is trucked across the channel. We have assumed that 20% of unaccommodated demand is lost to the UK air freight industry and flies from continental European airports. For the purposes of our assessment and in recognition of RiverOak's stated intention to develop Manston as a freight airport, we have assumed that half of the remaining unaccommodated demand is flown via Manston, with the other half going to other UK regional airports, potentially led by East Midlands and Manchester.

7. Financial Analysis

7.1. Introduction

In this section, we present the findings of our financial analysis based on the passenger and cargo forecasts set out in the earlier sections following an assumed re-opening of Manston Airport. The principles of the financial model and underlying assumptions are explained, followed by the outputs of the model for the Heathrow Third Runway scenario as it is the recommendation of the Davies Commission to Government. Finally, we present summary results of the other scenarios. A more comprehensive description of the outputs for the other scenarios is given in Appendix C.

7.2. Model Description and Input Assumptions

7.2.1. Financial Model

AviaSolutions has developed a model to assess the financial viability of a re-opened Manston Airport. This model assesses the financial performance of the airport based on various assumptions for four London area capacity scenarios which result in different demand scenarios for Manston. The assumptions have been developed in a number of different ways and draw on a wide range of sources including; analysis of the wider aviation industry, published financial accounts of the companies responsible for Manston Airport, benchmarking of comparable airports, information from our stakeholder interviews and our independent judgment based on knowledge and expertise within the aviation industry.

7.2.2. Brief Overview of Model

The model simulates the financial performance of the airport under different scenarios. This performance is measured through simplified financial statements including a Profit and Loss Statement (P&L), Cash Flow Statement and Balance Sheet. It should be noted that these are simplified statements used to illustrate performance and have not been produced to GAAP standards. The financial statements are modelled over a period from FY2017 to FY2050, on the assumption that the airport is reinstated on the site in FY2018. The Financial Year is assumed to correspond to the calendar year. This time period is typical of that used to evaluate long term infrastructure assets such as an airport, and the specific dates correspond with the period of the passenger forecasts used by the Davies Commission.

7.2.3. Approach to Assumptions

Throughout the research AviaSolutions has consistently taken a positive outlook with regards to the underlying demand assumptions. Specifically, this means that we have opted for the upper bounds of traffic, the upper bounds of unit operating revenue, the lower bands of unit operating costs, and minimal asset costs and capital investment requirements.

We therefore conclude that the assumptions and analysis that follow present the prospects of Manston airport in a very favourable context. We would consider these outputs to represent a 'High Case' and believe they present the airport in a situation where there is a very limited prospect of additional revenue or lower cost structures.

7.2.4. General Assumptions

Revenue

Airports generate revenue from two primary sources: from the charges levied on airlines for using their facilities (referred to as Aeronautical Revenue), and from more discretionary activities including retail, car parking and property (referred to as Non-aeronautical or Commercial Revenue). Manston Airport historically provided ground handling services to its customer airlines, and revenue from these activities is included in Aeronautical Revenues. Previously Manston Airport supplied fuel to some airlines, and our model includes this as a separate revenue line (as a net revenue so that the cost of the fuel does not need to be considered).

Revenue Assumptions within AviaSolutions Model

Revenue	
Aeronautical Revenue per Passenger	£7.00
Revenue per Tonne of Freight	£50.00
Commercial Revenue per Passenger	£5.00
Fuel Revenue per WLU	£0.93

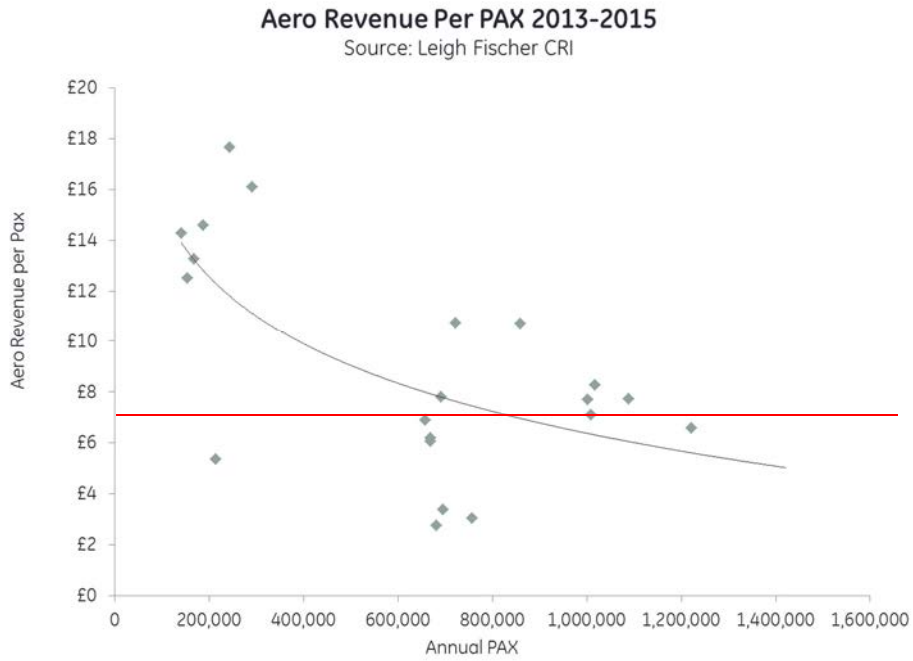
Aeronautical Revenue per Passenger

This revenue includes all airline related fees, including landing charges, passenger charges, and aircraft parking charges. However, it excludes Air Passenger Duty (APD), which is collected by the airline but passed on directly to the UK HMRC. It is normal industry practice, however, and for LCCs in particular to agree a fixed fee per passenger covering the entire range of airport operations (excluding any property rental).

Our experience is that the fees generated by the airport are greatly affected by the type of airline operating at the airport and the level of throughput achieved by the airline. Ryanair's airport charges, across its entire European network in 2015, amounted to €7.80 per total passenger (€15.60 per departing passenger) and during our stakeholder interview the airline indicated it would need to secure a highly competitive airport charge to base aircraft at Manston. The Ryanair average airport charge of €7.80 will include many capital city airports where the airline is very likely to be paying significantly above this average.

We also considered the average aeronautical revenue per passenger of airports that operate with a large share of LCC traffic, as would be expected at a re-opened Manston Airport. In the most recently published accounts (2015) Luton and Bristol airports reported aeronautical revenues of £5.66 and £4.24 per total passenger (£11.32 and £8.48 per departing passenger) respectively.

We have also assessed the aeronautical revenue per passenger achieved across a large sample of similar sized airports in the UK.



Based on these comparisons, we have concluded that a reasonable aeronautical revenue assumption for Manston Airport would be £3.50 per total passenger (£7 per departing passenger) for LCC traffic, and £7.00 per total passenger (£14 per departing passenger) overflowing from the London area.

Revenue per Tonne of Freight

The published accounts of Kent Airport Limited from 2013 identified revenues generated by freight activities. These revenues will reflect the landing charges from freighter movements, the use of the freight warehouses and the handling services provided to the airline. We have confirmed through an independent source that the historic revenue per tonne for freight achieved at Manston is consistent with market rates generally in the UK.

Commercial Aeronautical Revenue

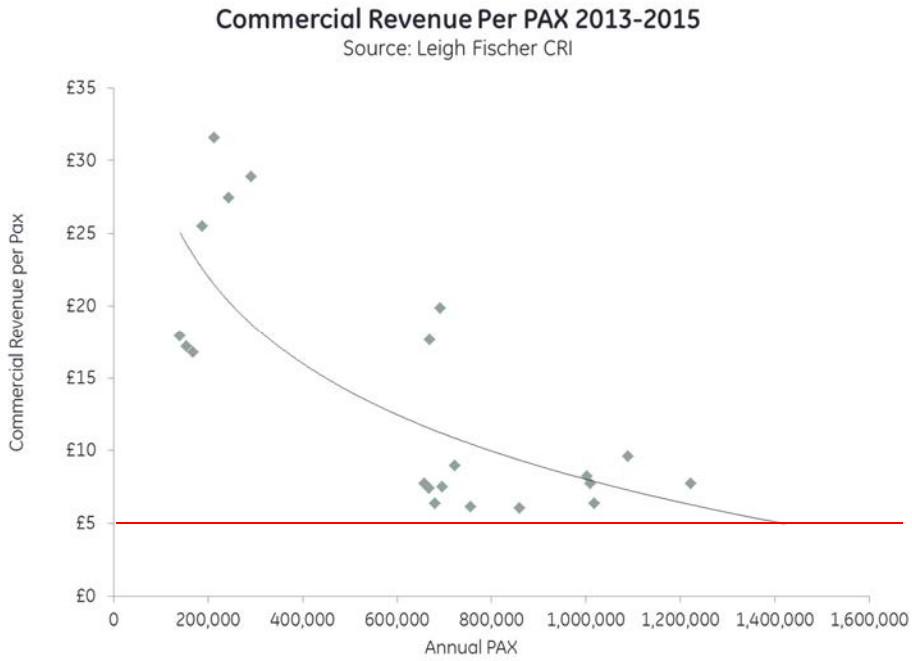
Commercial revenue is generated from passenger-facing services at the airport. One of the main sources of revenue are the airport concessions to operators of the retail shops (including duty free), food and beverage (F&B) outlets, car rental and currency exchange services. The operator will typically pay a percentage of turnover to the airport. Car parking is another source of revenue, with some airports managing operations in-house, whilst others out-source to specialist operators, such as APCOA or NCP.

Property revenue at Manston was £110,000 in 2014, and we have assumed that at a re-opened Manston Airport arrangements would continue on a similar basis.

We have built-up an estimate of potential commercial revenue per passenger by considering typical passenger spending and concession rates (turnover rent) that could be expected at a relatively small airport such as Manston.

In aggregate we have assumed that Manston could generate around £5.00 per total passenger (£10 per departing passenger).

We have also compared the unit commercial revenues generated at a number of smaller UK regional airports. It may be seen that there are a number of airports with low passenger throughputs which record high levels of commercial revenue per passenger. This is almost certainly caused by dividing a relative fixed rental income by a small number of passengers leading to an artificial inflation of the commercial revenue when measured on a per passenger basis.



We therefore conclude that a reasonable initial assumption for commercial revenue per passenger across all non-aeronautical activities is £5.00.

We have also considered the forecast expansion of the terminal to provide the necessary passenger capacity in later years under some scenarios. The terminal expansion would be expected to improve the retail and F&B offer and is assumed to contribute increased commercial revenue by £2 per passenger.

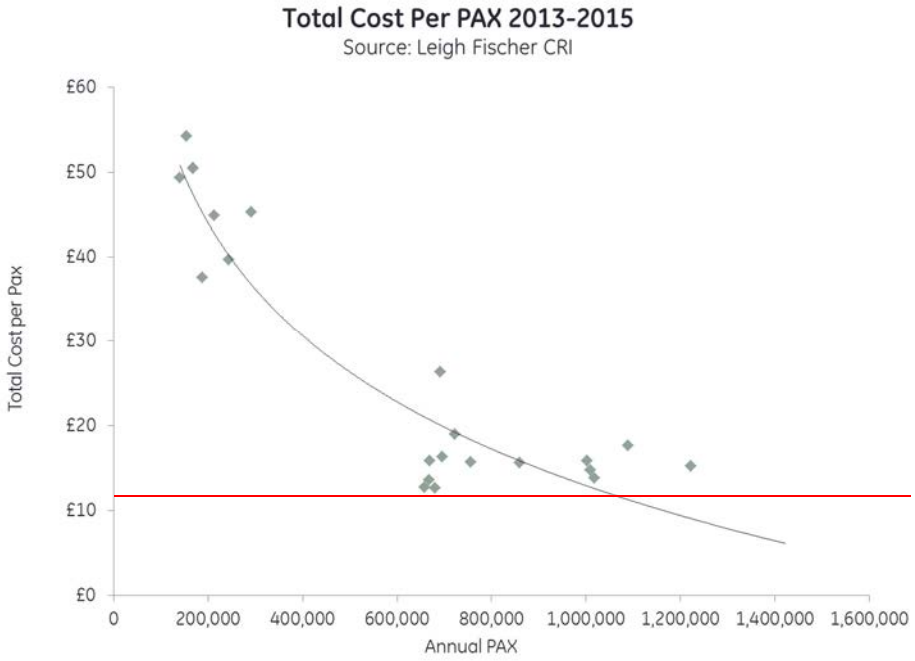
Aviation Fuel

The forecast for aviation fuel revenue is based on the net revenue after cost of fuel has been subtracted. The revenue is effectively the margin payable to the airport for fuel flowage. The margin has been estimated based on industry experience ranging from 3.5% - 7.5%. We have assumed Manston is able to achieve a margin of 5.5% and applied this to the total fuel revenue published in Kent Airport Limited's accounts (2014) to identify the fuel revenue per passenger or tonne of freight.

Total Operating Costs

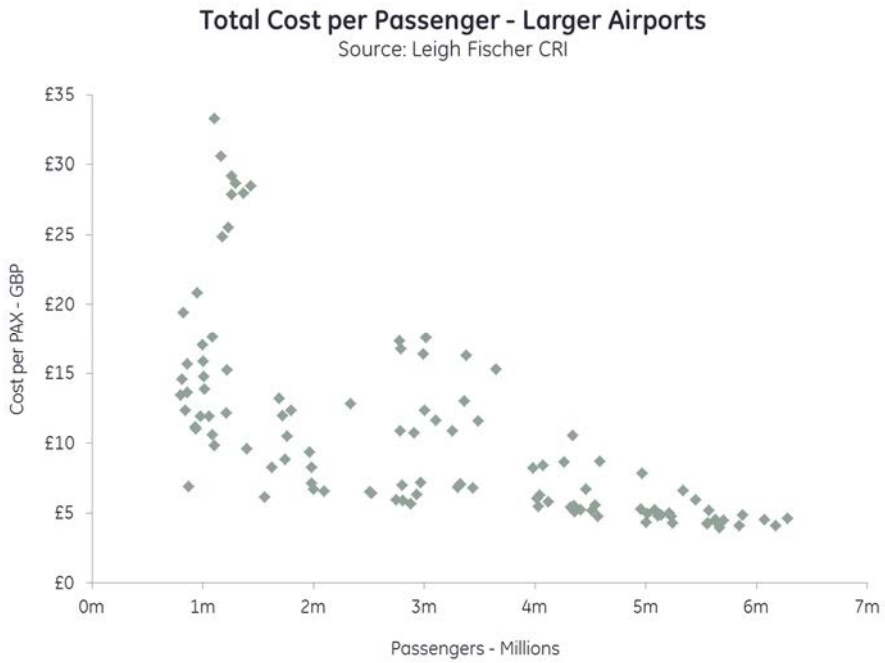
Airports with very low throughput have a high cost of operation per passenger: the fixed cost of airport operations can only be distributed across a low volume. Within a limited range, the marginal operating cost of an additional passenger is zero, but the marginal revenue of an additional passenger will be close to the average revenue per passenger.

This financial characteristic is common to capital intensive infrastructure assets. The chart below illustrates the relationship between volume and unit operating costs (per passenger) at a sample of small UK regional airports.



To reflect the expected evolution of the airport's operating costs over the forecast period we have assumed a fixed total operating cost of £7 million when annual passenger throughput is below 0.5 million. As passenger volume increases beyond 0.5 million we assume that the total operating cost per passenger will decline on a linear basis to reach £12 per passenger at around 1.0 million passengers. This would position Manston Airport amongst the best in class cost per passenger within its UK peer group.

It is reasonable to assume that unit operating costs will continue to decline with further increases in throughput leading to additional economies of scale, as illustrated below. We have linked unit costs to annual passenger throughput such that when annual throughput reaches 6.5 million passengers the unit cost would be £5.00.



Costs specifically associated with freight have been estimated at circa 60% of freight revenue based on the historic performance at Manston.

Overheads

Overheads have been obtained from the published accounts of Kent Airport Limited (2014) and exclude any restructuring costs. In a standard business plan these would often be linked with elasticity to revenue growth. However, as growth would come from a very low base AviaSolutions' view was this would have introduced too many additional costs into the business. Therefore, we estimated that these costs grew at a rate of 0.1x Work Load Units.

Other Assumptions

We have made several assumptions about the initial equity and purchase price of the airport. These assumptions have come from our stakeholder interviews and other research. They are for illustrative purposes only and may differ significantly from any actual investment.

Our estimate of the site purchase price is derived from the recognised value of the airport in Kent Facilities Limited's 2014 published accounts (£7 million) inflated by circa 50%. It is believed that this could be considered a conservative valuation of the site, dependent on the designation of the land at the time of acquisition. The current owners (Stone Hill Park) are seeking planning permission for up to 2,500 dwellings, should this permission be granted, we would assume the land to be valued far in excess of £10m.

We have developed our own estimate of the costs of re-establishing the site as an operational airport based on our industry experience and a site visit. The estimate includes the necessary work to return the airport to a serviceable condition that would satisfy the CAA and facilitate the handling of up to about 2 million passengers annually. We have excluded any advisory or legal fees associated with the Development Consent Order, though these may be considerable.

Cash Flow & Balance Sheet	
Initial Capital Injection	50,000,000
Airport Site Purchase Cost	10,000,000
Airport Site Development Costs	27,000,000
Debt Interest Rate P.A	3.0%
Straight Line Depreciation Years	60
Effective Tax Rate on Net Income	20%
Dividend Payment % of Profit / Cash	0%

We have also assumed that the investment in Manston is funded solely by equity with no debt facility. This is in part to reduce the assumed cash outflow in the early years of operations, but also because we believe that debt-financing would be difficult to secure and relatively expensive.

Additional Capital Expenditure (CAPEX)

Additional capital expenditure is assumed to be required at the point when the airport reaches 2.0 million passengers per annum and is forecast to remain at this level or above. Where the airport is growing rapidly (notably in the 'No Runway' scenario), the additional capacity investment is in two £50 million stages. Where the airport is expected to grow more slowly, additional capacity investment is assumed in a single £30 million stage.

Financial Statements

Taking the combined effect of the financial assumptions and the demand scenarios we have developed a number of illustrative financial statements. These include:

Profit and Loss:

- Operating Statistics
- Revenue Lines
- Direct Cost Lines
- Gross Income
- Overheads
- EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation)
- EBITDA Margin (EBITDA as a percentage of revenue)
- EBIT (Earnings Before Interest and Tax)
- Net Income (EBIT less Interest and Tax))

Cash Flow Statements:

- Opening Cash Balance
- Net cash flow from Operating activity
- Net cash flow from Investing activity
- Net cash flow from Financing activity
- Closing Cash Balance

Balance Sheet:

- Total Assets
- Long Term Liabilities
- Owner Equity
    - Retained Earnings (which in part determines the ability to dividends to equity investors)
    - Share Capital

7.3. Outputs for LHR Third Runway Scenario

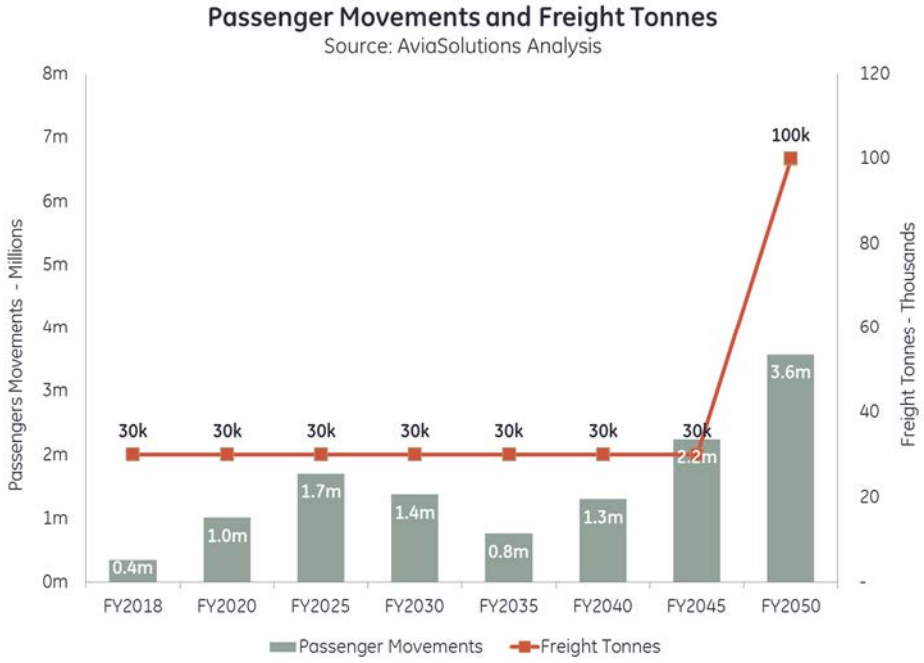
In the following paragraphs we explore the financial viability of Manston Airport based upon there being a third runway at Heathrow. This is the option which was recommended by the Davies Commission and therefore may be presumed to be the most likely outcome. However, the likelihood is that a runway at Heathrow would take longer to commission than one at Gatwick so consequently, Manston may have an initial boost to traffic before falling back and then growing again. This scenario takes spill from the London system in addition to a base level of activity generated from the presumed small LCC operation and freighters. This scenario is more favourable for Manston Airport than a development at Gatwick, and is perhaps the most likely.

7.3.1. Volume Profile

Passenger numbers are forecast to grow to nearly 2.5 million by 2029, the year before the assumed opening of the third runway at Heathrow Airport, but immediately fall back from 2030 and decline to a low of 0.5 million in 2033. From this low point, traffic volume grows as a result of the resumption of overflow, reaching 3.5 million passengers in 2050. Overall growth between FY2018 and FY2050 averages 10% annually.

Freight is not forecast to grow beyond the 30,000 tonnes of the core freighter operations until FY2040, but at that point, freight is assumed to spill from the London Area taking it to some 100,000 tonnes by FY2050.

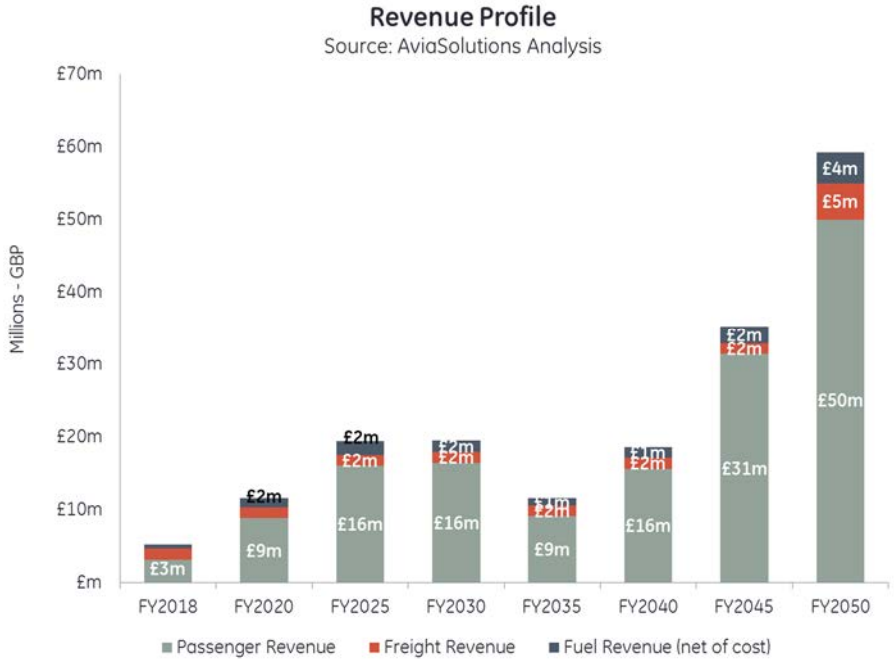
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Passenger Movements	350k	1,010k	1,700k	1,370k	760k	1,300k	2,240k	3,570k
Freight Tonnes	30k	30k	30k	30k	30k	30k	30k	100k
Total ATMs	1,100	2,900	6,400	9,600	5,300	9,200	15,800	28,000



7.3.2. Revenue Profile

Airport revenue is forecast to grow at CAGR 12% between FY2018 and FY2030, driving revenues to about £20m by FY2030, and at CAGR 8% between FY2018 and FY2050 to reach total annual revenues of around 0m by FY2050.

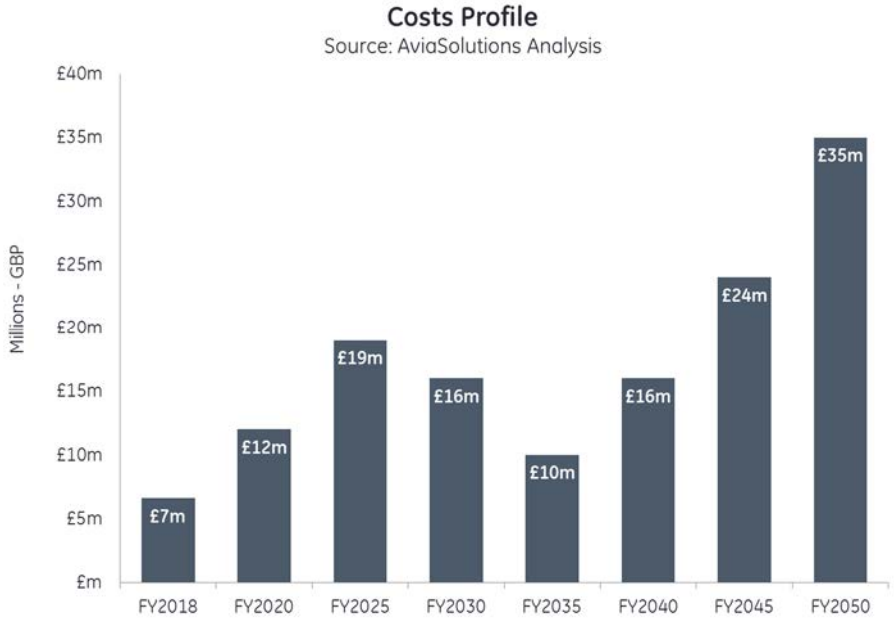
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Total Revenue	£5m	£12m	£19m	£19m	£12m	£19m	£35m	£59m

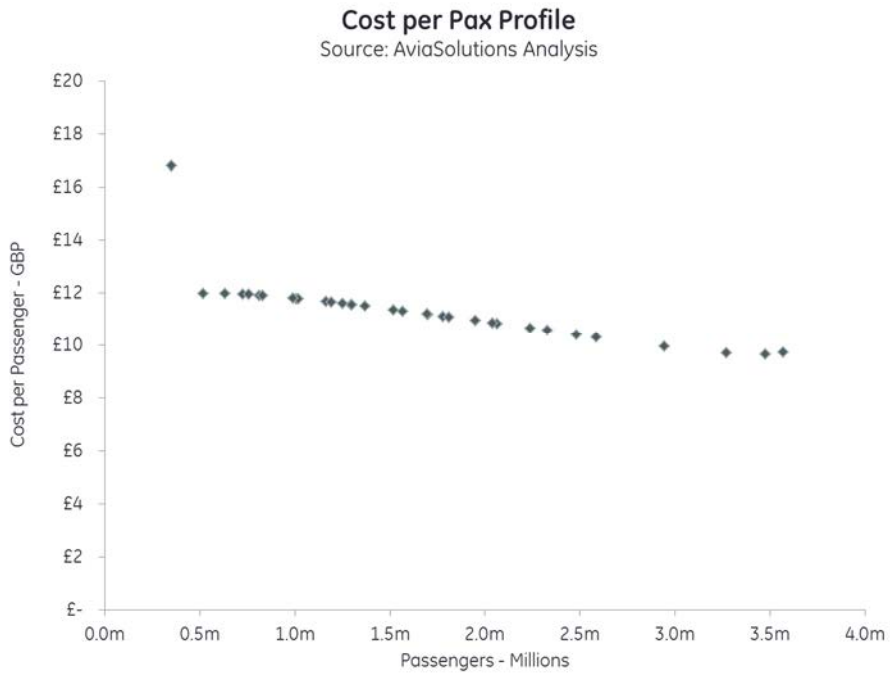


7.3.3. Cost Profile

Total Costs are forecast to grow at 8% per annum on average between FY2018 and FY2030, resulting in total costs of about £15m by FY2030, and at 5% per annum between FY2018 and FY2050 to produce total annual costs of £35m by FY2050.

	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Total Cost	£7m	£12m	£19m	£16m	£10m	£16m	£24m	£35m

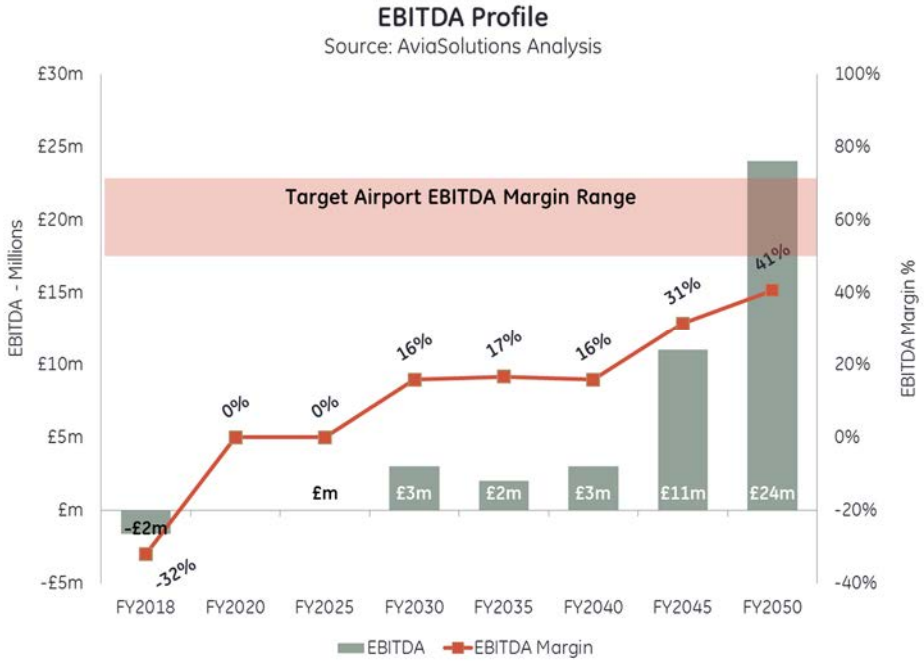




7.3.4. EBITDA Profile

EBITDA is initially forecast to be negative, indicating that the airport would be loss making in the early years at an operational level. It first returns an operating profit in FY2030, generating £9m of operating income and an EBITDA margin of 16%. As the third Heathrow runway comes on-stream, EBITDA at Manston would stagnate due to the lack of available volumes. The EBITDA margin in the long term is forecast to reach 41%, with an EBITDA of £24m in FY2050. This level of EBITDA is significantly below that which we would typically expect for an airport to be attractive to the investment community.

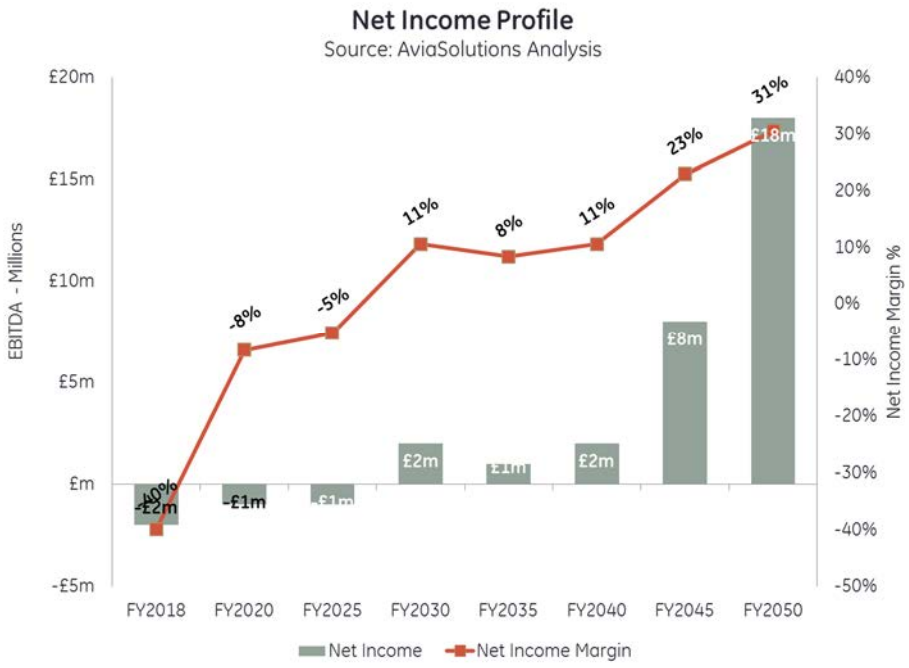
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
EBITDA	-£2m	£m	£m	£3m	£2m	£3m	£11m	£24m
EBITDA Margin	-32%	0%	0%	16%	17%	16%	31%	41%



7.3.5. Net Income Profile

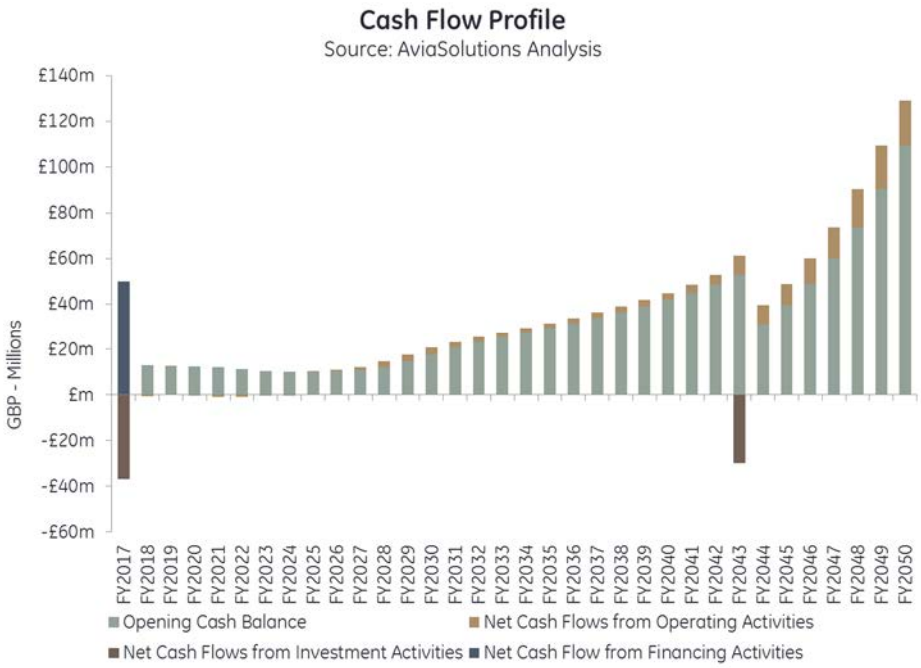
Net income, the profit after deductions, is forecast to be negative until FY2025. The first positive results are generated around FY2030 when the airport is expected to generate net income of £2m. The income stream remains constant for the following 15 years before increasing as capacity becomes constrained once more in the London system. It reaches £18m in FY2050.

	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Net Income	-£2m	-£1m	-£1m	£2m	£1m	£2m	£8m	£18m
Net Income Margin	-40%	-8%	-5%	11%	8%	11%	23%	31%



7.3.6. Cash Flow

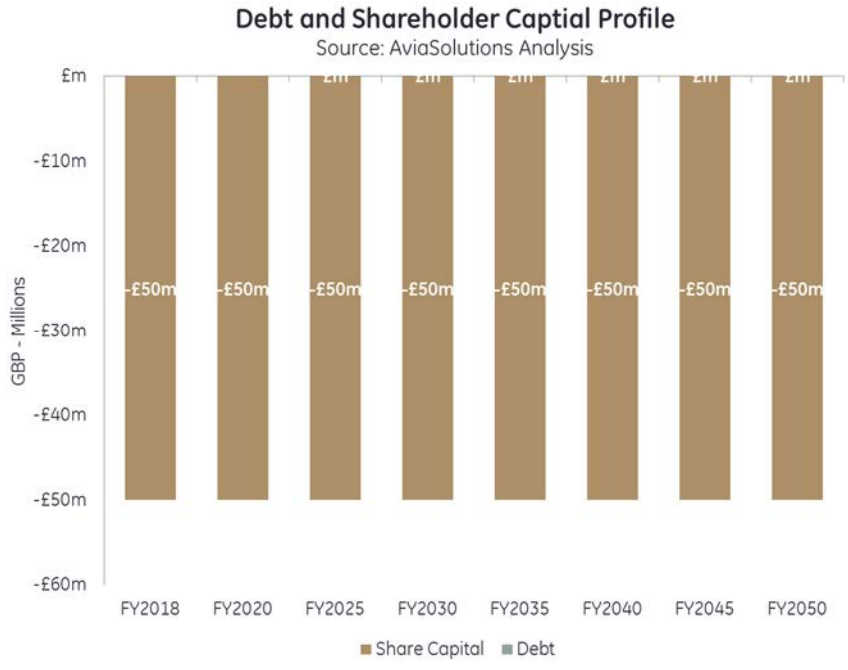
The airport is forecast to develop its cash position with limited additional capital requirements until FY2042 when there would be a requirement to expand the terminal. We have assumed that although demand would exceed terminal capacity in the late 2020s, new terminal capacity would not be provided in anticipation of the loss of traffic following the commissioning of the third runway on 2030. The position shown below excludes any dividend payments that the owner may wish to extract from the asset: such payments would reduce its cash position.



7.3.7. Debt and Shareholder Capital

Whilst the exact nature and mixture of debt and shareholder capital would be subject to complex financial optimisation, we have illustrated below a simple capital structure used in the analysis to illustrate the need for additional capital throughout the period. To maintain the business no further financing would be required. Whilst the business does not generate significant revenues or income, there is little requirement for significant CAPEX investments, thereby eliminating the requirements for additional financing

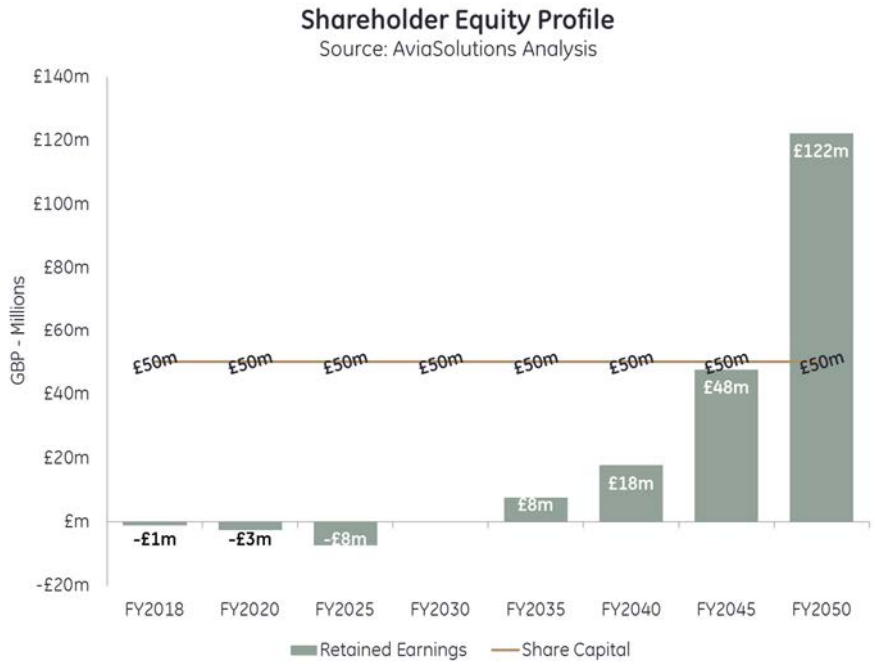
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Debt	£m	£m	£m	£m	£m	£m	£m	£m
Share Capital	£50m	£50m	£50m	£50m	£50m	£50m	£50m	£50m



7.3.8. Shareholder Equity

Considering the effects of earnings on shareholder equity, the business does not post positive retained earnings until nearly FY2035. This in effect limits the business's ability to pay dividends to shareholders until this point at the earliest.

	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Retained Earnings	-£1m	-£3m	-£8m	£m	£8m	£18m	£48m	£122m
Share Capital	£50m	£50m	£50m	£50m	£50m	£50m	£50m	£50m



7.3.9. Conclusion

The asset would require significant long term investment but would only generate a marginal return on the capital invested. These returns are also predicated on a large number of external variables over which the owner of Manston Airport has limited influence. It is AviaSolutions' view that based on this scenario there is no viable long term prospect of an economically viable airport being established at Manston. It should also be noted that the scenario outlined above excludes any return to the investor, and we have therefore effectively weighted the cost of equity at zero in our model. Investors will always be seeking to maximise the return on their investment in a manner appropriate to the risk they bear in the asset. Given the risks involved with Manston, it would be right to consider that any investor would be seeking the potential for above average returns, which, according to the analyses, may not materialise.

7.3.10. Non-Technical Summary

AviaSolutions' analysis indicates that the airport, operating as a standalone trading entity and in the scenario where a third runway is built at Heathrow, is unlikely to be a financially viable proposition. Airport operations are not anticipated to generate material profit until FY2040.

This is due to the relatively low level of revenue that can be generated and the high level of fixed costs required to operate the airport. This in turn means that the airport would not be able to distribute profits to investors in the airport for many years.

Generally, investors seek to achieve a return on their capital with an expected return commensurate with the risk of the investment. As the risks of investing in Manston are significant there would need to be reasonable prospects of a high return, which does not appear likely based on our analysis.

7.4. Summary of Other Scenarios

We have presented in this main body of text the scenario deemed most likely to occur e.g. LHR3. This is the current recommendation of the Davies Commission and therefore, at the time of writing, believed to be the Government's current preferred option. Details of the three other capacity development scenarios are given in Appendix C.

7.5. Comparison of Scenarios

We compare some key aspects of the four scenarios below.

Measure	LHR R3	LGW R2	Both	Neither
First year retained earnings positive	2031	2032	N/A	2029
Retained Earnings at 2050	£122m	109m	-£20m	£516m
Refinancing				
When?	None	None	None	2028, 2029
Why?	n/a	n/a	n/a	Capex
How much?	n/a	n/a	n/a	£40m
EBITDA Margin				
Year first greater than 50%	n/a	n/a	n/a	2043
or in 2050	41%	40%	34%	60%
Probability	40%	40%	10%	10%

8. Conclusions

8.1. Introduction

In this chapter we draw together the conclusions of our research and analysis to form our conclusions, specifically to opine on whether there is a realistic prospect of a financially viable airport operating on the Manston Site.

8.2. Summary

It is AviaSolutions view that having considered the stakeholder interviews and independent research and analysis into historic accounts and 'reasonable' adjustments for one-off costs that there is little prospect of a financially viable airport on the site.

The only circumstances in which we believe the airport may be viable is that in which no new runway were developed in the South East of England. However, this scenario presents extreme risk to the investor, as a decision to increase runway capacity at those not physically constrained (e.g. legally constrained LHR and STN) could be made at any time, or a new runway may be authorised at any time in the future.

8.3. Stakeholder Interviews

Our stakeholder interviews were split between those focused upon passenger development and those focused upon freight development. The range of interviews provided an understanding from the industry as to their position on the airport.

Our passenger service interviews suggested that overall there is little interest in serving the airport, in particular from airlines that had previously served the airport such as Flybe. There was some limited interest from airlines such as Ryanair and KLM, who would consider the airport as part of their standard UK market review, however they were not actively seeking to serve the airport. It is our view that we must consider this in light of its context; for an airline that bears no risk in an airport's reinstatement and for whom its reinstatement may present upside risk, it would be illogical to rule out the possibility of serving it. Overall, our interviews suggested there was very limited interest in the airport for passenger services thus suggesting a long term viable passenger service may be difficult to sustain.

Our freight interviews indicated that the demand to use the airport for freight was very limited. This, in large parts, is due to two factors; the infrastructure investments that have already been made by the industry around Heathrow and Stansted, and the geographical location of the airport. Infrastructure, and the associated knowledge, skill and supporting industry at airports such as Heathrow and Stansted, as well as the major European hubs such as Frankfurt, and Paris, would be almost impossible for Manston to replicate. The geographic location of the airport, tucked into the corner of the UK, cannot compete with airports such as East Midlands for Integrator services that are sold as fast delivery, due to the increases in surface transportation times. The interviews did however indicate that charter services and ad-hoc freighter flights would certainly return, providing some revenue income for the airport. In summary, we conclude that freight would return to the airport in limited quantities, not dissimilar to the tonnage previously processed at the airport.

8.4. Simulations

AviaSolutions' models provided simulations of the financial performance of an airport on the site under different demand scenarios. These scenarios were developed with a positive view of the potential demand profile, unit revenue and unit cost and investment costs. Two simulations (LHR3 and LGW3) suggested that the airport was unlikely to generate profits at an operational level (EBITDA) until circa FY2025, and that these profits would remain muted through until FY2040. The EBITDA profile suggests that, based on recent industry exit multiples, it would not be possible to recover the initial equity through a sales process as this point. Furthermore, these scenarios suggest that retained earnings would not turn positive for 15 to 20 years, thus limiting the ability of an investor to recover their costs of equity. In summation, these scenarios present very large risks with small returns over a long time horizon.

Our 'Both' runway scenario, naturally, provides an even less favourable result for Manston airport. If this runway scenario were to materialise there would be no prospect of Manston operating on a sustainable basis.

Our 'No Runway' scenario presents some opportunity for the airport. As demand through the London System increases and capacity remains muted, this demand will be spill to alternative airports. Manston, located within reasonable distance to London could be an airport to benefit from this spill, along with airports such as Southampton and Birmingham who are well connected by train to London. In our simulation, this scenario generated sufficient operational income (EBITDA) to support itself, and only required additional financing to expand. However, we must caution that this scenario is balanced in a careful equilibrium, should this be disturbed through the introduction of additional capacity via a new runway or loosening of regulation, the prospects of Manston could be severely diminished.

9. Appendix A: Stakeholder Interviews

Throughout the study, AviaSolutions spoke to many companies and individuals to gather their feedback. Given that these companies operate in a competitive commercial environment, it is not unsurprising that many of those spoke on the condition of anonymity. This is not unusual, particularly given the particular sensitivities around the project. In the following section detailing our interviews, and summarising the comments made, any company or individual that spoke on the basis of anonymity has been identified by only their sector and seniority.

AviaSolutions spoke to the follow stakeholders and / or their representatives:

- Discovery Park / Stone Hill Park
- RiverOak Investment Corporation
- Ryanair Ltd
- Flybe
- KLM
- Mr. Stanley G. Wraight
- Sir Roger Gale MP

Anonymous Sources

- Major European LCC
- Freighter Operator at Stansted
- Air Cargo Charter Broker – UK
- Ex-Director of Network Planning – Major European LCC
- Manager, Flight Operations, Major UK Carrier
- Ex-Senior Executive DHL

Disclaimer: The following Stakeholder Interview notes are representative of the views and opinions of the stakeholders only and not that of AviaSolutions. The notes represent, in AviaSolutions view, an accurate account of the interview but are not a verbatim account of our interview.

Mr. Paul Barber, Managing Director, Discovery Park
Mr. Paul Barber is the Managing Director or Discovery Park, and represents the current owners of the airport site.

- Mr. Barber outlined the ownership structure of the airport site. The airport is owned by Lothian Shelf 718 which is ultimately owned by Chris Musgrave, Trevor Cartner and Ann Gloag.
- Paul Barber is Managing Director and responsible for the day-to-day running of Discovery Park which is the *de facto* administrator of the site.
- The current owners, Mr. Cartner and Mr. Musgrave, are specialists in the redevelopment of the brownfield sites; they have redeveloped Discovery Park and a second site in the north of England.
- Mr. Barber gave a frank view as to the difficulties PricewaterhouseCoopers had when attempting to dispose of the site. After two years the only offer made on the site was from Ann Gloag for £1. Thus, in the view of the current owners, demonstrating the lack of financial interest in the site as an airport.
- During the period of ownership by both Manston Skyport, and under Lothian Shelf 718, Mr. Alistair Welch was heavily involved in the airport. Whilst under Manston Skyport, Mr Welch was chairman of the airport. Later in his career Mr. Welch became Managing Director of Southend Airport and was responsible for introducing EasyJet to Southend.
- Throughout the period of ownership whilst the airport was open Mr. Welch made high-level contact with every reputable airline and not a single airline was interested in operating from Manston, even with aeronautical charges at zero. The only airline that even considered operations was Ryanair, but the option was declined within 48 hours.
- Whilst the airport was open for operations freight was the main source of income. This freight was predominantly import driven from Africa. Whilst the site was able to offer quick access from aircraft to road there was little value-add to clients.

- Thanet Parkway Railway Station will add little value. It is not certain if or when it will be operational, and costs appear to be overrunning already. There is a funding gap and it does not improve journey time to London by more than 10-12 minutes.
- Due to the lack of airlines operating from the airport, Mr. Barber stated that the airport losses were running at close to £5.0m per annum.
- Mr. Cartner and Mr. Musgrave bought into the airport site after the airport had closed. They had no stake in the business whilst it ran as an airport. The business men approached Ms. Gloag given their proximity to the airport and specialisms in the development of brown field sites.
- Stone Hill Park Ltd was formed with Ms. Gloag, Mr. Cartner and Mr. Musgrave. The company believe that Thanet District Council require an additional 15,600 homes. The development will offer around 2,500 of these homes, mixed between starter homes up to five bed executive homes. The planning application includes a provision for social infrastructure such as schools.
- At present there are some small costs associated with the site, but these are mainly the single employee and the security of the site, and utilities. The current owners are not fundamentally against the concept of an airport being run, however they see no credible business plan to evidence its possibility, nor do they believe it is best economical use of the site.
- When pressed on RiverOak's desire to reopen the airport, Discovery Park "don't know where RiverOak are coming from stating an airport is viable". Discovery Park has not had sight of any business plan from RiverOak and RiverOak have not made any credible offers for the site.

RiverOak Investment

AviaSolutions met with RiverOak Investment and its representatives:

- *Mr. Tony Freudmann*
- *Ms. Sally Dixon*
- *Mr. Richard Connelly*
- *Ms. Angela Schembri*

- RiverOak Investment (RiverOak) became interested in Manson airport due to a previous project in the U.S.A. A RiverOak Partner (Nial Oldman) had organised a bond for a U.S airport that was freight driven and found excellent returns on the investment, thus sought an investment of similar characteristics.
- With regards to the asses itself, RiverOak believes the airport is geographically well positioned to capture freight, being in the South East and near the Channel Tunnel. It acknowledges that considerable investment will be required to return the airport to an operational state. However, they are confident through their initial plans that this is feasible and the asset can quickly be returned to a state in which is can handle in excess of 10,000 freighter movements per annum.
- The total investment that RiverOak would seek to make is in the region of £300m over the course of a 12 year period. This would ensure the airport site delivers a high level product and service. Further to this investment, the group would need to sink costs in the DCO process, the DCO purchase cost (circa. £4m in RiverOak's view) and finally in compensation to the current owners (although RiverOak have a value in mind, they are unable to disclose). RiverOak believe the minimum investment needed to bring the airport back to viability is circa £20m, excluding DPO, site purchase and compensation.
- The driving force behind the business plan is air freight and is the vital link to secure a NSIP designation.
- The absence of a national freight strategy is an opportunity which RiverOak seek to influence and develop.
- When probed as to the previous failures at the airport, the RiverOak team held strong views as to the causes of this, and what could be done to overcome this situation in the future. The team had strong views that whilst the airport offered excellent service, the previous owners had done nothing to exploit the asset, or its niches, or to improve its market position. In particular, the team felt strongly that the airport had not made any efforts to promote the airport to Freight Forwarders.
- It is RiverOak's understanding that the airport should be heavily involved in the sale of capacity on board freighters. They believe the previous owners were satisfied to allow freighters to depart with unutilised capacity, and this is an area they would seek to address as owners. ***(Note, AviaSolutions understand this to be an irregular market position to take and pressed to clarify this point during our interview).***
- RiverOak have also considered the geographic location of Manston airport and how it feeds into the ATC systems. They believe Manston is ideally located for aircraft to plug in and out of the national ATC

network. Furthermore, they would expect to receive an EASA license and have had discussions with the CAA to understand the processes required to re-license the airport.
- Further to passenger and freight traffic, RiverOak believe the airport would offer additional services as a diversionary airport within the UK system. There may also be revenue streams from permitting the airport to be used for training purposes.

Traffic

The team talked to AviaSolutions briefly on their Traffic forecast, this area of the business plan has been developed by Ms. Sally Dixon.

- Initially, Ms. Dixon began by reviewing the currently available literature. York Aviation's report of January 2015 suggested that due to capacity constraints 2.1m tonnes of freight will be lost from the London system if no runway is built. RiverOak estimate that this is the equivalent to 100,000 truck movements across the Channel, should this freight all be lost to Europe.
- With regards to capacity type, RiverOak stated that capacity is 70/30 split in the UK with only 30% of capacity offered on Maindeck-freighter services. In Europe, it is stated that this is much closer to 60/40. It is RiverOak's belief that this is caused through a lack of slot availability for freighters in the UK, thus the demand is being constrained.
- The business plan forecast that Manston would achieve 10,000 freighter ATMs in the fifth year of service, these ATMs would be predominantly wide-body aircraft. This level of freighter movement is supported, in RiverOak's view by the wider industry.
- The airport would also seek to develop a passenger business and seek volume from several sources. RiverOak believe that KLM would be keen to return to the airport (despite low load factors). They also state that they are in advance discussions with Ryanair over the potential to base two to three aircraft at the airport. RiverOak are also in preliminary discussions with EasyJet. Finally they believe there is a potential to develop Charter traffic, in particular with the cruise markets and Dover port.
- Taking all these considerations together RiverOak state that they would 2m passengers per annum in the second year of operations.

Ms. Kate Sherry, Deputy Director of Route Development, Ryanair

- Ryanair have recently discussed with RiverOak potential future operations at Manston airport. These conversations have been on the same basis as Ryanair is open to discussions with any airport wishing to obtain services from the airline.
- Previous to these discussions, Ryanair held talks with the owners of Manston airport prior to its closure. These talks were halted when the airport closed and therefore not concluded.
- If Manston were to become an operational airport once again, it is not a foregone conclusion that Ryanair would serve the airport. The airline would look to base any decision on a multitude of factors, including the size and depth of the catchment area and also the commercial terms proposed. Securing a low cost base to the airline is a core aspect of the analysis; this includes the handling and airport charges, effects of APD, operating economics of the route, and in the case of the UK, FX rates to Euros.
- When considering the Catchment delivered from population size Ryanair would look to the airport to sell the benefits of their specific catchment. It is difficult to comment at present on the quality of the Catchment.
- When considering the effects of the London System, Ryanair are not currently concerned with spillage from the London System to periphery airports. The airline is comfortable that there is room for expansion at Stanstead.
- If Ryanair were to serve the airport, the depth of the network would permit the airline to serve it without necessarily basing aircraft at Manston. However, it is possible in the future that the airline could choose to base a single aircraft at the station.
- Once a decision to operate had been reached, generally a lead time is permitted to allow the sales and marketing processes to embed. This also ensures the airline can plan its schedule appropriately, working approximately six to nine months in advance.
- As has been recently stated in the media, BREXIT remains a concern for Ryanair and any effects of the UK's exit from Europe would be factored in to a decision to operate.
- In summary, Ryanair are constantly reviewing their network and remain open to approaches from any airport. If the airport became operational, the airline would review its potential and fit within the wider airline network in due course, and is available to discuss terms with the owners at any time.

Mr. Martin Pearce, Flybe

- Europe's largest regional airline, Flybe, operated several routes from Manston in the years' preceding its closure. The airline did not base aircraft at Manston. In their experience the service offered was excellent with no issues arising from handling or passenger services. The passengers traffic was were mainly leisure and VFR, with very few business passengers.
- Mainly outbound e.g. Manston to the destination, very little in terms of other end originating
- These routes closed predominantly due to poor load factors, there was insufficient demand for the service from the local catchment area and very little demand for inbound traffic to Manston. Furthermore, the yield profile of the traffic did not meet with the airlines expectations.
- In normal circumstances the airline would permit a two to three year ramp up period following a route opening, however given the operating conditions the airline ceased operations within 12 months.
- The reasons the route performed below expectations are varied, but these are believed to have been exacerbated by the relatively small local catchment, less favourable average economic development and poor public transport infrastructure links to London.
- The airlines have reservations as to whether the airport could serve the South East catchment, and do not believe that the airport could realistically serve spilled traffic from the London system.
- It is unlikely that, even if Manston should reopen, the airline would choose to serve the airport.

Major European LCC

- Manston is not an airport the airline is considering. The company focuses on core catchment areas with less than 60 minute travel to the airport, and at most 90 minutes.
- Manston has a weak demand and the local catchment area is not overtly wealthy.
- Alternative airports offer better options, Southend and Stansted tap the London catchment area and can be really cost-effective airports
- Manston would have to tap into Gatwick's catchment and price would need to be very low (no more than a few pounds per passenger.
- The airport is probably not for the LCC in question. If there was no runway capacity available in the South East, the LCC would opt for a larger aircraft type before selecting Manston and would probably consider alternatives such as Southampton and Bournemouth first.
- Other carriers without a footing in Gatwick might consider Manston, as might freighters.

Ex-Director of Network Route Development for Major European LCC

- Following the BREXIT vote many airlines will be considering their approach to the UK. During a period of uncertainty it will be difficult for Manston to convince carriers to open routes to the airport.
- LCC's would look to secure deals with minimal aeronautical charges. Without an extremely competitive rate there is no possibility an LCC would locate services at an airport. In some cases, LCC's have walked away from airports offering negative aero-charge deals due to poor volumes.

Manager, Flight Operations, Major UK Carrier

- The individual plays a key role in the Flight Operations team at a major UK carrier.
- It is the individual's view that Manston does not offer any safety or resilience benefits of a material nature to the UK system. The airport is located in close proximity to six London airports which offer excellent resilience already.
- The airline would also not consider using Manston airport as diversion airport except in an on-board Mayday emergency (which are extremely rare).
- When considering diversion airports the airline considers multiple factors such as; does the airline already offer services at the airport, the size of the airport, the facilities at the airport to handle passengers, the local facilities to provide hotel and accommodation, the equipment at the airport to handle all types of aircraft required e.g. GSE equipment, and other legal requirements such as the provision of sufficient Fire Cover. On these measures, it is considered unlikely that Manston would be selected as an alternative airport, when Gatwick, Heathrow and Stanstead can all provide superior services within London.
- In the individuals view, whilst Manston would be used in an absolute emergency, it would be very unlikely to receive regular diversions for routine operational reasons, such as weather or runway closures.

KLM Position

- We are evaluating our network to the UK on a yearly basis. We are constantly being approached by airports who would like us to operate to their airports. These opportunities that arise are being looked into and MSE could be one of them.
- It is not possible to say how likely the chance would be that this would materialize in a new operation in the next 5 years in case MSE airport would be operational again

Senior Executive in Cargo Division for Airline Operating Freighters at Stanstead

- Airlines base the decision on where to operate their freighters based on a multitude of factors. However, the overriding factor is based on where investments in infrastructure have been made by their clients, Freight Forwarders. These CAPEX investments by Freight Forwarders are required to ensure they maintain economies of scale through their transit facilities and distribution centres. In the UK, these investments are centred at Heathrow, and more recently Stanstead.
- The airlines first choice of destination was Heathrow, as the majority of Freight Forwarders have their major infrastructure in and around Heathrow. The airline was unable to access slots at Heathrow and so selected Stanstead due to runway length, a mature offering including infrastructure development and third party handlers
- Stanstead operates a world class facility and has the competencies to handle freighters. It is questionable whether this would be possible, at least initially, at Manston.
- The airline would be extremely unlikely to consider moving services to Manston, even if they were no longer able to serve Stanstead, regardless of the commercial terms offered. If the airline had to move services they would consider East Midland and Manchester or other centrally located airports over Manston.
- The individual also believes that there is virtually no chance that a Freight Forwarder would choose to relocate services to Manston.
- Furthermore, as air cargo is a commodity virtually all operators offer the same service and compete on prices. Therefore, most operators implement similar strategies and business models. The result of this is that, in the individual's opinion, other freighter operators would also take a similar stance.

Air Cargo Charter Broker – UK

- The company had made use of Manston Airport in the past (circa. Up to 2 x flights per week) and found it to be a reliable and efficient airport that was well placed for access to the South East of England. The airport had the facilities to handle many aircraft gauges, from small freighters right through to B747F operations. The airport provided good access and the company had no difficulty in obtaining slots. The cost of operating from Manston was more effective than at Stansted, this included the aeronautical landing fees and associated handling costs.
- The company's over riding view was that Manston was an easy airport to use, it provided a good service and gave priority to freight.
- The airport provided all services on the ground, including ramp handling for freight.
- The company was aware that many of its competitors also used the airport along with scheduled operators such as Cargolux and ANA.
- The company was cognizant that, whilst the inbound demand for freight existed, there was little demand for outbound freight, which resulted in aircraft departing with unutilised capacity. The inbound demand was largely from West Africa, with strong volumes of fresh flowers and produce imported. Manston was particularly efficient at handling this cargo and permitted road feeder services to access the apron which resulted in quick access to the UK road network.
- Alongside produce, the airport had a reputation as being able to handle outsized freight such as engines and turbines.
- The airport's location prohibited its use for more northern destinations, East Midlands and Doncaster were favourable in these instances
- The Air Cargo Charter Broker confirmed that they would certainly be interested in using the airport again if it re-opened but in order to do so they would be looking to secure competitive rates for landing, parking and screening charges.

Ex-DHL Aviation Senior Sales Executive

The individual has held senior positions in the cargo industry for over 15 years.

- Whilst Manston may offer an opportunity for some it is unlikely that DHL would relocate its operations. The setup at East Midlands is tuned to its needs. Further, East Midlands is geographically well located for quick access to the UK road network which is exceptionally important for the courier business model.
- In their experience, they believe it unlikely that any integrator would be interested in moving their operations to Manston.
- Generally, more and more freight is being shipped as General Cargo from Heathrow. Given the six hour close out period, it is reasonable to assume carriers could then use road feeder services to distribute this via Manston.
- Regarding other freight uses, Charter operators and scheduled all cargo operators may wish to locate services at Manston but this is highly dependent on the commercial offer. The sole purpose of utilising Manston would be to reduce cost, either through reduced flight operations or lower airport charges.
- One point of note is that the UK is a lot cheaper to export form at present. Thus, a lot of freight originates in continental Europe and moves via belly hold.
- Overall the individual's view was that whilst Manston would undoubtedly attract some business it is unlikely to be significant volumes.

Mr. Stanley G. Wraight – Senior Executive Director Strategic Aviation Solutions Limited

Mr. Wraight is an industry veteran with over 40 years' experience in the air cargo industry. Previously, Mr. Wraight held the positon of CEO at AirBridgeCargo, and Senior Executive roles at Atlas Air and KLM.

- The airport offered a good location for freight being imported from Africa; this was the predominant origin market. Generally, the freight that was imported was pre-packed shop-ready fruit and vegetables that could be transported directly into the supply chain.
- When the airport closed, Doncaster and Stanstead tried to win the business from Manston, whilst some gains were made, the majority of the business relocated to European hubs as they are more closely located to the final destination, thus reducing overall cost.
- There are few all-cargo operators who would consider locating operations at the airport. Operators will be tied into their networks, in part due to their clients locating their facilities at the main airports (Heathrow and Stanstead). One opportunity could be Cargo Logistics, an off chute of AirBridgeCargo.
- In order to secure freighters movements at the airport, it will be necessary to demonstrate a cost advantage over competitors. This could be through a reduction in the overall Flight Hours required for operations, however the ability to do this is limited given much of the freight is destined for Europe. The ideal origin market for freight, on minimum Flight Hours basis is the USA.
- With regards to Integrators basing operations at Manston, the probability of this is viewed as slim. The Integrators have committed large capital expenses to existing operations at Stanstead and East Midlands, these barriers to exit are substantial and would be difficult to overcome, in particular given Manston's inferior geographical positon within the UK.
- It would be difficult for Manston to compete with East Midland or Stanstead. EMA in particular offers 24/7 cargo operations with customs available 24/7. They have developed economies of scale in both service and cost.
- Further to this, the saturation of regional airports in the UK and Scotland in conjunction with additional wide-body passenger aircraft create difficult trading conditions for a new regional airport.
- Finally, the centre of power within the industry is held by Freight Forwarders, the majority of whom are based at LHR. As the industry is ever increasingly commoditised, Forwarders refuse to divert their business from Heathrow, instead choosing to truck cargo in from the regions to feed the facilities and consolidation business centred there and achieve the necessary economies of scale required to compete.
- The conclusion being that there is virtually no incentive for operators to move operations to Manston, there are alternative UK airports that offer competitive services on reasonable terms. The UK doesn't need another airport for freight that has no USP. If Manston were to be developed it would be essential for it gain a niche market such as becoming an Amazon or Alibaba e-commerce base.

AviaSolutions Meeting with Sir Roger Gale MP – 13th Sept 2016

As part of the stakeholder engagement process AviaSolutions has, at his request, interviewed Sir Roger Gale (MP for North Thanet) to seek his perspective on the commercial viability of and political support for, Manston Airport. The following comments are intended to reflect the substance of the meeting, rather than a verbatim transcript.

- Sir Roger Gale MP ("SRG") stated that Manston Airport and its associated runway are national assets of strategic importance to UK PLC.
- SRG noted that he does not support any particular group wishing to use the asset as an airport and that his interest is in solely in keeping the airport open. He notes, however, that to date RiverOak offers the only sustained and viable interest in operating Manston as an airport. SRG noted that he had seen the outline River Oak business plan which in his view was credible. SRG was not surprised that River Oak did not disclose the plan to AviaSolutions, and was not willing to divulge any of the details for reasons of commercial confidentiality. However, SRG also added that all of RiverOak`s case would be made public when the company submitted its` application for a Development Consent Order to a Planning Inspectorate that was qualified to subject the submission to detailed public scrutiny and inquiry.
- SRG said that it was clear that the intentions of those currently in control of the site were to develop the land for residential and commercial purposes, rather than invest in the airport facilities and expand the air service network.
- SRG provided a brief summary of the historical evolution of the airport, including services by Silver City to Jersey and Clive Bourne, a logistics operator.
- With regards to the development of a railway service to the airport SRG noted the scope to develop the railway is limited by the physical constraints of laying the line and precludes a link directly into the airport. The practical alternative is a Thanet Parkway station, which would initially be linked by a shuttle bus service, and ultimately could be linked by a Gatwick-style monorail.
- SRG is of the view that the primary reason that the airport has not been financially sustainable in the past is the nature of the business model that has been pursued. Previous operators have focussed on developing the passenger business, rather than the freight capacity of the airport, which is the reverse of the model that SRG believes, would be more sustainable.
- SRG noted that UK PLC is losing business to Europe already, with freight being switched from the UK to other European hubs (Frankfurt, Amsterdam, and Paris). SRG also noted that a major courier has expressed an interest in relocating to Manston. He was of the view that the UK has reached maximum capacity for London originating freight services and that excess demand was being lost to other hubs.
- SRG observed that post-Brexit it was going to be vital that the UK develops additional and alternative markets outside the European Union. These greater distances will inevitably mean an increase in the demand for air freight capacity between Britain and the rest of the world if the country is not to lose still more aviation business to mainland Europe.
- In terms of runway capacity, SRG suggested that freighter traffic currently using Heathrow could be relocated to Manston, freeing these slots to facilitate additional passenger services to the Far East. SRG also noted that operators that were forced to re-locate following the closure of Manston were waiting for the airport to reopen and would be keen to return.
- SRG stated that Low Cost Carriers are very interested in operating from the airport, and that if the airport were to re-open, would be very likely to start services at the appropriate time in the airport`s re-development. However, SRG was not willing, for reasons of commercial confidentiality, to disclose the source of this information nor the airline in question.
- SRG was keen to stress the importance of ancillary businesses to the airport's viability, which included aircraft dismantling and engineering firms. SRG also noted the Search & Rescue operations which had recently been permanently located at Lydd. Further options for the airport would include General Aviation (GA) which would be able to access London via Battersea Heliport.
- SRG noted the widespread political support for Manston Airport, including Sir Patrick McLoughlin, the former Transport Minister, The Minister of State for Aviation, John Hayes and David Cameron when Prime Minister. He indicated that that political support at national and local levels was, particularly in the light of the Brexit decision, on-going. SRG also noted that there would not be any need for financial support from Central Government and that the airport should be able to attract sufficient private capital to exist as a standalone business.
- SRG spoke at length on the alternative proposal by Stone Hill Park for the site, noting that that the ability to develop the site for residential and commercial purposes was questionable, with several potential challenges including the likely presence of a war grave, buried low level radio-active waste,

archaeological interests, and issues with the effect upon Thanet`s aquifers all needing to be addressed prior to any redevelopment. He indicated that any alternative development would, prior to change of use, require the same intensive Environmental Impact Assessment as that currently being undertaken by RiverOak for airport purposes. Furthermore, SRG noted that there is limited demand for additional industrial space in the area, that there is already a more than adequate supply of industrial land available in East Kent and that the number of new jobs generated at Discovery Park is, contrary to the claims made by the Leader of Kent County Council, low.

- With regard to a new runway in the South East, Sir Roger indicated that he believed that a runway decision would be made fairly soon but that any actual new runway would not be operational for at least 15 years. It is his belief that, even with a new runway in the London airport system, the Manston Airport remains a viable facility with freight as its primary purpose supported by passenger traffic.

Non-Reply

- The following airlines were sent a request for their positon on Manston airport but chose not to submit a response.
    - Monarch
    - Thomas Cook
    - Tui

10. Appendix B: Condition Report Manston Airport

Introduction

The following section contains our report on the condition of the airport assets, it should not be read as a definitive summary of the asset condition. Our report is based on a visual inspection of the airport on 3 August 2016 under the supervision of the current airport owner's representative.

Terminal Building

Summary

The current facility has an approximate footprint of 1,900m^2 and in general would have been suitable for single and dual aircraft operations simultaneously. On balance we would suggest that the building in its current configuration could be re-instated but that the cost of such modifications may make it more economically viable to demolish it and erect a purpose built low cost facility. In general the basic fabric of the building was intact, although there is evidence of water entering the building via the roof at various locations.

General

We observed that the drop off/pickup area was located adjacent to the front of the terminal building. This is in contravention to current security requirements and would necessitate the offsetting of the drop off pickup area. In-turn, this would require the transforming some land currently allocated to parking. The current site could facilitate this change through lateral expansion of the parking area.

We note that the current configuration of the terminal building, along with the apron, limits lateral expansion. To accommodate significant traffic volume would require a significant change to the current layout.

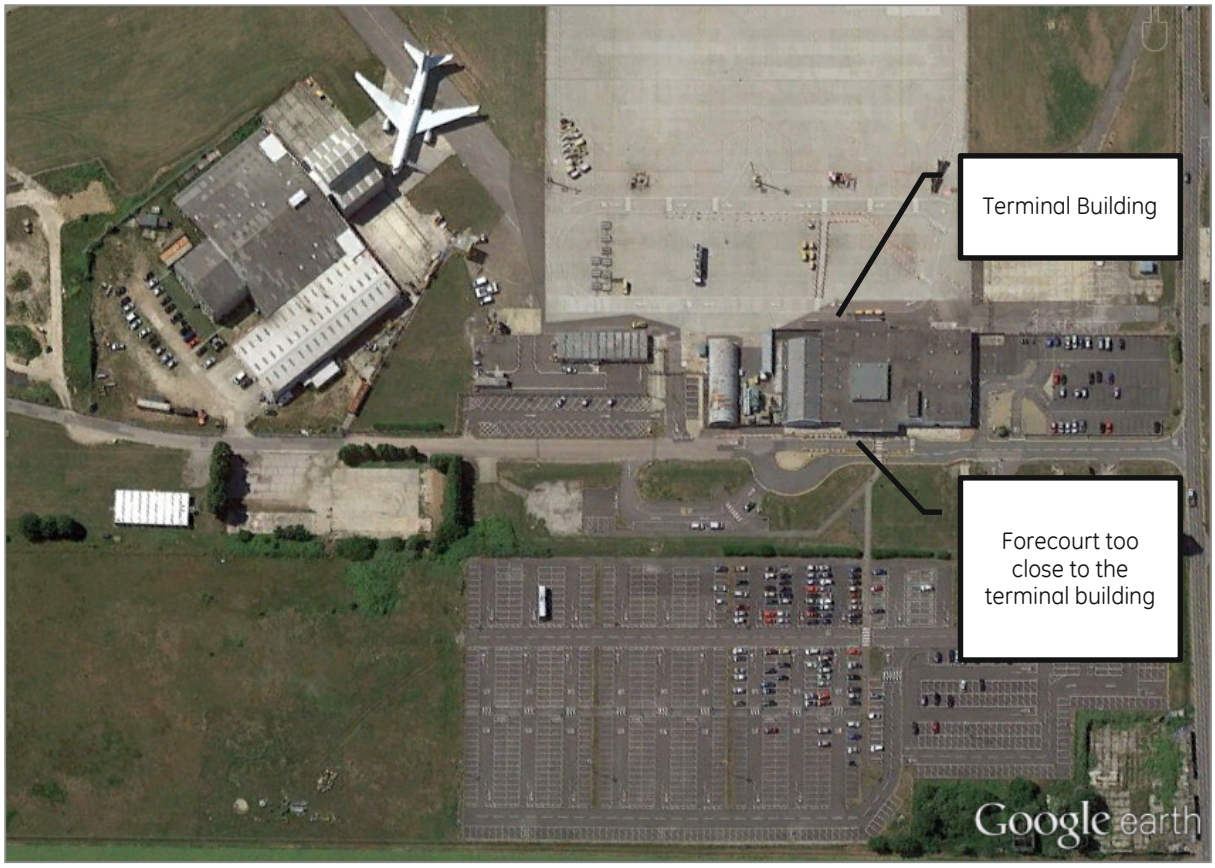


Figure 1: Google Earth image of aircraft maintenance hangar, terminal, parking area and apron (prior to the closure of the airport)

Figure 2: Evidence of water entering terminal building

Figure 3: Main foyer of terminal building from arrivals. Check-in area to the left of the image.

Figure 4: Evidence of water damage in may foyer.

Figure 5: Check in hall (desks removed)

Movement Areas

Apron

Summary

The fabric of the apron appeared to be in relatively good condition with space for up to four simultaneous Code C or two Code E operations.

General

Of note was the significant depth of the apron which accommodated a large GSE storage area at the head of the stand. To become compliant the apron marking would need to be re-established, which is relatively straight forward to accomplish.

Figure 6: Apron as viewed from terminal

Figure 7: Apron Drainage. Some growth of plants which will need to be addressed.

Taxiways

Summary

In general we observed that the taxiways were of relatively good condition with only minor spot repairs required. To re-stablish services appropriate lighting and marking would be required.

Runway

Summary

A visual inspection of the runway indicated that overall it is in very good condition. There is evidence of some vegetation appearing. Discussions with the current owner's representatives identified a surface friction issue. We note that there were plans to address this through surface treatment issues but to our knowledge this work was not carried out.

General

The runway approach and edge lighting has been removed and require re-installing to permit operations. Additionally, the runway has been painted to accommodate 'Operation Stack'. Considerable work is required to remove the current markings from the runway and repaint it with appropriate aviation markings. However, it is our understanding that this work will be completed as part of the current agreement with the Department for Transport.

Figure 8: Runway (Rwy) 29 Threshold

Figure: 9 Large aggregate used for wearing course may be impacting surface friction characteristics

Figure 10: Shoulders of runway are paved. Evidence of plants establishing a presence in cracks

Figure 11: Runway 27 and evidence of plants establishing presence in cracks

Systems

Navigation

Summary

It is our understanding that the Instrument Landing System and supporting systems were sold upon the airport's closure. These systems, including backup power supply, would need to be re-instated.

Figure 12: Radar tower with radar removed

Lighting

Summary

It is our understanding that the approach, runway, taxiway and apron lighting systems and supporting elements were sold upon the airport's closure. These systems including backup power supply would need to be re-instated.

Control Tower

Summary

No appreciable control tower facilities were available to inspect. To facilitate commercial operations it would be necessary to install a new control tower and associated support systems, including appropriate radar systems.

Rescue & Fire Fighting

Summary

The current Fire Station is unsuitable for use. We believe it would require demolishing and the construction of a new Fire and Rescue Station.

Figure 13: Dilapidated Rescue & Fire Fighting Facility

Ancillary Buildings

Maintenance Hangar

Summary

Adjacent to the primary apron is a large aircraft maintenance hangar with a unique addition allowing it to accommodate aircraft larger than what it was originally designed for. It is our understanding that this building is currently under lease by a maintenance company undertaking limited maintenance work. The building fabric appeared to be in reasonable condition.

Figure 14: Maintenance hangar

Figure 15: Interior of maintenance hangar

Figure 16: Bespoke tail enclosure of hangar

Cargo Hangars

Summary

During the visit we undertook a preliminary inspection of several cargo facilities on the airport site. The location of the facilities was ideal for this type of operation, having access to the local road network and the taxiway system. In general the buildings appeared to be in reasonably good condition. We foresee no reason as to why they could not be re-instated as cargo facilities.

Figure 17: First cargo hangar exterior

Figure 18: First cargo hangar interior

Figure 19: Second cargo hangar exterior

Figure 20: Second cargo hangar interior

Re-Establishment Cost Estimate

The following is an estimate of costs associated with re-establishing the required infrastructure to operate commercial services from the airport.

For the avoidance of doubt, these costs do not include the costs associated with any acquisition of the airport site.

Element	Cost Estimate £	Note
Old Terminal Demolition	400,000	Demolition of existing terminal building
Terminal Building	7,500,000	Construction of new modular single story terminal
Approach Road	750,000	Relocation of approach road to accommodate security requirements
Apron Repairs	200,000	Repairs to apron surface
Airport Lighting	3,000,000	Complete airport navigation lighting system
Navigation Systems	2,500,000	ILS/DME/DVOR
Radar	3,500,000	Secondary Radar System
Runway Treatment	1,500,000	Grooving of runway to address low friction characteristics
Cargo Building Repair	400,000	Minor repair to cargo buildings
Power System	2,500,000	Complete power back up system to accommodate CATI ILS approaches
Mobilisation	1,200,000	Ancillary mobilisation costs of re-instating airport operations
Contingency	3,517,500	15% contingency
	£ 26,967,500	

11. Appendix C

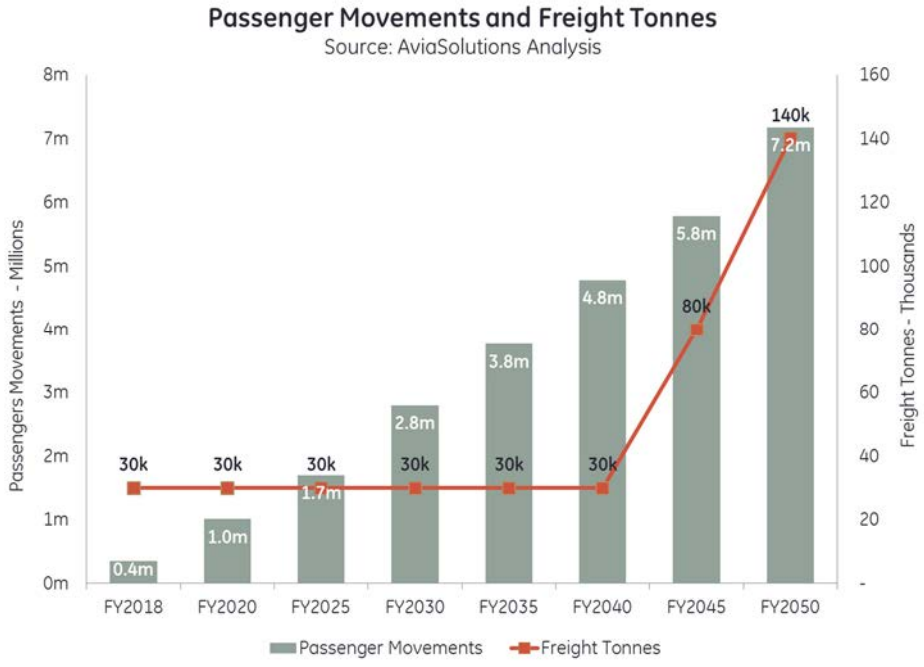
11.1. Outputs for No Runway Development Scenario

In the following paragraphs, we explore the financial viability of the airport based upon there being no new runway in the South East. This scenario takes spill from the London system in addition to a base level of activity generated from the presumed small LCC operation and freighters. Whilst this scenario is the most favourable for Manston airport, as it generates the largest number of passengers and freight, it is perhaps the least likely.

11.1.1. Volume Profile

Passenger movements are forecast to grow at CAGR 19% between FY2018 and FY2030, totalling circa 2.8m passengers by the close of FY2030, growth FY2018 to FY2050 is estimated to be at CAGR of 10%. Freight is not forecast to grow beyond the 30,000 tonnes of the core freighter operations until FY2040, but at that point, freight is assumed to spill from the London Area taking it to some 140,000 tonnes by FY2050.

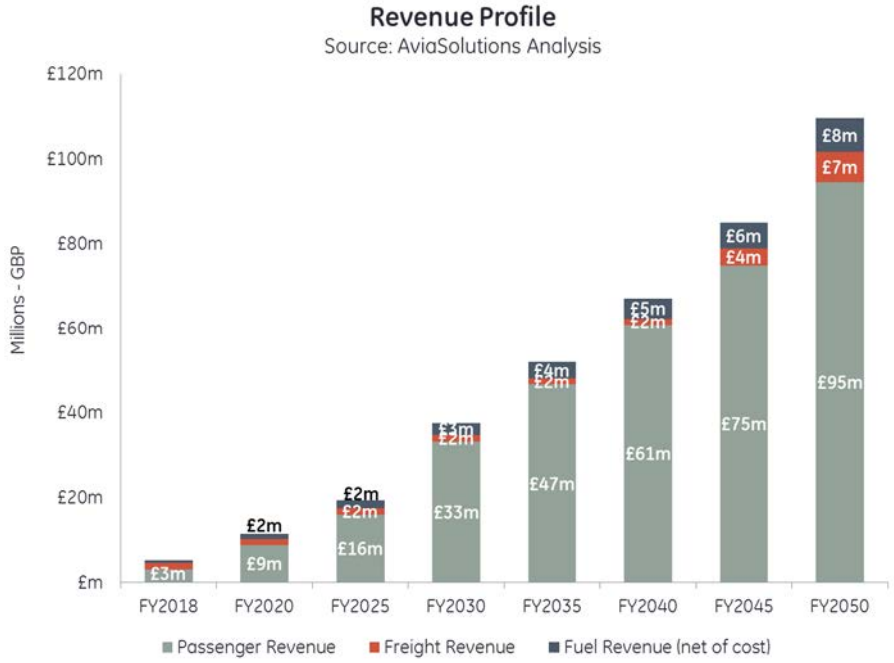
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Passenger Movements	350k	1,010k	1,700k	2,800k	3,770k	4,780k	5,790k	7,180k
Freight Tonnes	30k	30k	30k	30k	30k	30k	80k	140k
Total ATMs	1,100	2,900	6,400	14,100	20,900	28,100	37,200	49,500



11.1.2. Revenue Profile

Revenue generation is forecast to grow at a CAGR of 18% between FY2018 and FY2030, driving revenues to £38m by FY2030, and at a CAGR of 10% between FY2018 and FY2050 to reach total annual revenues of £110m by FY2050. The revenue profile is exponential in nature due to the increasingly constrained London System environment permitting increasing spill to Manston.

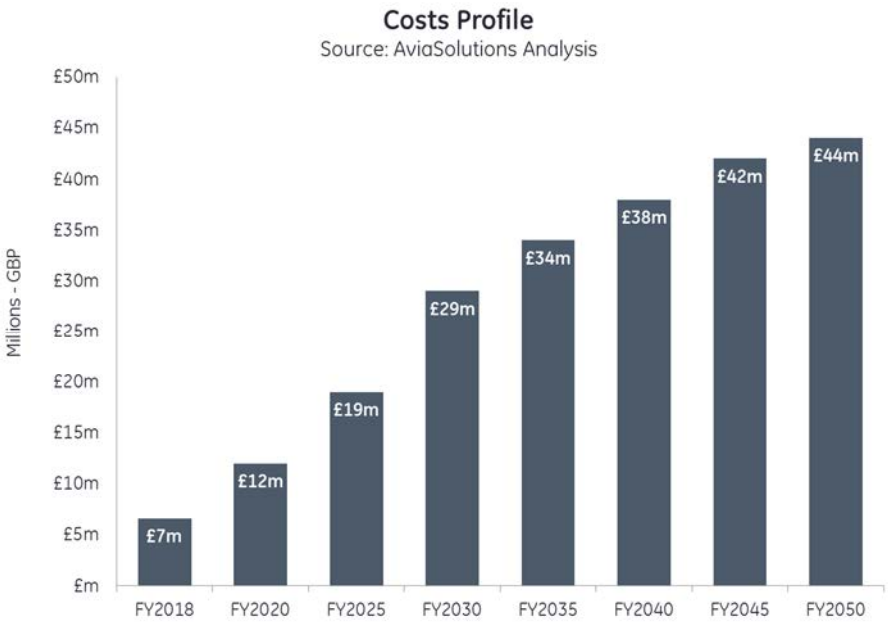
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Total Revenue	£5m	£12m	£19m	£38m	£52m	£67m	£85m	£110m

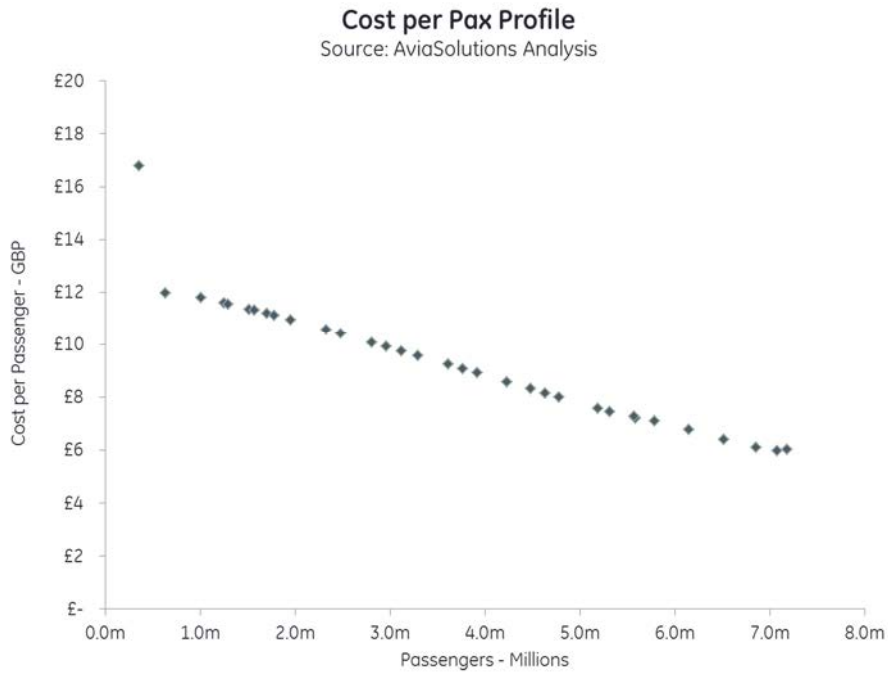


11.1.3. Cost Profile

Total Costs are forecast to grow at 13% per annum on average between FY2018 and FY2030, resulting in total costs of £29m by FY2030, and at 6% per annum between FY2018 and FY2050 to produce total annual costs of £44m by FY2050. Costs are increasing more slowly than revenue, leading to greater margin generation. We consider that as the airport generates increased volumes of traffic, it is able to achieve increasing economies of scale, in particular within its passenger operation. Furthermore, as the passenger volume increases, the non-unit driven costs are distributed over an increased base, thereby reducing the average cost per passenger to the airport, an essential element in increasing margin.

	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Total Cost	£7m	£12m	£19m	£29m	£34m	£38m	£42m	£44m

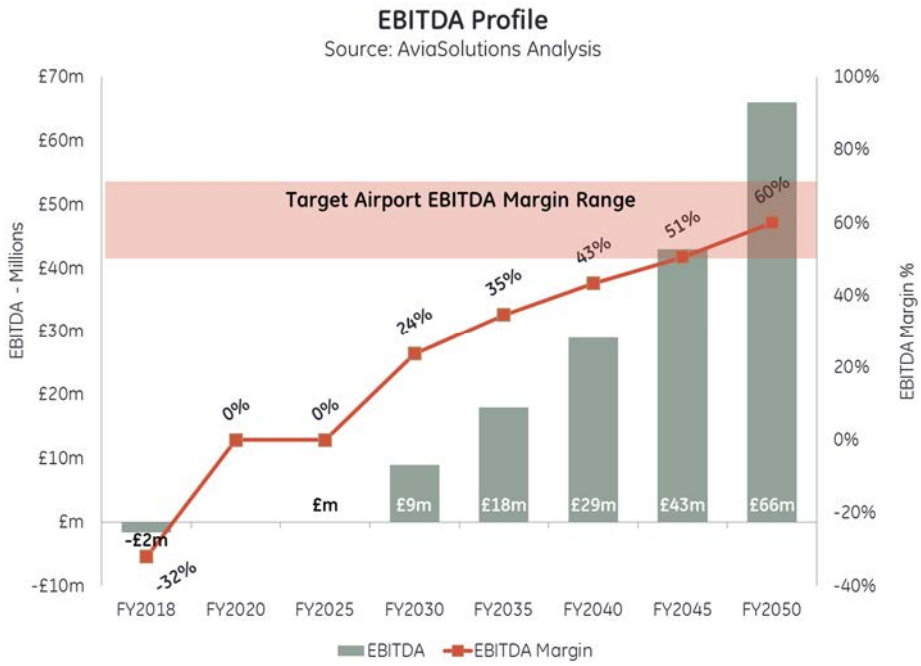




11.1.4. EBITDA Profile

EBITDA is initially forecast to be negative, indicating that the airport would be loss making in the early years at an operational level. It first turns an operating profit in FY2030, generating £9m of operating income and an EBITDA margin of 24%. The EBITDA margin in the long term is forecast to reach 60%, generating £66m of EBITDA in FY2050. This level of EBITDA is much more akin to a typical airport which requires sufficiently high EBITDA margins to cover the ongoing costs and CAPEX of a large asset base.

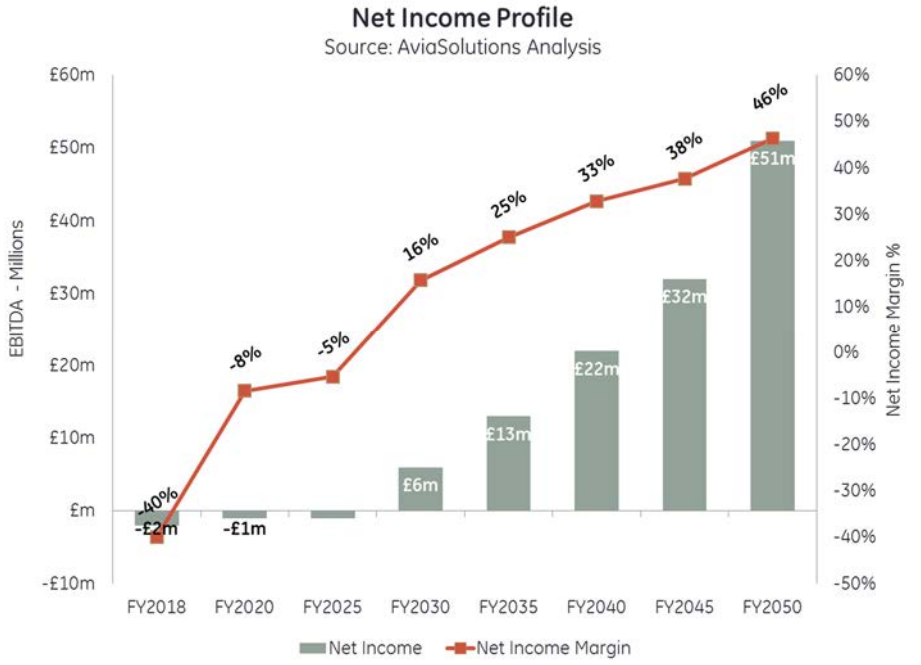
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
EBITDA	-£2m	£m	£m	£9m	£18m	£29m	£43m	£66m
EBITDA Margin	-32%	0%	0%	24%	35%	43%	51%	60%



11.1.5. Net Income Profile

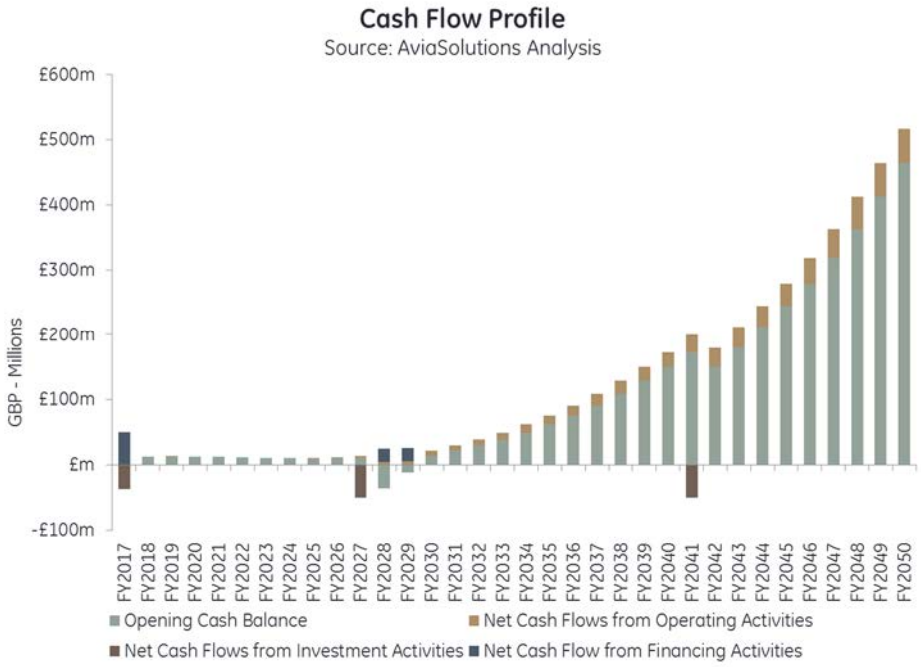
Net income, the profit left after all deductions, is forecast to be negative until FY2025. The first positive results fall circa FY2030 when the airport is expected to generate net income of £6m. This income stream steadily increases through to FY2050 at which point it is expected to be circa £51m per annum.

	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Net Income	-£2m	-£1m	-£1m	£6m	£13m	£22m	£32m	£51m
Net Income Margin	-40%	-8%	-5%	16%	25%	33%	38%	46%



11.1.6. Cash Flow

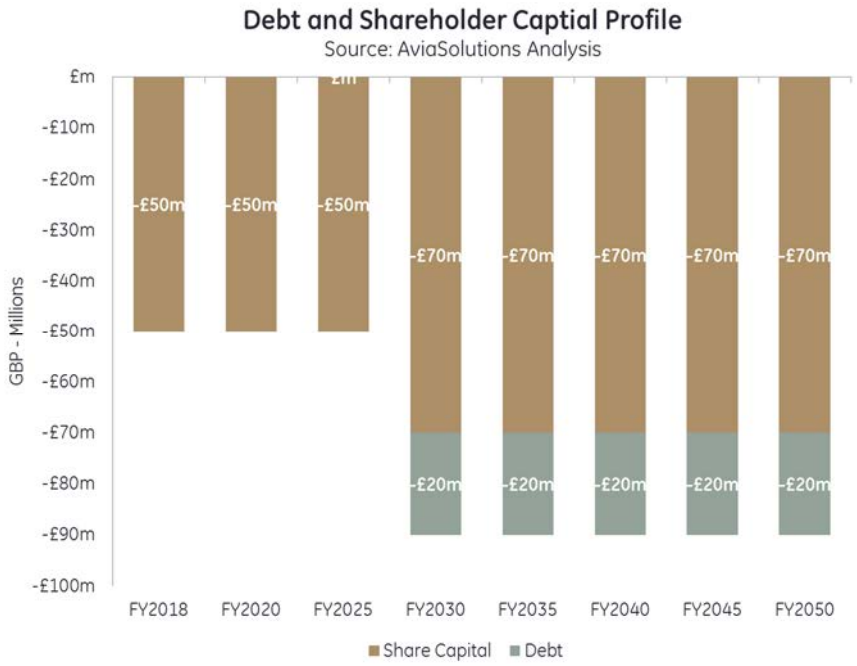
The airport is forecast to develop its cash position with limited additional capital requirements except those required to expand the terminal in FY2027. The position shown below is excludes any dividend payments that the owner may wish to extract from the asset: such payments would reduce its cash position.



11.1.7. Debt and Shareholder Capital

Whilst the exact nature and mixture of debt and shareholder capital would be subject to complex financial optimisation, we have illustrated below a simple capital structure used in the analysis to illustrate the need for additional capital throughout the period. To maintain the business it would be necessary to acquire circa £40m in additional capital around FY2027. For the purposes of modelling this additional capital has been split between debt and equity.

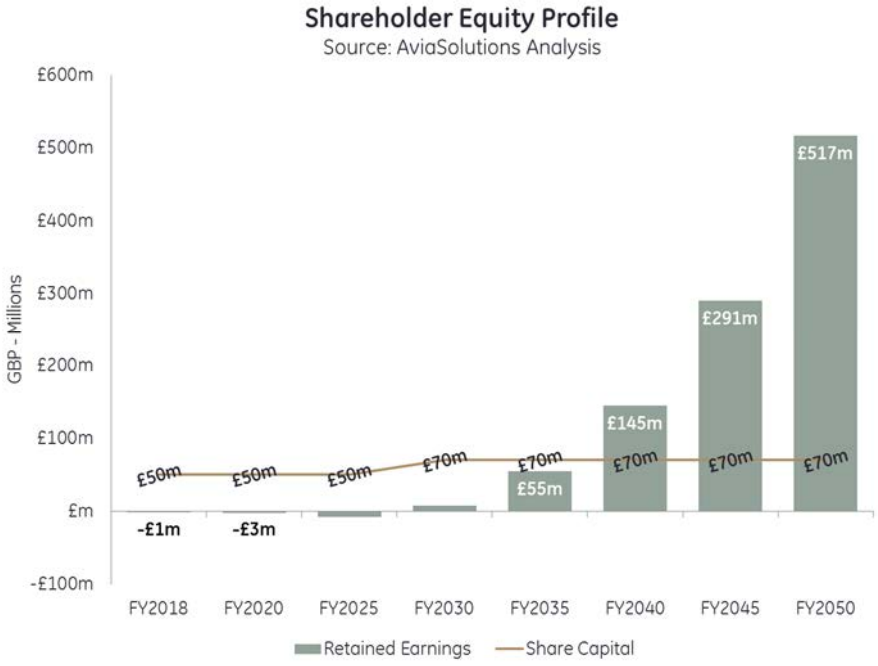
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Debt	£m	£m	£m	£20m	£20m	£20m	£20m	£20m
Share Capital	£50m	£50m	£50m	£70m	£70m	£70m	£70m	£70m



11.1.8. Shareholder Equity

Considering the effects of earnings on shareholder equity, the business does not post positive retained earnings until circa FY2030. This in effect limits the business's ability to pay dividends to shareholders until this point at the earliest.

	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Retained Earnings	-£1m	-£3m	-£8m	£8m	£55m	£145m	£291m	£517m
Share Capital	£50m	£50m	£50m	£70m	£70m	£70m	£70m	£70m



11.1.9. Conclusion

Given the parameters of this specific scenario it could be feasible to operate a commercially viable airport on the site. However, the risks in doing so are high and many of the elements that cause the proposal to payback can be reversed (such as a new runway being authorised) and are out of the control of the asset manager.

Whilst we believe an airport on the site may be feasible in this scenario, the probability of there being no new runway in the South East is very low, even if a decision is delayed, it is still expected that a new runway will be required at some point. If Manston were to become an established airport it would need many years to reach a point of maturity where it would be able to withstand a new runway becoming operational. The probability of this occurring, given the Government's current position on runway capacity, is uncertain at best. Therefore we conclude that whilst potentially feasible, this scenario is improbable.

11.2. Outputs for LGW Second Runway Scenario

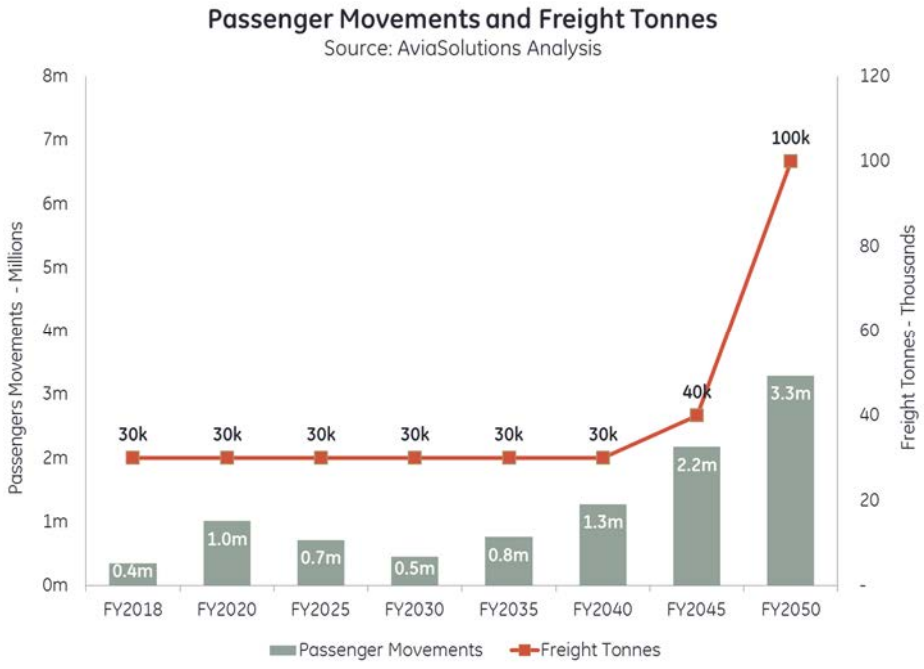
In the following paragraphs, we explore the financial viability of Manston Airport based upon there being a second runway at Gatwick. This was an option short-listed by the Davies Commission and while not finally recommend has a body of support based on its lower environmental impacts and the consequent ability to be delivered earlier (assumed here to be 2025). Manston may have a short initial boost to traffic before the second runway becomes available but then traffic falls before growing again. This scenario takes spill from the London system in addition to a base level of activity generated from the presumed small LCC operation and freighters. This scenario is less favourable for Manston Airport than would be a development at Heathrow.

11.2.1. Volume Profile

Passenger numbers are forecast to grow to more than 1.5 million in 2024, the year before the assumed opening of the second runway, but immediately fall back starting in 2025 and declines to a low of 0.5 million in 2033. From this low point, it grows as a result of the resumption of overflow, reaching 3.5 million passengers in 2050. Overall growth between FY2018 and FY2050 averages 7% per annum.

Freight is not forecast to grow beyond the 30,000 tonnes of the core freighter operations until FY2040, but at that point, freight is assumed to spill from the London Area taking it to some 100,000 tonnes by FY2050.

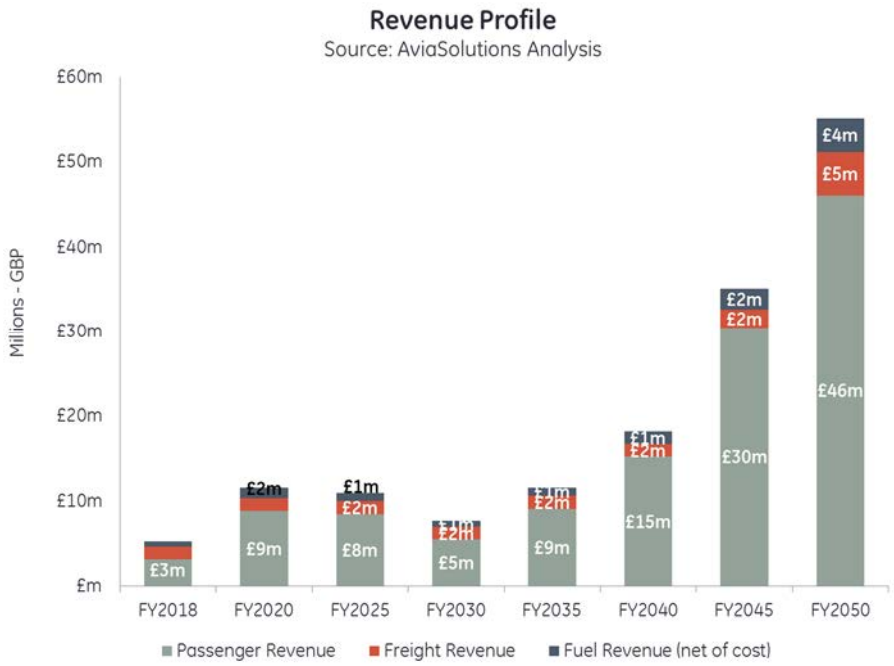
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Passenger Movements	350k	1,010k	710k	450k	760k	1,270k	2,170k	3,290k
Freight Tonnes	30k	30k	30k	30k	30k	30k	40k	100k
Total ATMs	1,100	2,900	5,000	3,200	5,300	8,900	15,900	26,000



11.2.2. Revenue Profile

Revenue generation is forecast to grow at a CAGR of 4% between FY2018 and FY2030, driving revenues to £8m by FY2030, and at a CAGR of 8% between FY2018 and FY2050 to reach total annual revenues of some £55m by FY2050.

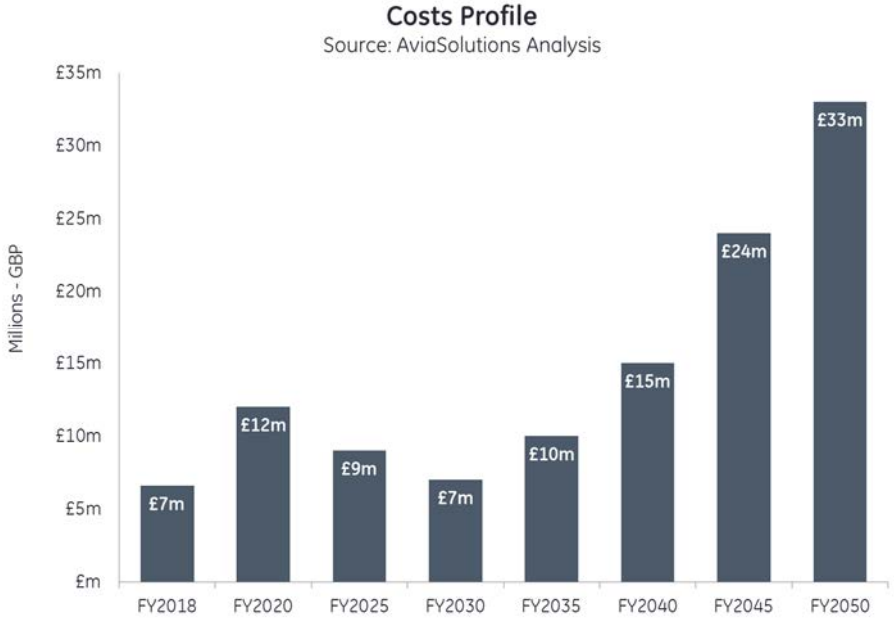
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Total Revenue	£5m	£12m	£11m	£8m	£12m	£18m	£35m	£55m

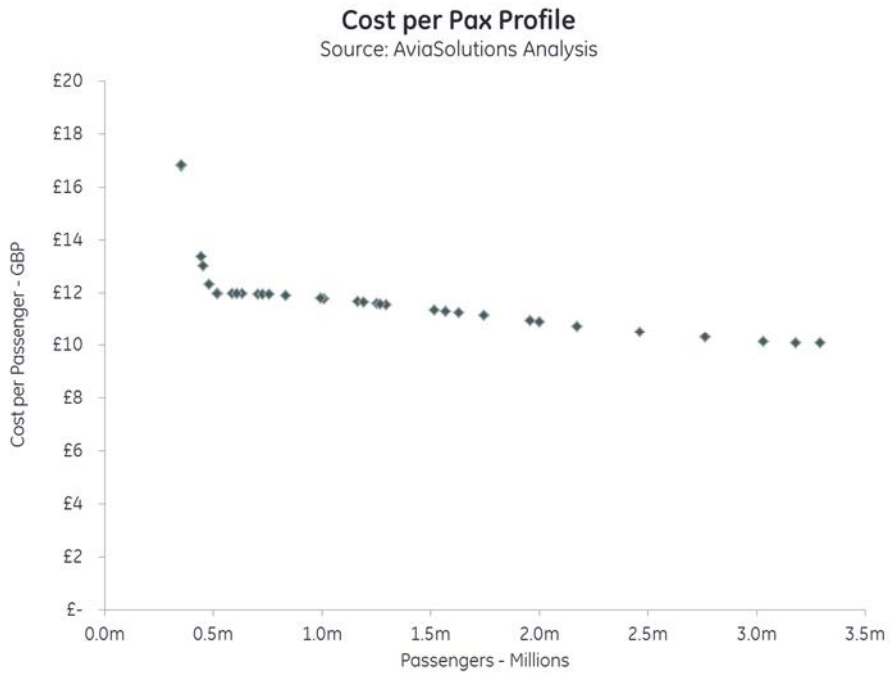


11.2.3. Cost Profile

Total Costs rise prior to the opening of the second runway, but then fall back to £7 million in FY 2030. Thereafter, they increase to nearly £35 million in 2050, representing an average increase between FY2018 and FY2050 of 5% per annum. Cost per passenger falls over the period of the projections.

	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Total Cost	£7m	£12m	£9m	£7m	£10m	£15m	£24m	£33m

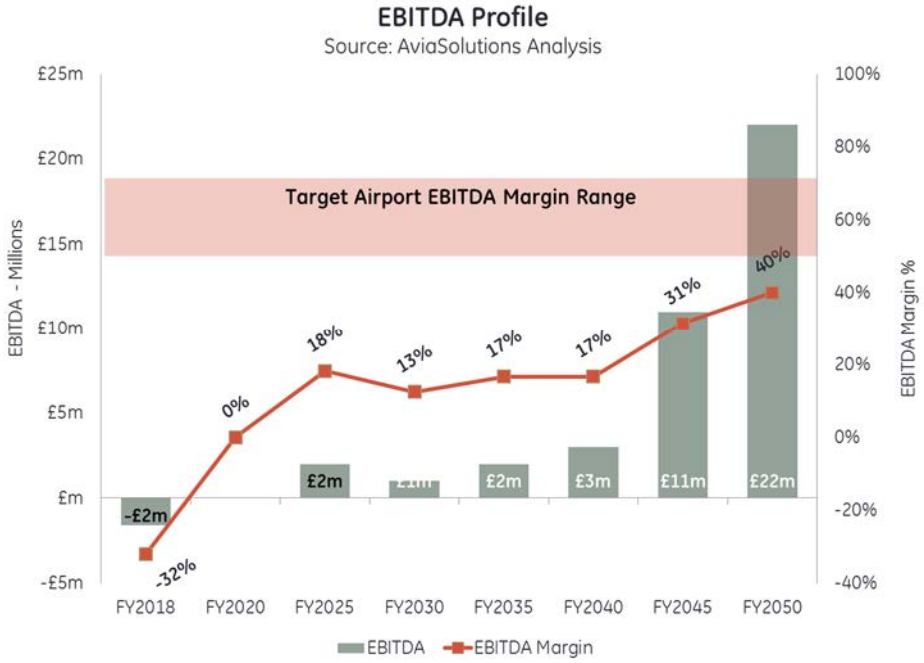




11.2.4. EBITDA Profile

EBITDA is initially forecast to be negative, indicating that the airport would be loss making in the early years at an operational level. It first returns an operating profit in FY2025, generating £2m of operating income and an EBITDA margin of 18%. As the second runway at Gatwick comes on-stream, EBITDA at Manston would stagnate due to the lack of available traffic volumes. The EBITDA margin in the long term is forecast to reach 40%, with an EBITDA of £22m in FY2050. This level of EBITDA is significantly below that which we would typically expect for an airport to be attractive to the investment community.

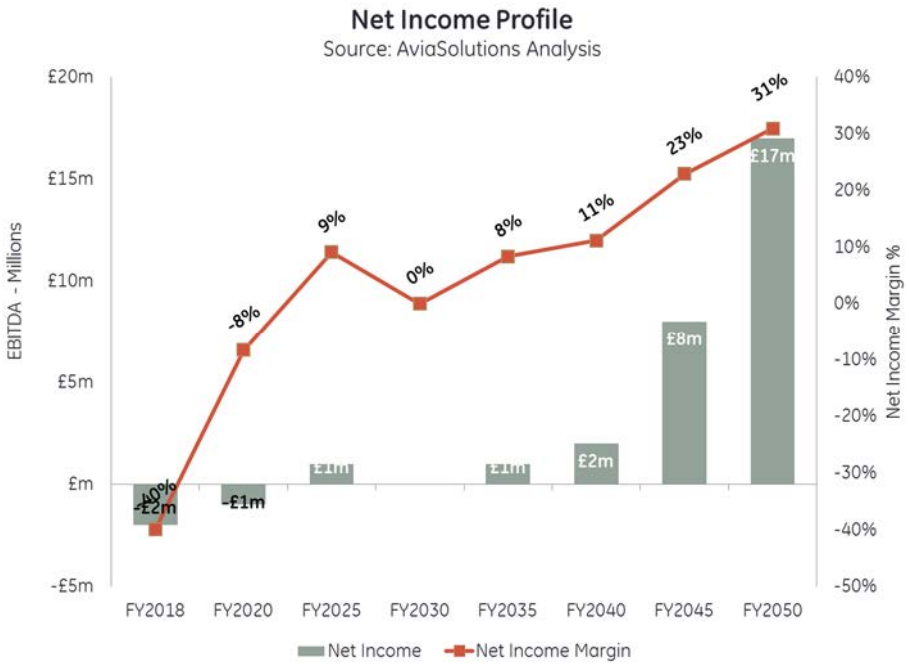
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
EBITDA	-£2m	£m	£2m	£1m	£2m	£3m	£11m	£22m
EBITDA Margin	-32%	0%	18%	13%	17%	17%	31%	40%



11.2.5. Net Income Profile

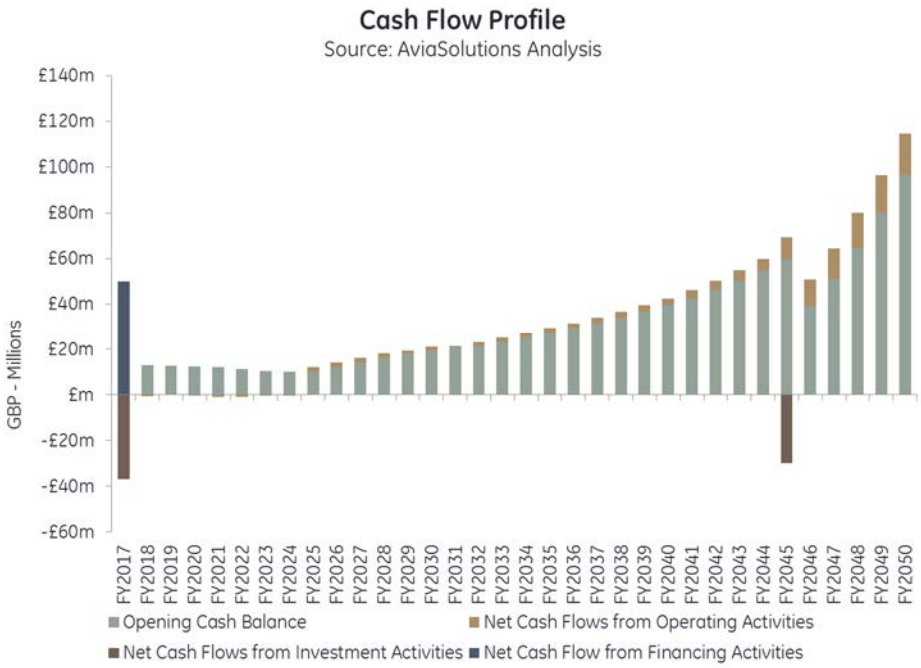
Net income, the profit left after all deductions, is forecast to be negative until after FY2020. The first positive results are generated around FY2025 when the airport is expected to generate net income of £2m, although it falls slightly thereafter as Gatwick's new runway absorbs traffic. The income stream then remains broadly constant for the following 15 years before increasing as capacity becomes constrained once more in the London system. It reaches £17m in FY2050.

	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Net Income	-£2m	-£1m	£1m	£m	£1m	£2m	£8m	£17m
Net Income Margin	-40%	-8%	9%	0%	8%	11%	23%	31%



11.2.6. Cash Flow

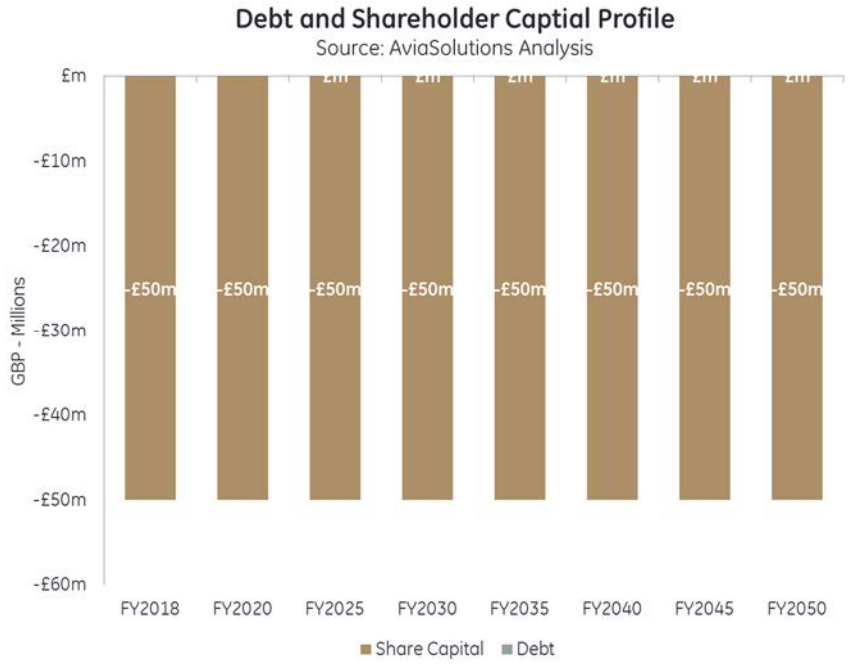
The airport is forecast to develop its cash position with limited additional capital requirements until FY2045 when there would be a requirement to expand the terminal, by which time the company could have built up sufficient cash to be able to finance the CAPEX from reserves. The position shown below excludes any dividend payments that the owner may wish to extract from the asset: such payments would reduce its cash position.



11.2.7. Debt and Shareholder Capital

Whilst the exact nature and mixture of debt and shareholder capital would be subject to complex financial optimisation, we have illustrated below a simple capital structure used in the analysis to illustrate the need for additional capital throughout the period. To maintain the business no further financing would be required. Whilst the business does not generate significant revenues or income, there is little requirement for significant CAPEX investments, thereby eliminating the requirements for additional financing

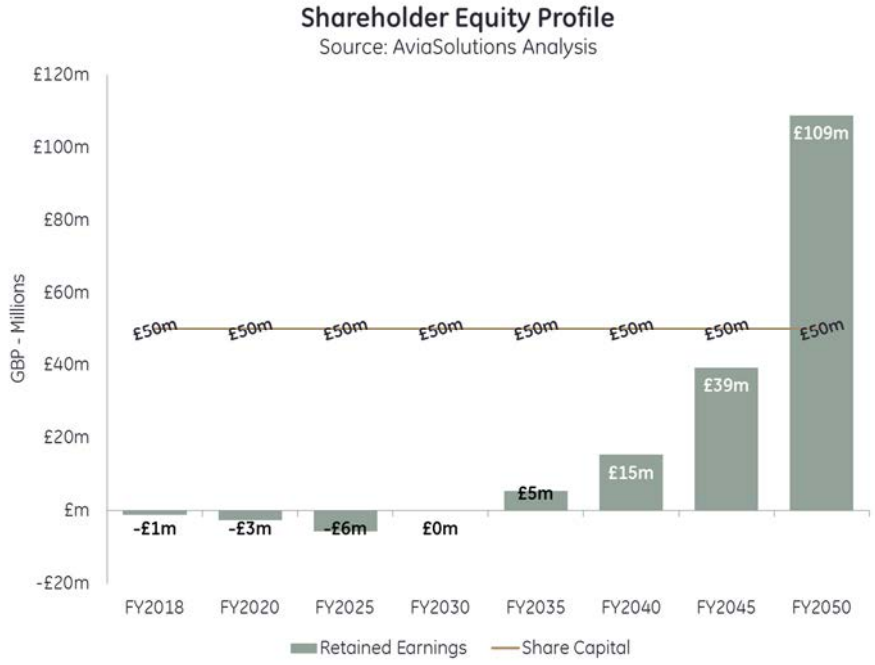
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Debt	£m	£m	£m	£m	£m	£m	£m	£m
Share Capital	£50m	£50m	£50m	£50m	£50m	£50m	£50m	£50m



11.2.8. Shareholder Equity

Considering the effects of earnings on shareholder equity, the business does not post positive retained earnings until nearly FY2035. This in effect limits the business's ability to pay dividends to shareholders until this point at the earliest.

	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Retained Earnings	-£1m	-£3m	-£6m	£m	£5m	£15m	£39m	£109m
Share Capital	£50m	£50m	£50m	£50m	£50m	£50m	£50m	£50m



11.2.9. Conclusion

The asset would require significant long term investment but would only generate a marginal return. These returns are also predicated on a large number of external variables over which the owner of Manston Airport has very little influence. It is AviaSolutions' view that based on this scenario there is no viable long term prospect of an economically viable airport being established on the site.

11.3. Outputs for Both Runways Scenario

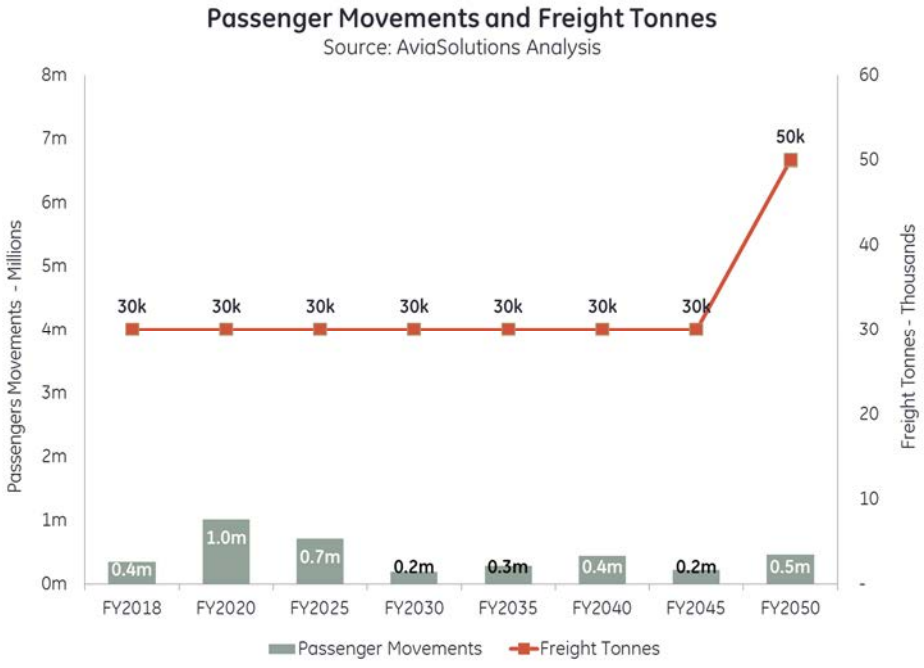
In the following paragraphs, we explore the financial viability of Manston Airport based upon there being two runways constructed in the South East, one at Gatwick and the other at Heathrow. It is clear from this assessment that in the longer term there is forecast to be sufficient demand to require two additional runways. In our assessment, we have assumed that the runway at Gatwick would be opened first, followed later by that at Heathrow. It is though possible that Gatwick might decide to postpone its second runway given its likely loss of traffic Manston would have a short initial boost to traffic before the first of the runways becomes available but then traffic falls and only resumes growth towards the end of the forecasting period. This scenario is the least favourable for Manston Airport.

11.3.1. Volume Profile

Passenger numbers are forecast to grow to more than 1.5 million in 2024, the year before the assumed opening of the first of the runways, but immediately fall back starting in 2025. Passenger traffic remains minimal for the remainder of the forecasting period.

Freight is not forecast to grow beyond the 30,000 tonnes of the core freighter operations until after FY2045, but might reach some 50,000 tonnes by FY2050.

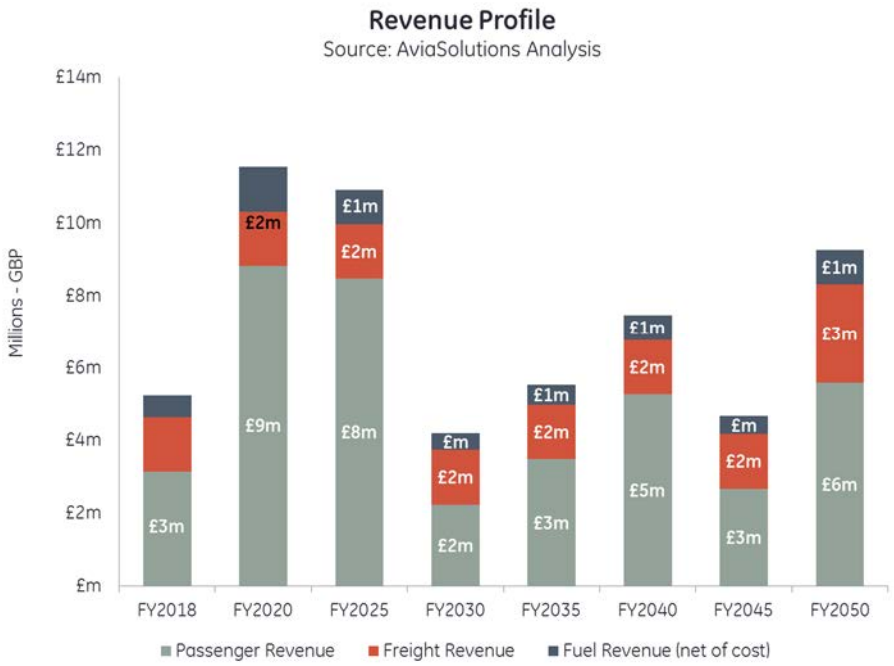
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Passenger Movements	350k	1,010k	710k	190k	290k	440k	220k	460k
Freight Tonnes	30k	30k	30k	30k	30k	30k	30k	50k
Total ATMs	1,100	2,900	5,000	1,300	2,000	3,100	1,600	4,300



11.3.2. Revenue Profile

Revenue generation reflects the lack of traffic volume and peaks in the period up to FY2025.

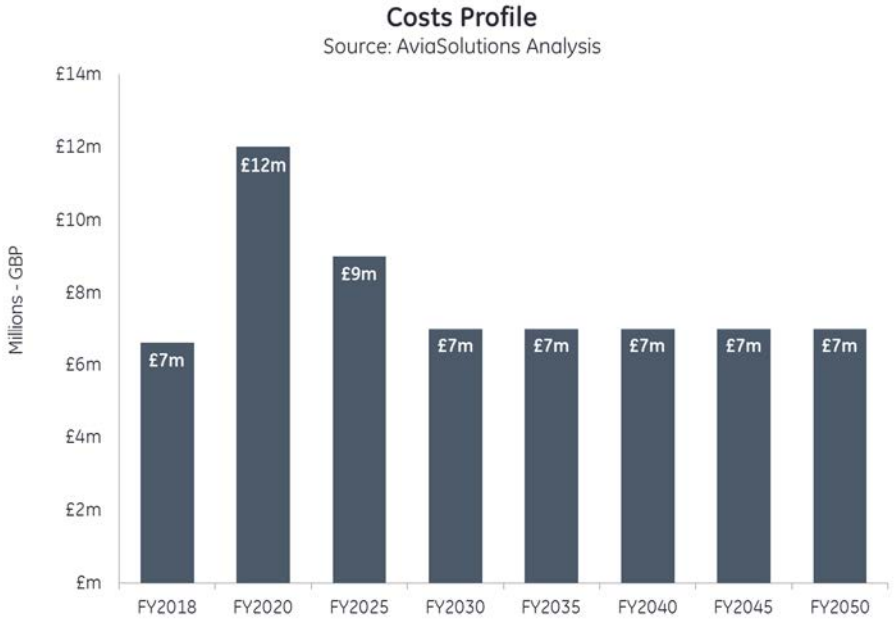
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Total Revenue	£5m	£12m	£11m	£4m	£6m	£7m	£5m	£9m

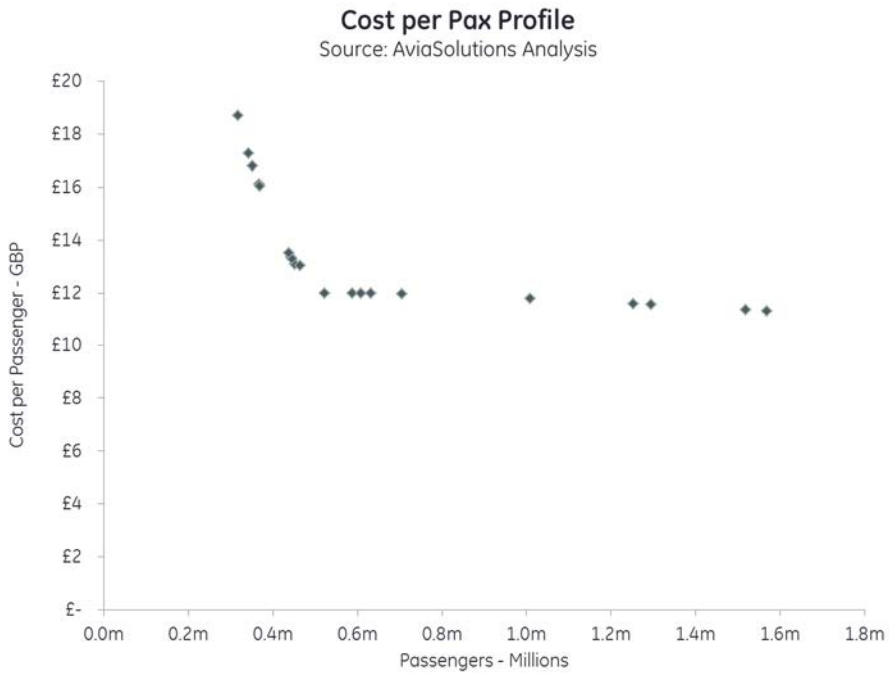


11.3.3. Cost Profile

Total Costs rise a little before the opening of the first of the runways, but then fall back to the core essential fixed costs associated with having the airport open

	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Total Cost	£7m	£12m	£9m	£7m	£7m	£7m	£7m	£7m

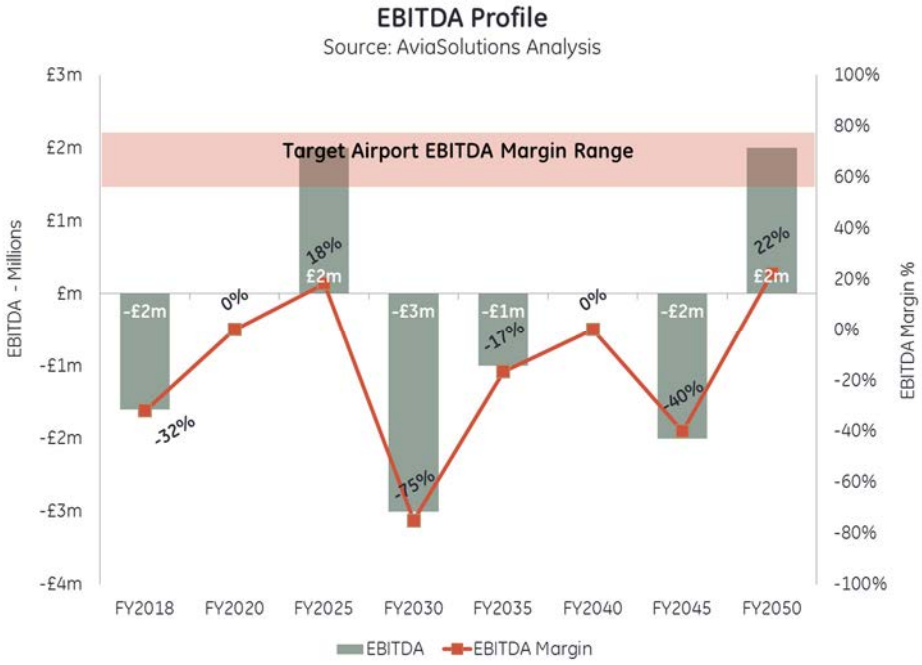




11.3.4. EBITDA Profile

EBITDA is forecast to be negative for the majority of the forecast period, except for the period up to FY2025 and at the very end

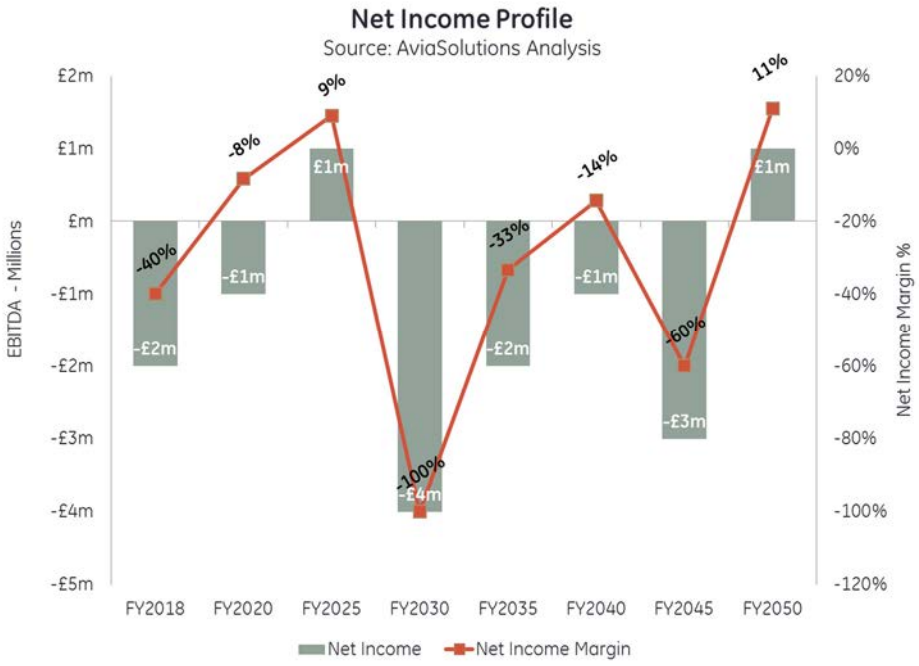
	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
EBITDA	-£2m	£m	£2m	-£3m	-£1m	£m	-£2m	£2m
EBITDA Margin	-32%	0%	18%	-75%	-17%	0%	-40%	22%



11.3.5. Net Income Profile

Net income, the profit left after all deductions, is forecast to be negative for almost the entire period.

	FY2018	FY2020	FY2025	FY2030	FY2035	FY2040	FY2045	FY2050
Net Income	-£2m	-£1m	£1m	-£4m	-£2m	-£1m	-£3m	£1m
Net Income Margin	-40%	-8%	9%	-100%	-33%	-14%	-60%	11%



11.3.6. Conclusion

If two runways were to be constructed in the South East, then it is clear that there is no realistic prospect of long term viability for a re-opened Manton Airport. The potential profits in the period to FY2025 would not be adequate to justify the costs of acquiring and re-commissioning the airport, and prospects thereafter would be exceptionally poor.

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The CAA produces CAA Airport Statistics each month.

(Also other CAA data including airline statistics)

Air Transport Movements are on Table 5 each month. Terminal and Transit passengers are on Table 9 each month.

There are also CAA UK Airline Statistics.

Compared to population, UK airports handle more passengers than airports in Germany or France

Pax		2013	2014	Change
France	**All airports**	**149 280 814**	**151 674 428**	**1.6%**
Germany	**All airports**	**202 503 831**	**208 512 215**	**3.0%**
UK	**All airports**	**231 553 401**	**241 342 288**	**4.2%**
	www.anna.aero/wp-content/uploads/european-airports.xls			
Population	2015 approx			
France		65,093,000		
Germany		81,276,000		
UK		64,295,000		
https://en.wikipedia.org/wiki/List_of_European_Union_member_states_by_population				

Passengers – 2015 (Anna Aero data – see the spreadsheet)

United Kingdom – All airports 254,707,495 (up 5.5% on 2014)

France – Top 15 airports 153,597,346 (up 3% on 2014)

Germany – All airports (ADV) 216,475,521 (up 3.8% on 2014)

2015

From **CAA airport data for 2015**

Air Transport Movements Table_04_2_Air_Transport_Movements_2005_2015 and Terminal PassengersTable_10_3_Terminal_Pax_2005_2015

	2015 Total Air Transport Movements	% change from 2014	2015 Terminal Passengers (thousands)	% change from 2014
Total All Reporting UK Airports	**2,111,000**	**3.0**	**251,479**	**5**
HEATHROW	472,060	0.3	74,954	2
GATWICK	262,571	3.2	40,260	6
MANCHESTER	164,710	1.1	23,095	5
STANSTED	154,478	8.0	22,513	13
LUTON	87,440	15.6	12,263	17
EDINBURGH	107,211	5.7	11,113	9
BIRMINGHAM	89,837	0.9	10,180	5
GLASGOW	80,322	8.5	8,710	13
BRISTOL	54,741	4.1	6,781	7
NEWCASTLE	42,070	-1.9	4,560	1
EAST MIDLANDS	56,378	-1.4	4,446	-1
BELFAST INTERNAT	36,273	4.2	4,390	9
LONDON CITY	79,251	13.0	4,319	18
LIVERPOOL	32,882	10.4	4,296	8
ABERDEEN	95,687	-9.9	3,469	-7
LEEDS BRADFORD	31,149	4.3	3,445	6
BELFAST CITY	40,571	12.5	2,693	5
SOUTHAMPTON	34,249	-4.1	1,776	-3
CARDIFF WALES	14,044	-1.3	1,158	14
SOUTHEND	8,975	-22.2	901	-18
DONCASTER SHEFFIELD	5,581	9.0	857	18
EXETER	12,967	4.0	821	7
BOURNEMOUTH	8,554	27.4	705	7
INVERNESS	10,581	9.9	668	9
PRESTWICK	4,264	-35.5	610	-33
NORWICH	22,898	-0.9	460	-
CITY OF DERRY	1,927	-24.0	284	-19
SUMBURGH	11,057	8.1	270	3
SCATSTA	11,239	-9.2	254	-9
NEWQUAY	5,976	0.6	250	14
HUMBERSIDE	10,911	-8.8	221	-7
KIRKWALL	10,701	-0.4	150	-
DURHAM TEES VALLEY	3,920	-3.2	140	-1
STORNOWAY	6,284	-0.2	125	-2
ISLES OF SCILLY	10,585	11.6	95	4
Leaving off here the airports with under 100,000 annual passengers				
	ATMs		**Passengers**	
Total London Area Airports	**1,065,000**	**4.0**	**155,210**	**6**
Total All Reporting UK Airports	**2,111,000**	**3.0**	**251,479**	**5**

Figures taken from the CAA table showing numbers of flights at UK airports from 2005 to 2015

Air transport Movements 2005 - 2015 (in thousands)

London Area Airports	2005	2014	2015
GATWICK	252	255	263
HEATHROW	472	471	472
LONDON CITY	61	70	79
LUTON	75	76	87
SOUTHEND	-	12	9
STANSTED	178	143	154
Total London Area Airports	1 038	1 026	1 065
BIRMINGHAM	113	89	90
MANCHESTER	218	163	165
EDINBURGH	116	101	107
GLASGOW	97	74	80
ABERDEEN	89	106	96
BRISTOL	61	53	55
Total All Reporting UK Airports	2 301	2 059	2 111

2014 – All UK airports – passengers every month

Statistics of each airport's number of passengers, each month (for all European airports) are available from Anna Aero at www.anna.aero/wp-content/uploads/european-airports.xls (one document for all the years – see the annual tabs along the bottom)

The passenger numbers for UK airports, from Anna Aero data, for all of 2014

Anna Aero pax per month all 2014

2014

From CAA airport statistics

CAa statistics for 2014 – full year (ranked by number of passengers, in descending order)

From CAA provisional statistics.**December_2014_Provisional_Airport_Statistics**

AIRPORT	2014 Number of	% change	2014 Number	%

	ATMs	from 2013	of terminal passengers	change from 2013
TOTAL OF ALL UK AIRPORTS LISTED	**2,120,754**	**+ 0.7**	**241,340,802**	**+ 4.3**
HEATHROW	470,710	0.2	73,371,106	1.4
GATWICK	254,542	4.2	38,093,870	7.5
MANCHESTER	162,921	1.2	21,950,323	6.1
STANSTED	143,142	8.5	19,935,161	11.7
LUTON	75,616	6.7	10,481,155	8.1
EDINBURGH	101,431	-2.3	10,158,906	3.9
BIRMINGHAM	89,056	5	9,698,337	6.4
GLASGOW	74,062	2.1	7,708,897	4.8
BRISTOL	52,574	-2.6	6,333,058	3.4
NEWCASTLE	42,873	-0.2	4,513,012	2.2
EAST MIDLANDS INTERNAT	57,217	0.3	4,506,457	4.1
BELFAST INTERNATIONAL	34,795	-4.9	4,031,685	0.2
LIVERPOOL (JOHN LENNON)	29,777	-9.6	3,984,024	-4.8
ABERDEEN	106,202	6.3	3,725,113	8.3
LONDON CITY	70,135	3	3,647,824	7.9
LEEDS BRADFORD	29,876	-1.7	3,263,247	-1.5
BELFAST CITY (GEORGE BEST)	36,052	-2.2	2,555,111	0.5
SOUTHAMPTON	35,712	-0.9	1,829,607	6.2
JERSEY	28,403	-17.2	1,474,615	3.2
SOUTHEND	11,541	21.8	1,102,260	13.6
CARDIFF WALES	14,228	1.5	1,019,545	-3.6
PRESTWICK	6,616	-23.1	912,400	-20.3
GUERNSEY	25,766	-21.9	860,213	0.4
EXETER	12,469	-0.3	766,510	3.9

ISLE OF MAN	17,332	-14.9	728,591	-1.3
DONCASTER SHEFFIELD	5,119	19.3	724,252	5
BOURNEMOUTH	6,714	-1.6	660,677	0.3
INVERNESS	9,624	-3.9	611,770	0.8
NORWICH	23,117	4.8	458,931	-0.9
CITY OF DERRY (EGLINTON)	2,537	-15.7	350,257	-9
SCATSTA	12,381	-6	279,799	-6.2
SUMBURGH	10,227	11.2	262,626	25.2
HUMBERSIDE	11,967	2.5	237,149	1.1
BLACKPOOL	8,231	-19.9	223,998	-14.7
NEWQUAY	5,938	19.6	219,167	25.5
KIRKWALL	10,747	-0.4	150,877	0.9
DURHAM TEES VALLEY	4,053	-6.3	142,274	-10.7
STORNOWAY	6,296	-0.7	127,219	6.1
ALDERNEY	6,183	-3.1	61,317	-2.4
BENBECULA	1,681	-10.9	31,190	1.9
WICK JOHN O GROATS	2,365	-29.1	27,625	-16.5
ISLAY	1,541	-1.1	27,421	6.6
DUNDEE	1,204	-11.3	22,069	-19.9
CAMBRIDGE	1,480	94	20,692	123.7
GLOUCESTERSHIRE	1,227	-2.3	15,141	7.2
BARRA	882	0.2	10,521	11.8
CAMPBELTOWN	1,035	1.3	9,331	-1
TIREE	1,019	3.5	9,026	9.1
LERWICK (TINGWALL)	1,045	-21.4	3,595	-5
OXFORD (KIDLINGTON)	64	-88.9	1,205	-82.4
LYDD		-15		78.2

	108		1,194	
SHOREHAM	382	-42.5	452	-38.3
COVENTRY	539	-10.8	0	0
TOTAL OF ALL UK AIRPORTS LISTED	**2,120,754**	**+ 0.7**	**241,340,802**	**+ 4.3**

2013

From [CAA airport statistics]

CAA statistics for 2013 – full year (ranked by number of passengers, in descending order)

AIRPORT	Air Transport Movements in 2013 [LINK]	% change from 2012	Terminal passengers in 2013	% change from 2012
HEATHROW	469,578	-0.4	72,332,160	3.4
GATWICK	244,328	1.6	35,433,178	3.5
MANCHESTER	161,063	0.4	20,682,907	5.2
STANSTED	132,234	0.6	17,844,355	2.2
EDINBURGH	103,972	1.1	9,775,222	6.3
LUTON	70,954	-1.1	9,693,850	0.8
BIRMINGHAM	85,000	?	9,119,709	2.3
GLASGOW	72,541	0.4	7,358,136	2.9
LONDON CITY AIRPORT	68,000	6.0	3,380,000	12
BRISTOL	53,971	6.5	6,125,207	3.5
NEWCASTLE	42,980	-1.6	4,415,684	1.4
EAST MIDLANDS INTERNAT	57,204	4.7	4,328,229	6.4
LIVERPOOL (JOHN LENNON)	32,956	-8.1	4,186,091	-6.1
BELFAST INTERNATIONAL	36,600	-6.4	4,022,479	-6.7
ABERDEEN	99,895	1.1	3,440,361	3.4
LEEDS BRADFORD	30,398	0.6	3,314,398	11.6
BELFAST CITY (GEORGE BEST)	36,867	2.6	2,541,721	13.2
SOUTHAMPTON	36,058	-6.7	1,722,557	1.7
JERSEY	34,365	-6.9		-0.8

			1,429,420	
PRESTWICK	8,606	5.6	1,144,568	7.3
CARDIFF WALES	14,026	0.4	1,057,088	4.3
SOUTHEND	9,476	30.4	969,941	57.2
GUERNSEY	33,006	-2.8	856,768	-0.6
ISLE OF MAN	20,373	-11.4	738,459	6.2
EXETER	12,529	3.7	738,157	6.2
DONCASTER SHEFFIELD	4,296	-1.9	689,761	-0.5
BOURNEMOUTH	6,832	-4.9	659,021	-4.5
INVERNESS	10,012	-3.5	607,266	1
CITY OF DERRY (EGLINTON)	3,011	-3.3	384,973	-3.3
SCATSTA	13,174	-3.3	298,308	-2
BLACKPOOL	10,289	7.1	262,757	11.7
HUMBERSIDE	11,676	-6.7	234,787	0.5
SUMBURGH	9,199	30.1	209,747	40.9
DURHAM TEES VALLEY	4,329	3	159,311	-3.3
STORNOWAY	6,340	-1.6	119,904	3.5
ISLES OF SCILLY (ST.MARYS)	10,816	6.5	89,170	-8.1
ALDERNEY	6,386	-4	62,855	-2
MANSTON (KENT INT)	1,644	139.3	40,656	392.1
BENBECULA	1,887	-22	30,628	-0.7
ISLAY	1,558	15.2	25,754	21.3
GLOUCESTERSHIRE	1,256	-10.4	14,129	-7.3
BARRA	880	-29.8	9,410	-17.6
OXFORD (KIDLINGTON)	592	-17.2	6,877	4.6
LERWICK (TINGWALL)	1,330	-13.9	3,787	-24.9
LYDD	127	30.9	670	50.6
BIGGIN HILL	8	0	326	0
COVENTRY	604	-18.2	_	0
TOTAL OF ABOVE AIRPORTS	**2,031,000**	**+ 1%**	**228,332,000**	**+4%**

Terminal Passengers 2003 – 2013

Download 'Table 10 3 Terminal Pax 2003 2013.pdf'

Air Transport Movements (ie. commercial flights) 2003 – 2013

Download 'Table 04 2 Air Transport Movements 2003 2013.pdf'

All of 2012

from http://www.caa.co.uk/docs/80/airport_data/2012Annual/Table_10_3_Terminal_Pax_2002_2012.pdf and

http://www.caa.co.uk/docs/80/airport_data/2012Annual/Table_04_2_Air_Transport_Movements_2002_2012.pdf

AIRPORT	Number of flights in 2012	% change in flights from 2011	Terminal passengers in 2012	% change in passengers from 2011
TOTAL OF UK AIRPORTS	**2,015,000**	**-1%**	**220,644,000**	**+0.62%**
HEATHROW	471,382	-1	69,983,174	+0.9
GATWICK	240,447	-1.7	34,218,668	+1.7
MANCHESTER	160,473	+1.6	19,654,100	+4.5
STANSTED	131,297	– 4	17,464,792	– 3.2
LUTON	71,725	-0.5	9,614,175	+1.1
EDINBURGH	102,884	-2.1	9,194,334	-2
BIRMINGHAM	84,062	+0.3	8,916,209	+3.6
GLASGOW	72,287	+3.4	7,150,231	+4.3
BRISTOL	50,654	-3.8	5,916,258	+2.6
LIVERPOOL	35,856	-21.4	4,458,638	-15
NEWCASTLE	43,660	-2.2	4,354,730	+0.4
EAST MIDLANDS	54,643	+0.6	4,067,915	-3.3
ABERDEEN	98,783	+4.2	3,328,602	+8
LONDON CITY	64,310	+5.3	3,016,664	+0.8
LEEDS BRADFORD	30,227	-8.6	2,968,708	+1.1
BELFAST CITY	35,921	-11.4	2,246,202	-6.3
SOUTHAMPTON	38,645	-5.5	1,693,478	-3.9
JERSEY	37,040	-2.3	1,441,780	-1.3
PRESTWICK	8,156	-18.3	1,066,917	-17.6
CARDIFF	13,966	-13.1	1,013,386	-16.1
GUERNSEY	33,964	-9.7	862,369	-4.2
ISLE OF MAN	22,996	-2.7	695,610	-0.7
EXETER	12,106	1.4	695,058	-2
DONCASTER SHEFFIELD	4,381	-24	693,129	-15.6
BOURNEMOUTH	7,196	15	689,913	+12.6
SOUTHEND	7,268	477.3	616,974	+1353.8
CITY OF DERRY (EGLINTON)	3,114	-18.9	398,209	-1.8
SCATSTA	13,626	4.6	304,426	+5.6
BLACKPOOL	9,607	8	235,191	-0.2
HUMBERSIDE	12,523	-2.5	233,687	-14.4
NEWQUAY	4,747	-31.3	166,272	-20.7
DURHAM TEES VALLEY	4,202	-17.9	164,826	-13.4
ISLES OF SCILLY (ST.MARYS)	10,157	-4.5	97,012	-13.6
ALDERNEY	6,652	-10.4	64,165	-7.7
DUNDEE	2,706	-4.8	54,642	-11.4
LANDS END (ST JUST)	5,785	5.3	31,964	-3.4
MANSTON (KENT INT)	687	-53.3	8,262	-77.8
OXFORD (KIDLINGTON)	723	963.2	6,599	+342.6
LERWICK (TINGWALL)	1,547	0.5	5,042	-2.7
SHOREHAM	435	-22.7	480	-24.3
LYDD	97	-4.9	445	-10.3

COVENTRY	738	276.5	–	0

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[Air Transport Movements over the 10 years 2002 – 2012]

[Terminal passengers over the 10 years 2002 – 2012]

All of 2011

CAA 2011 statistics for full year Air Transport Movements and Passengers

[ATMs 2001 to 2011] [Terminal Passengers 2001 to 2011]

Just the figures for the 8 largest UK airports are shown below:

AIRPORT	Number of flights (Air Transport Movements) for full year 2011	Percentage change in ATMs from 2010	Terminal passengers for all of 2011 (not transit)	Percentage change in pax of 2011 from 2010	Terminal passengers for 2010	Percentage change in pax of 2010 from 2009
TOTAL OF UK AIRPORTS Listed by CAA	2,145,488	2.3	222,333,447	4.1	**213,714,279**	**-3.4%**
HEATHROW	476,304	6	69,390,628	5.5	65,745,250	– 0.2
GATWICK	244,579	4.7	33,645,285	7.3	31,342,263	– 3.1
MANCHESTER	157,990	6.1	18,806,098	6.5	17,662,873	-5.2
STANSTED	136,934	-4.2	18,047,594	-2.8	18,563,016	– 7
LUTON	72,195	5.3	9,510,137	8.9	8,733,837	– 4.2
EDINBURGH	105,169	4.6	9,384,072	9.2	8,563,505	– 5.8
BIRMINGHAM	83,832	-1.1	8,608,828	0.5	8,594,491	– 5
GLASGOW	69,960	1.6	6,858,829	5.2	6,521,765	– 9.6

Smaller airports:

	Number of passengers in 2011	% change in passengers of 2011 from 2010
BRISTOL	5767628	0.8
LIVERPOOL (JOHN LENNON)	5246540	4.8
BELFAST INTERNATIONAL	4102108	2.3
NEWCASTLE	4336304	-0.2
ABERDEEN	3082626	11.5
LONDON CITY	2992847	7.6

EAST MIDLANDS INTERNATIONAL	4208402	2.4
BELFAST CITY (GEORGE BEST)	2397270	-12.5
LEEDS BRADFORD	2909596	6.8
SOUTHAMPTON	1761961	1.6
JERSEY	1460926	2.2
GUERNSEY	899863	1.6
ISLE OF MAN	700547	3.9
INVERNESS	579123	9.6
CARDIFF WALES	1208268	-13.6
PRESTWICK	1295676	-21.9
EXETER	709310	-3.7
DONCASTER SHEFFIELD	821615	-6.2
CITY OF DERRY (EGLINTON)	405568	19.8
NORWICH	413837	-2.8
SCATSTA	288269	3.2
HUMBERSIDE	273096	-3.4
BOURNEMOUTH	612547	-18.3
DURHAM TEES VALLEY	190284	-15.3
SUMBURGH	142615	2.5
STORNOWAY	122439	9.1
KIRKWALL	133930	3.8
BLACKPOOL	235682	0.1
NEWQUAY	209574	-26.5
ALDERNEY	69546	-0.7
DUNDEE	61648	-12.4
ISLES OF SCILLY (ST.MARYS)	112218	-1
PENZANCE HELIPORT	75206	-15.9
BENBECULA	34240	14
SOUTHEND	42439	1084.5
WICK	24262	8.8
ISLAY	25784	3.4
MANSTON (KENT INT)	37169	44.7
LANDS END (ST JUST)	33098	12.2
GLOUCESTERSHIRE	14737	-9.2
ISLES OF SCILLY (TRESCO)	40628	26.5
BARRA	10482	2.8
TIREE	8310	5.7
CAMPBELTOWN	9201	6
LERWICK (TINGWALL)	5181	12.4
OXFORD (KIDLINGTON)	1491	-31.8
CAMBRIDGE	597	-34.8
SHOREHAM	634	-26.8
COVENTRY	0	0
All UK reporting airports	**222,363,372**	**4.1**

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see also **Anna Aero passenger figures.**

Data for most UK airports for 2009, 2010 and 2011 compared to the same month a year earlier, showing % change

Anna-Aero-data-for-UK-airports-for-2009-2010-and-2011

Anna Aero European Airport Traffic Trends at http://www.anna.aero/european-airport-traffic-trends/

All of 2010

2010 figures compared to 2009 CAA 2010 statistics
(just the 20 airports with the most passengers shown)
Airport terminal passengers (excluding transit) for all UK reporting airports.
In 2010 there were approx 213,714,000 passengers, which is – 3.4% compared to 2009

	Passengers	% change
TOTAL OF UK AIRPORTS		
that have reported so far	213,714,279	– 3.4%
HEATHROW	65,745,250	– 0.2
GATWICK	31,342,263	– 3.1
STANSTED	18,563,016	– 7
MANCHESTER	17,662,873	– 5.2
LUTON	8,733,837	– 4.2
BIRMINGHAM	8,563,505	– 5.8
EDINBURGH	8,594,491	– 5
GLASGOW	6,521,765	– 9.6
BRISTOL	5,723,245	+ 1.9
LIVERPOOL	5,007,944	+ 2.6
BELFAST INTERNAT	4,010,972	– 11.6
NEWCASTLE	4,346,564	– 4.9
EAST MIDLANDS	4,110,581	– 11.7
ABERDEEN	2,763,491	– 7.4
LONDON CITY	2,780,582	– 0.6
BELFAST CITY	2,740,305	+ 4.5
LEEDS BRADFORD	2,723,833	+ 6.7
SOUTHAMPTON	1,733,553	– 3.1
JERSEY	1,428,798	– 2.2
PRESTWICK	1,659,946	– 8.7

More details ….. CAA statistics 2010 – 12
A year earlier: UK terminal passenger numbers were 218,126,313 in 2009 compared to 235,360,813 passengers in 2008.

Click here for CAA data for 2010 http://www.airportwatch.org.uk/news/detail.php?art_id=4226

Click here for CAA airport figures in 2009 for whole year, and month by month.

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Air Transport Movements from 2002 to 2012 at all UK airports

From CAA data

Air Transport Movements from 2002 to 2012 (2003, 2004, 2005 omitted – to save space) from http://www.caa.co.uk/docs/80/airport_data/2012Annual/Table_04_2_Air_Transport_Movements_2002_2012.pdf

(thousands)

Airport	2002	2006	2007	2008	2009	2010	2011	2012
HEATHROW	460,292	470,891	475,789	473,207	460,178	449,271	476,295	471,382
GATWICK	233,643	254,414	258,921	256,352	245,377	233,553	244,570	240,447
MANCHESTER	177,545	213,026	206,503	191,228	162,126	148,876	158,025	160,473
STANSTED	152,435	189,995	191,522	177,285	155,985	142,993	136,899	131,297
EDINBURGH	104,839	115,846	115,190	113,535	106,477	100,584	105,118	102,884
ABERDEEN	79,516	97,863	102,835	100,169	94,386	87,950	94,796	98,783
BIRMINGHAM	112,284	108,658	104,481	102,856	93,936	84,790	83,826	84,062
GLASGOW	87,312	96,754	93,668	86,647	74,051	68,871	69,932	72,287
LUTON	55,009	78,840	83,319	85,661	75,094	68,571	72,138	71,725
LONDON CITY	52,956	66,129	77,274	84,074	66,907	59,919	61,064	64,310
EAST MIDLANDS INTERNATIONAL	48,596	56,305	61,496	66,111	57,410	52,108	54,413	54,643
BRISTOL	45,829	65,825	58,741	60,068	53,796	53,788	52,670	50,654
NEWCASTLE	44,080	58,053	58,395	54,706	49,798	46,970	44,646	43,660
BELFAST INTERNATIONAL	38,453	48,212	51,805	53,631	44,060	39,230	37,308	39,120
SOUTHAMPTON	27,662	46,314	47,016	44,525	40,520	40,333	40,894	38,639
JERSEY	40,880	37,947	40,809	43,713	37,650	37,919	37,920	36,931
BELFAST CITY (GEORGE BEST)	37,072	36,862	39,925	40,205	37,604	38,701	40,556	35,921
LIVERPOOL (JOHN LENNON)	32,763	47,792	45,772	43,708	42,143	43,124	45,634	35,853
GUERNSEY	34,902	34,517	38,218	39,655	38,325	37,263	37,631	33,957
LEEDS BRADFORD	28,566	37,251	39,603	37,604	32,531	33,428	33,069	30,223
ISLE OF MAN	24,606	32,048	30,268	27,929	26,444	24,085	23,624	22,995
NORWICH	13,962	21,350	22,596	20,806	19,997	15,926	16,361	15,915
CARDIFF WALES	18,736	21,872	23,039	23,481	20,455	17,189	16,065	13,965
SCATSTA	10,295	11,409	11,269	10,696	12,656	12,700	13,032	13,626
HUMBERSIDE	14,833	13,157	13,490	12,960	14,195	13,410	12,843	12,518
EXETER	5,283	15,252	16,825	15,066	13,226	12,330	11,943	12,080
INVERNESS	9,632	16,575	15,054	13,537	11,696	9,608	10,171	10,377
ISLES OF SCILLY (ST.MARYS)	12,177	11,104	12,102	11,279	10,955	10,297	10,635	10,157
KIRKWALL	7,969	9,935	10,814	11,198	10,801	10,393	10,630	9,728
BLACKPOOL	7,768	12,622	12,688	10,630	10,888	9,589	8,897	9,607
PRESTWICK	15,221	19,405	20,336	20,397	15,464	13,100	9,563	8,152
SOUTHEND	233	562	878	869	75	64	1,259	7,268
BOURNEMOUTH	7,600	11,889	12,186	11,792	9,269	7,468	6,255	7,182
SUMBURGH	5,475	6,604	7,603	7,816	6,651	6,588	6,702	7,072
ALDERNEY	8,049	9,292	9,156	8,541	8,074	7,916	7,420	6,652
STORNOWAY	4,442	7,168	7,429	7,784	7,161	6,419	6,483	6,446
LANDS END (ST JUST)		4,430	5,108	4,752	5,282	5,238	5,495	5,785
NEWQUAY		9,983	10,262	12,229	12,658	11,454	6,906	4,747
DONCASTER SHEFFIELD		7,694	8,754	7,426	6,145	6,926	5,765	4,379
DURHAM TEES VALLEY	9,322	12,371	11,254	9,301	5,714	5,597	5,119	4,202
PENZANCE HELIPORT	6,806	6,300	6,477	6,038	4,904	4,838	4,495	3,444
CITY OF DERRY								

CITY OF DERRY (EGLINTON)	4,340	4,747	5,733	5,823	4,185	3,848	3,839	3,114
DUNDEE	2,762	2,339	3,188	3,644	3,936	3,646	2,843	2,706
BENBECULA	2,093	2,771	2,857	2,755	2,791	2,555	2,573	2,420
WICK JOHN O GROATS	2,383	2,661	2,273	2,141	2,206	1,948	2,093	2,152
ISLES OF SCILLY (TRESCO)	2,346	2,588	2,690	2,578	2,124	2,072	1,856	1,560
LERWICK (TINGWALL)	587	1,462	1,667	1,545	1,629	1,408	1,539	1,545
GLOUCESTERSHIRE	5	4	452	1,652	1,751	1,518	1,306	1,402
ISLAY	1,130	1,307	1,345	1,477	1,279	1,410	1,564	1,353
BARRA	1,092	1,118	1,176	1,249	1,196	1,177	1,179	1,254
CAMPBELTOWN	980	962	972	978	961	910	963	953
TIREE	612	601	606	798	957	860	939	885
COVENTRY	3,860	8,177	7,496	4,415	1,117	-	196	738
OXFORD (KIDLINGTON)					80	91	68	715
MANSTON (KENT INT)	805	461	608	540	583	1,151	1,472	687
SHOREHAM	679	1,405	2,175	1,507	585	564	563	435
LYDD	365	329	351	263	137	119	102	97
CAMBRIDGE	83	121	69	41	38	30	10	63
BIGGIN HILL	125	6	-	-	-	-	-	-
CARLISLE	7	-	-	-	-	-	-	-
HAWARDEN	88	-	-	-	-	-	-	-
SWANSEA		-	-	-	-	-	-	-
BEMBRIDGE	-	-	-	-	-	-		
PLYMOUTH	4,738	4,661	4,662	6,223	8,054	6,984	2,197	
ROCHESTER (UK)								
SHEFFIELD CITY	771							
Total of UK reporting airports	**1 998**	**2 344**	**2 379**	**2 327**	**2 124**	**2 002**	**2 046**	**2 015**

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Terminal Passengers from 2002 to 2012 at all UK airports

From CAA data

Air Transport Movements from 2002 to 2012 (2003, 2004, 2005 omitted – to save space) from

http://www.caa.co.uk/docs/80/airport_data/2012Annual/Table_10_3_Terminal_Pax_2002_2012.pdf

Airport	2002	2006	2007	2008	2009	2010	2011	2012
HEATHROW	63,035,489	67,339,227	67,852,387	66,906,954	65,906,641	65,745,250	69,390,591	69,983,139
GATWICK	29,517,894	34,080,345	35,165,404	34,162,014	32,360,773	31,342,263	33,643,989	34,218,668

MANCHESTER	18,617,769	22,123,762	21,891,723	21,062,749	18,630,394	17,662,699	18,806,655	19,654,100
STANSTED	16,048,700	23,680,352	23,759,250	22,340,375	19,949,689	18,561,598	18,047,403	17,464,792
LUTON	6,474,224	9,414,829	9,919,361	10,173,902	9,115,327	8,733,837	9,509,915	9,614,175
EDINBURGH	6,911,152	8,606,651	9,037,200	8,992,178	9,043,452	8,594,449	9,383,695	9,194,334
BIRMINGHAM	7,911,368	9,056,004	9,134,055	9,576,700	9,093,201	8,563,505	8,608,192	8,916,209
GLASGOW	7,768,573	8,820,462	8,726,013	8,135,260	7,213,397	6,521,765	6,858,268	7,150,095
BRISTOL	3,415,353	5,710,222	5,883,856	6,228,656	5,615,200	5,723,182	5,767,628	5,916,258
LIVERPOOL (JOHN LENNON)	2,835,088	4,962,460	5,463,234	5,329,826	4,879,468	5,007,944	5,246,540	4,458,500
NEWCASTLE	3,387,222	5,407,362	5,623,607	5,016,640	4,568,619	4,345,952	4,336,304	4,354,648
BELFAST INTERNATIONAL	3,551,103	5,015,264	5,236,055	5,222,839	4,536,498	4,010,972	4,101,914	4,312,441
EAST MIDLANDS INTERNATIONAL	3,232,834	4,720,819	5,406,504	5,616,278	4,652,691	4,110,529	4,208,402	4,067,915
ABERDEEN	2,549,333	3,162,624	3,411,140	3,290,236	2,983,793	2,763,491	3,082,575	3,328,533
LONDON CITY	1,602,335	2,358,159	2,912,123	3,260,225	2,796,890	2,780,582	2,992,847	3,016,664
LEEDS BRADFORD	1,525,858	2,787,217	2,859,858	2,860,447	2,552,597	2,723,833	2,936,988	2,968,700
BELFAST CITY (GEORGE BEST)	1,889,692	2,105,597	2,186,867	2,570,741	2,621,733	2,740,305	2,397,270	2,246,202
SOUTHAMPTON	788,316	1,912,702	1,965,422	1,945,767	1,789,443	1,733,553	1,761,961	1,693,350
JERSEY	1,455,201	1,479,159	1,546,019	1,591,032	1,460,972	1,428,798	1,460,911	1,441,671
PRESTWICK	1,486,384	2,394,928	2,420,709	2,414,019	1,817,286	1,659,946	1,295,512	1,066,917
CARDIFF WALES	1,416,016	1,993,097	2,093,507	1,978,719	1,624,730	1,397,864	1,208,268	1,013,386
GUERNSEY	834,740	864,764	886,751	914,742	902,040	885,945	899,857	862,330
ISLE OF MAN	718,509	782,882	753,359	754,387	707,506	674,483	700,547	695,610
EXETER	336,458	970,614	1,012,493	951,265	789,733	736,680	709,314	694,963
DONCASTER SHEFFIELD		947,150	1,074,373	967,801	834,636	875,605	821,615	693,129
BOURNEMOUTH	391,938	960,773	1,083,379	1,078,941	868,445	749,790	612,547	689,755
SOUTHEND	4,959	30,222	49,311	44,075	3,948	3,583	42,439	616,974
INVERNESS	363,415	670,894	697,480	670,752	583,374	528,447	579,123	601,550
CITY OF DERRY (EGLINTON)	199,146	341,531	427,586	438,996	345,857	338,505	405,568	398,209
NORWICH	423,617	745,192	699,359	582,973	429,542	425,662	413,837	396,646
SCATSTA	246,906	255,147	252,894	243,041	269,754	279,442	288,225	304,426
BLACKPOOL	70,385	552,641	557,636	439,199	276,860	235,340	235,682	235,191
HUMBERSIDE	490,239	515,889	465,872	424,402	335,149	282,583	273,096	233,589
NEWQUAY		343,143	352,548	430,893	347,036	285,271	209,574	166,272
DURHAM TEES VALLEY	669,068	911,925	734,849	646,741	288,296	224,673	190,284	164,826
SUMBURGH	127,405	128,233	146,960	154,011	139,146	139,171	142,615	148,861
KIRKWALL	98,314	116,837	131,903	137,616	138,383	129,022	133,930	132,235
STORNOWAY	93,492	120,288	126,203	130,888	122,475	112,226	122,439	115,860
ISLES OF SCILLY (ST.MARYS)	146,363	128,093	130,778	122,863	118,695	113,365	112,218	97,012
ALDERNEY	72,855	76,806	79,087	77,104	74,835	70,012	69,546	64,165
PENZANCE HELIPORT	135,891	93,958	115,998	98,360	85,911	89,469	75,206	61,747
DUNDEE	45,323	51,496	65,419	60,929	72,466	70,360	61,648	54,642
LANDS END (ST JUST)		23,380	28,278	26,341	34,442	29,509	33,098	31,964
BENBECULA	31,534	33,433	34,992	33,595	32,692	30,023	34,240	30,849
WICK JOHN O								

GROATS	17,840	19,538	20,784	23,430	21,460	22,299	24,262	24,920
ISLES OF SCILLY (TRESCO)	41,983	41,906	40,730	37,009	32,043	32,113	40,628	24,175
ISLAY	20,669	26,218	28,406	29,136	26,285	24,946	25,784	21,230
GLOUCESTERSHIRE	195	166	5,324	19,830	20,220	16,238	14,737	15,245
BARRA	8,285	9,808	10,415	10,705	10,182	10,192	10,482	11,414
CAMPBELTOWN	8,193	8,928	8,901	9,090	9,389	8,682	9,201	8,689
MANSTON (KENT INT)	52	9,845	15,556	11,625	5,335	25,692	37,169	8,262
TIREE	5,295	7,016	7,807	8,419	8,202	7,859	8,310	7,317
OXFORD (KIDLINGTON)					1,297	2,186	1,491	6,577
LERWICK (TINGWALL)	2,068	4,438	5,059	4,854	4,709	4,609	5,181	5,041
CAMBRIDGE	1,206	1,391	2,151	1,854	1,307	916	597	2,130
SHOREHAM	451	4,508	8,026	5,041	1,213	866	634	480
LYDD	3,088	2,754	2,696	1,673	588	485	496	445
COVENTRY	3,941	609,859	598,916	331,022	167		-	-
BIGGIN HILL	1,144	220						
CARLISLE	62							
HAWARDEN	1,906	-						
PLYMOUTH	75,707	76,568	78,156	98,918	115,254	96,498	28,834	
SWANSEA								
BARROW-IN-FURNESS	-	-						
SHEFFIELD CITY	13,104							
Total all UK reporting airports	**188,031,000**	**234,416,000**	**239,970,000**	**235,361,000**	**218,126,000**	**210,656,000**	**219,289,000**	**220,644,000**

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Magazine

Who, what, why: How can an airport run out of fuel?

7 June 2012

Manchester Airport ran out of fuel yesterday, delaying more than a dozen flights. But how does an airport run dry?

Airports are in the business of getting planes into the air. That means refuelling aircraft on the ground. So when Manchester Airport ran out of fuel this week and planes were delayed, it prompted questions about how airports receive their fuel.

Manchester gets through three million litres of aviation fuel a day. It arrives by pipeline from the Essar refinery near Ellesmere Port in Cheshire.

But a production problem meant that fuel stopped being pumped to the airport early on Wednesday morning. The 30-mile pipeline is the airport's only source of aviation fuel, every

day transporting the equivalent of 79 road tankers' worth of fuel, but suddenly the flow of fuel dried up.

Usually the airport has between 12 and 24 hours of spare capacity. But the Jubilee weekend had been very busy with about 300,000 people flying over the four days, a spokesman said. And by 17:15 BST the fuel had run out.

Fuel began flowing again at the refinery at about the same time. But it takes 4-6 hours for it to travel down the 30-mile pipeline. It then needs two hours to settle as it is pumped at high pressure.

Manchester's empty tanks led to 13 flights being delayed, while 17 departures from Manchester also made a stop at other UK airports to top up fuel before completing their journey.

The incident shows up Manchester's reliance on a single source for its fuel. In contrast, Heathrow Airport has access to more than one refinery, is supplied by multiple pipelines and has access to tankers. A Heathrow spokeswoman said the airport had "days worth" of fuel in storage but refused to give an exact figure.

A bigger tank at Manchester Airport or an intermediate storage centre somewhere along the pipeline would allow the airport to store more. So why not plan for contingencies like a problem at the refinery?

Cost is the main reason. An airport wanting to store a week's worth of fuel would need to create huge storage tanks where the fuel was kept safely. And such incidents are so rare that the cost of stockpiling has to be balanced against the low probability of a shortage occurring. The vast majority of the time, the space would be totally unnecessary.

Until this incident Manchester had had no problems with getting fuel. Indeed the direct pipeline from the Essar refinery meant that during recent fuel blockades when motorists and public services were hit, the airport received an uninterrupted flow of fuel.

"The pipeline has been there since the 1960s and this is the first time that this has happened," the spokesman says.

"We've been asked why we didn't have road tankers on standby. But to have 79 road tankers on standby in case something new happens is a bit unrealistic."

David Learmount, operations and safety editor at Flight International, says the incident showed a lack of "lateral thinking" at the airport. "I've never heard of it happening before. An airport running out of fuel for aircraft is unique."

To rely purely on one source of aviation fuel is a mistake, he says. "There should be a Plan B - tankers, greater storage capacity or a second pipeline with independent pumping."

He is unconvinced by the argument that the pipeline has been operating for over 40 years with no hitch. "Manchester Airport in the 60s was like Sleepy Hollow compared to now. If they haven't advanced since then, questions need to be asked. What lateral thinking are they doing?"

There will always be a debate about what the right balance is when planning for such contingencies. But there's no getting around the fact - running out of fuel is an embarrassment an airport can do without.

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AAIB
Air Accidents Investigation Branch

Annual Safety Review 2017

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Foreword

The AAIB's purpose is to improve aviation safety by determining the circumstances and causes of air accidents and serious incidents, and promoting action to prevent reoccurrence. I am pleased to introduce the AAIB's 2017 Annual Safety Review which includes information on our activity and progress on the status of Safety Recommendations that were published in 2017.

The AAIB received 708 occurrence notifications in 2017 and deployed 38 times to conduct field investigations, 16 of which were fatal accidents in the UK resulting in 28 deaths. A further 204 investigations were conducted by correspondence. Most of the fatal accidents involved General Aviation with the dominant causal factors again being loss of control in flight and weather-related issues. In this Review, analysis has been presented of 72 fatal accidents which occurred between 2010-2015 to highlight the most common causes and draw attention to the extensive advice that is available to help pilots avoid the circumstances that all too often lead to accidents.

In 2017 the AAIB deployed to 7 accidents overseas, including to Norway, Ireland, Holland, the USA, the British Virgin Islands and the Turks and Caicos Islands, and participated in 98 other international investigations as the UK's Accredited Representative or Expert.

2017 was notable as a year in which there were no fatal accidents involving a passenger jet airliner anywhere in the world; a very welcome statistic. However, 2 passenger airliner accidents in February 2018 unfortunately provides a reality check that such catastrophes are not a thing of the past, and a forceful reminder of the human cost of such tragedies. The need to learn from accidents is as pressing as ever. But so too is the need to learn from serious incidents (which, by definition, were nearly accidents) to establish why safety margins were compromised and promote action to address any weaknesses in the system.

AAIB published 3 Special Bulletins in 2017, which each related to occurrences where the outcome was much less severe than it might have been, largely due to good fortune; two of them involved Commercial Air Transport. The AAIB is investigating these occurrences with as much rigour as if the outcome had been catastrophic to ensure the safety issues are fully understood and addressed.

In March 2017, the AAIB published its Final Report on the accident involving the Hawker Hunter aircraft which crashed on to the A27 Shoreham Bypass, while performing at the Shoreham Airshow in 2015, fatally injuring 11 road users and bystanders. A further 35 Field Investigations were concluded in 2017, and an update on the responses to all 29 Safety

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Recommendations made in 2017 is provided in this Review. This Review also summarises 99 significant Safety Actions undertaken by manufacturers, operators and regulators, following close engagement with AAIB inspectors.

The AAIB must continually develop its capabilities and relationships to ensure it is ready for current and future challenges. During 2017 the AAIB completed a major review of its strategy and established priority areas for development. One example is the further strengthening of the Branch's human factors investigation capability by the recruitment of a specialist into the newly established Inspector of Air Accidents (Human Factors) discipline, and an article on this is included in this Review. Other ongoing measures include the further development of techniques for investigating accidents involving unmanned air systems, and preparing the AAIB for the advent of launches into space from the UK. In 2018 our new regulations will be laid before Parliament and we will conduct a comprehensive survey of our stakeholders to inform the further development of our working practices and our outputs. We look forward to your feedback.

In the meantime, there is a lot of information in this Annual Safety Review which I trust you will find informative and useful.

Crispin Orr
Chief Inspector of Air Accidents

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Boeing 737-4Q8, OE-IAG
Belfast International (Aldergrove) Airport
4 October 2016

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AAIB General Aviation Fatal Accident Review

Introduction / Overview

The AAIB has conducted a review of fatal General Aviation (GA) accident reports it published between 2010 and 2015, inclusive. The total number of accidents was 72, resulting in 105 fatalities. Of these accidents, 63 involved fixed wing aircraft and 9 rotary wing. Almost half the accidents were attributed to loss of control in flight.

This article is intended to provide pilots with a summary of the most common causes of GA fatal accidents in the UK, so that lessons may be learnt and actions taken to prevent similar accidents in the future.

Summary of events

Figure 1 shows a breakdown of the dominant causal factors in these accidents:

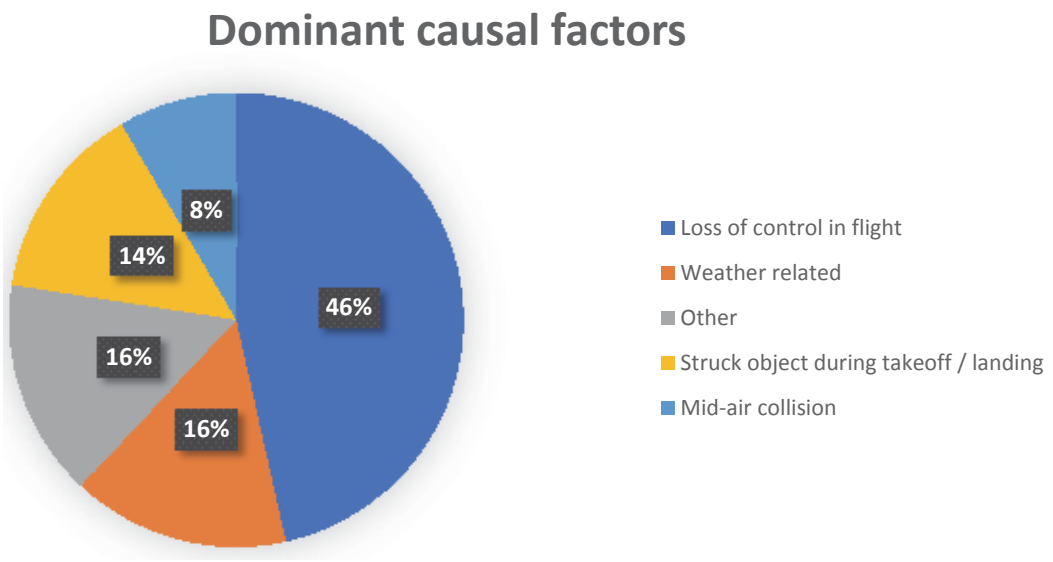

Figure 1

Analysis and commentary

Loss of Control

The predominant causal factor was loss of control in flight, which accounted for almost half of the accidents. Of these, most involved the aircraft entering an inadvertent stall and/or spin following engine failure, or during aerobatics.

The UK CAA has published a Handling Sense Leaflet to increase stall/spin awareness:

http://publicapps.caa.co.uk/docs/33/ga_srg_09webHSL02.pdf

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Where the accident involved a complete or partial engine failure, the loss of control was often associated with inadequate airspeed, particularly whilst manoeuvring at low level (Figure 2).

Figure 2

Cessna 150F, G-ATKF
Hinton-in-the-Hedges Airfield, Northamptonshire
4 September 2015

Pilots are taught in the PPL syllabus how to handle a complete engine failure, but the more insidious partial engine failure is not normally covered during training. Recognising this, the Australian Transport Safety Bureau has published a safety leaflet on managing partial power loss after takeoff in single engine aircraft:

http://www.atsb.gov.au/publications/2010/avoidable-3-ar-2010-055/

Common features of the aerobatic accidents were a lack of pilot training and experience in aerobatics and insufficient height to recover when the planned manoeuvre was unsuccessful.

The CAA has published a Safety Sense Leaflet that contains pertinent information to consider before engaging in aerobatics:

http://publicapps.caa.co.uk/docs/33/20130121SSL19.pdf

Weather

A significant number of the accidents reviewed in this study were weather-related. Common themes were: collision with terrain due to flying below the minimum safe altitude (MSA) in IMC (Figure 3) and flying in IMC without the appropriate training and qualifications. Whilst new technology has undoubtedly made the tasks of flight planning and navigation easier, poor weather remains a constant threat to GA pilots and should not be underestimated.

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Figure 3

Piper PA-28-140 Cherokee, G-BHXK
Near Loch Etive, Oban, Argyll and Bute
4 April 2015

The ATSB has published a safety leaflet on Visual Flight Rules pilots who enter Instrument Meteorological Conditions:

http://www.atsb.gov.au/publications/2011/avoidable-4-ar-2011-050/

Collision with objects during takeoff or landing

The majority of accidents in this category involved collision with power cables or trees, often at unlicensed airfields.

Operating to such airfields can be more challenging and the CAA has published a Safety Sense Leaflet to highlight appropriate considerations when operating from an unlicensed or private airstrip:

http://publicapps.caa.co.uk/docs/33/20130121SSL12.pdf

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Mid-air collisions

Of the six accidents in this category, three occurred whilst in the circuit and the others in uncontrolled airspace.

The CAA has published a safety poster that aims to remind pilots of the standard overhead join by means of a simple pictorial representation:

http://publicapps.caa.co.uk/docs/33/ga_srgwebStandardOverheadJoinPosterJan09.pdf

The CAA has also published a Safety Sense Leaflet providing an overview of the principles of see-and-avoid and highlighting the importance of maintaining an effective visual scan:

http://publicapps.caa.co.uk/docs/33/20130121SSL13.pdf

Other

In this category no specific trend was identified which could help prevent future accidents.

Other resources

In addition to the links already provided, further safety information is available from the following sources:

Refresher or further training with an instructor

Flying skills are perishable. Flying instructors can provide knowledge on specific safety issues and valuable training to help pilots improve their skills.

CAA Publications

CAA safety information for recreational flying can be found at the following link:

https://www.caa.co.uk/General-aviation/Safety-information/Safety-information/

CAA Handling and Safety Sense Leaflets cover a wide range of topics summarising key safety points and techniques relevant to GA pilots. Leaflets are available to download here:

http://publicapps.caa.co.uk/modalapplication.aspx?appid=11&mode=list&type=sercat&id=21

The CAA 'Skyway Code' provides private pilots with practical guidance on operational, safety and regulatory issues related to their flying:

https://www.caa.co.uk/General-aviation/Safety-information/The-Skyway-Code/

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General Aviation Safety Council (GASCo) Safety Evenings

These are designed to provide an opportunity for pilots to reflect on GA safety as it affects them and the people they fly with. The aim is to facilitate an exchange of views on how to improve flight safety by sharing information, thoughts and ideas.

The title of GASCo's current presentation is '*Aware Today, Alive Tomorrow*'. It addresses maintaining situational awareness and the use of threat and error management to prevent loss of control accidents, mid-air collisions and airspace infringements.

GASCo website : http://www.gasco.org.uk/

Safety evenings : http://www.gasco.org.uk/safety-evenings.aspx

Sud-Aviation SE-313B Alouette II, HA-PPC
Breighton Aerodrome, Yorkshire
17 July 2016

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Boeing 737-476(SF), EI-STD
East Midlands Airport
29 April 2014

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Human Factors in Accident Investigation

Introduction

As air accident investigators our job can often be as much about trying to understand the human contribution to an accident or incident, as it is about trying to understand the technical contribution. It can be a common misconception to think that the human involvement lies only with those most recently involved in the moments leading up to an accident, for example the pilot who happens to be at the controls at the time of the accident, the air traffic controller who issued the last clearance or the engineer or who last worked on the aircraft. However, people in operational roles often inherit decisions, policies and procedures that may have been made or implemented many years before. And they may have to carry out complex tasks involving competing priorities and variable threats in a constantly changing work environment. It is important therefore that an accident or incident investigation explores all of the aspects which have the potential to influence how an individual executes a task on any given day.

Slingsby T67M Mk II Firefly, G-BNSO
Whitwell-on-the-Hill, North Yorkshire
30 April 2016

Human factors v human error

Human error, in isolation, is not an acceptable conclusion for accident investigation. Instead, identifying the presence of human error, or human performance that was not as expected, should be the starting point for an investigation. As investigators we need to look at all the human interactions and organisational influences that may have contributed to an accident, whether those be in the immediate lead-up to an accident or further back in time. When examining these issues we have the gift of hindsight, which is not something those involved at the time of an accident possess. It is therefore vital that rather than looking back in time, scrutinising someone's actions and trying to understand them based on what we now know, we instead need to put ourselves in their shoes and understand how the situation unfolded in their eyes - what information did they have available to them at the time, what threats were they managing, how had they been trained, what condition was the equipment in? Only in this way can we attempt to work out why an individual's thoughts, actions and behaviours may have made perfect sense to them at the time. It is only when we gain proper insight into these issues that we can identify the areas that will deliver the most meaningful safety improvements.

What is 'normal'?

We must also strive to understand what 'normal' looks like. People may routinely employ work-arounds and adaptations to facilitate the smooth running of an operation, however if we only consider these in the context of the circumstances of an accident we might fail to appreciate how such actions form a normal part of the operation and routinely deliver

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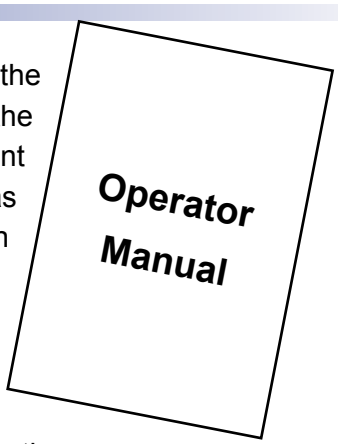

a safe outcome. Understanding how such tasks are normally executed by the individuals involved, and by other individuals, can provide relevant context to the investigation. And of course, it is also equally important to understand what went right as well as what went wrong, for example, what safety features worked as intended or what human interventions prevented the outcome from being even worse.

Historically

Historically the AAIB has often relied on external human factors expertise to support its investigations on a case-by-case basis. However, in recent years the AAIB has been taking steps to enhance its capability in the field of investigating human factors and human performance, including the establishment of an internal human factors working group in 2013. Included in the working group's activities were a review of how other safety investigation agencies are resourced to investigate human performance aspects, identification of suitable human factors training provision for AAIB inspectors and creation of a database of external HF expertise in specialist areas. Inspectors come to the AAIB with a wide range of aviation industry experience, and this includes some with a wealth of human factors knowledge and others with less knowledge in this area. The training identified by the working group has served to update and refresh inspectors' knowledge on the investigation of human factors and human performance issues, as well as bringing the inspectorate to a common baseline on current thinking in this field. By March 2017 all AAIB inspectors had undertaken this training and it is a mandatory requirement for all new joiners.

Human factors today

In late 2017 the AAIB embarked upon a campaign to recruit its first dedicated in-house human factors specialist. This involved the creation of a new investigation discipline within the AAIB, adding to the established disciplines of operations, engineering and flight data recording. The new Inspector of Air Accidents (Human Factors) will take up post in April 2018 and the AAIB is looking forward to integrating this new capability into our existing investigation activities and to the new opportunities that this will bring. There will still of course be a need for assistance from external specialist human factors expertise from time to time to support AAIB investigations – the field of human factors is vast and it would be impossible for any human factors practitioner to be expert in all of the many different facets of human factors. The AAIB will therefore continue to seek external expertise as appropriate under the direction of the Human Factors Inspector.

Accident Investigation Branch collaboration

In addition, over the last few years the AAIB has been working closely with colleagues from the Rail and Marine Accident Investigation Branches (RAIB and MAIB) via a tri-Branch human factors working group. While technology, procedures and operating environment can differ greatly between the transport modes, the fundamentals of human performance

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in a complex or safety-critical operational environment remain the same. The cross-branch working group therefore strives to exchange experiences, learning and expertise relevant to the investigation of human factors and human performance aspects, consider ways in which human factors capability can be developed across and within the three Branches and to explore ways of developing the competence of inspectors to investigate human factors aspects. The RAIB has recruited an Investigation Support Officer who will carry out human factors research in support of investigations across the three Branches.

Conclusion

Truly getting to grips with the human performance and organisational aspects of an air accident is an integral part of the AAIB's role and the AAIB has been taking steps to enhance its capability in these areas over recent years. Recruitment of a dedicated Inspector of Air Accidents (Human Factors) is an important and defining step on this journey, and we look forward to reporting further on our progress in this field in future Annual Reports, as we continue to shape and develop this evolving capability.

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SZD-24-4A Foka 4, G-DBZZ

Bicester Airfield, Oxfordshire
8 August 2010

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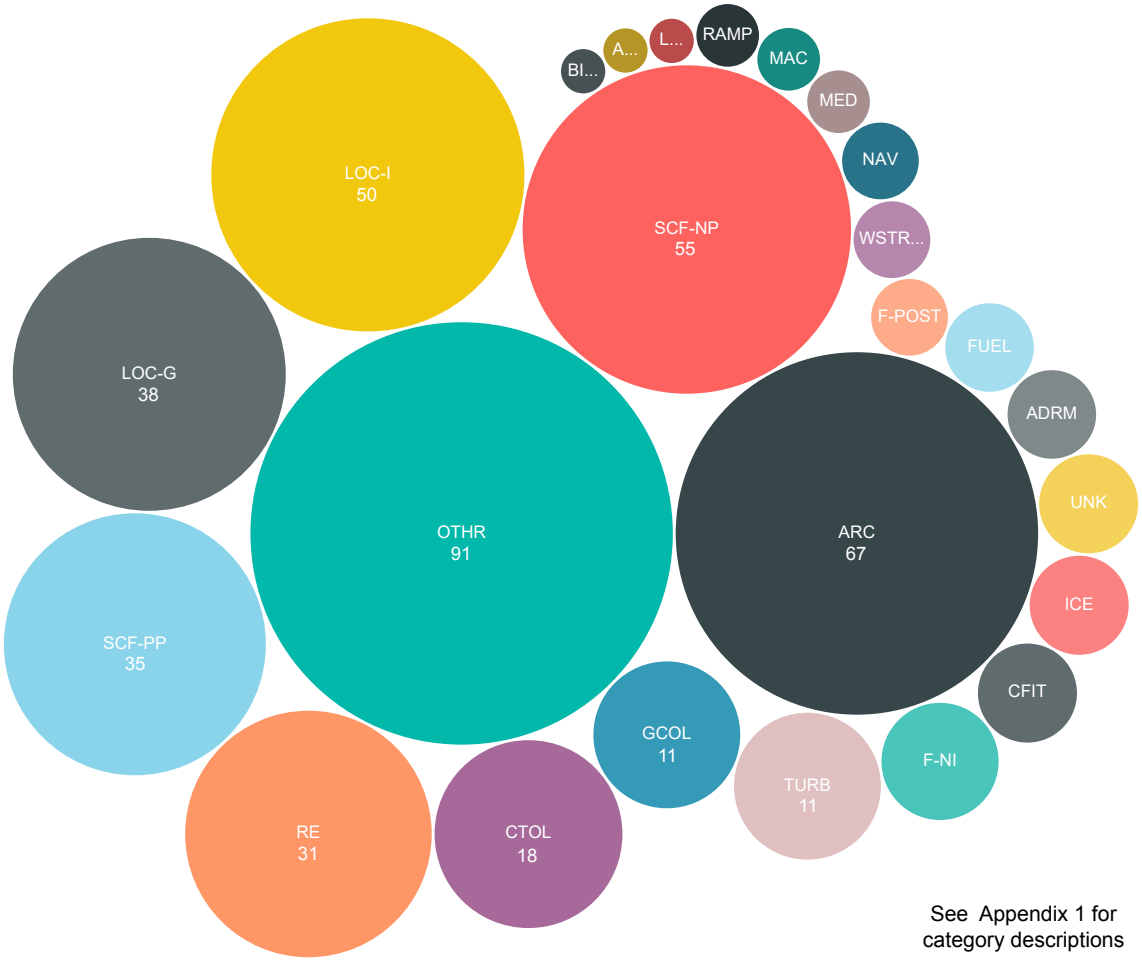
CICTT Factors on Investigations by the AAIB in 2017

Every occurrence in the UK is recorded on the European Central Repository (ECCAIRS) and is coded using the occurrence taxonomy defined by the CAST/ICAO Common Taxonomy Team (CICTT). This is a worldwide standard taxonomy to permit analysis of data in support of safety initiatives. In the UK the coding of occurrences is carried out by the CAA. It should be noted that they are recorded as multiple factors, for example turbulence (TURB) leading to loss of control in flight (LOC-I). Similarly, other (OTHER) is also used and may include maintenance manual errors or human factors, aspects that do not have specific classifications.



See Appendix 1 for category descriptions

Factors for all investigations reported on by AAIB in 2017

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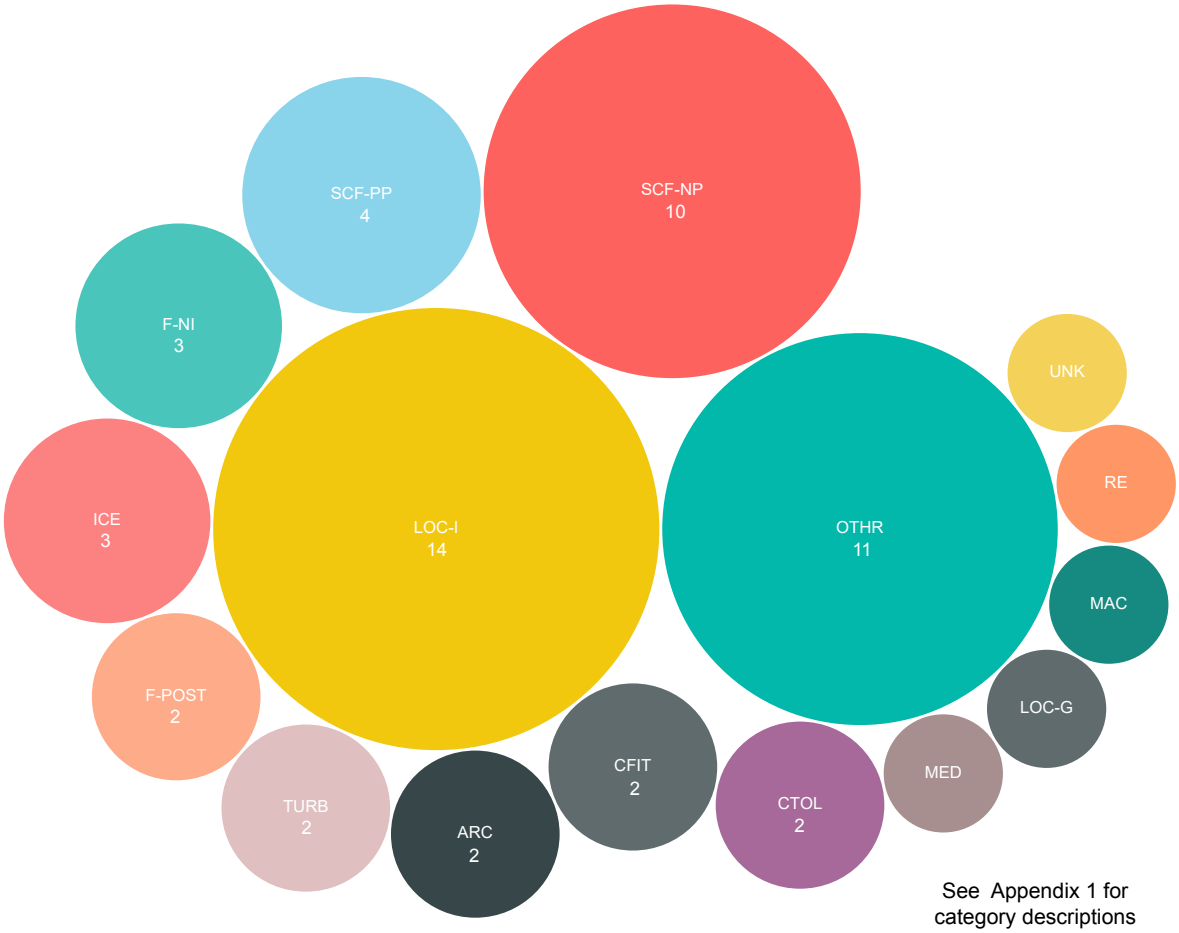
Field investigations



Factors for field investigations reported on by AAIB in 2017

In 2017 the AAIB reported on 38 field investigations, 16 of which were fatal accidents in the UK and 22 were non-fatal accidents or serious incidents. The analysis of the CICTT factors for each of these reveal that the overall major factor in fatal accidents reported on in 2017 was LOC-I.

The 22 non-fatal field investigations that were reported on in 2017 were mostly on serious incidents to commercial air transport (CAT) aircraft. The majority of CAT serious incidents were attributed to other followed by system/component failure or malfunction non powerplant (SCF-NP). However, in general aviation (GA) private flying, the statistics show the most prolific cause of accidents and serious incidents was again LOC-I.

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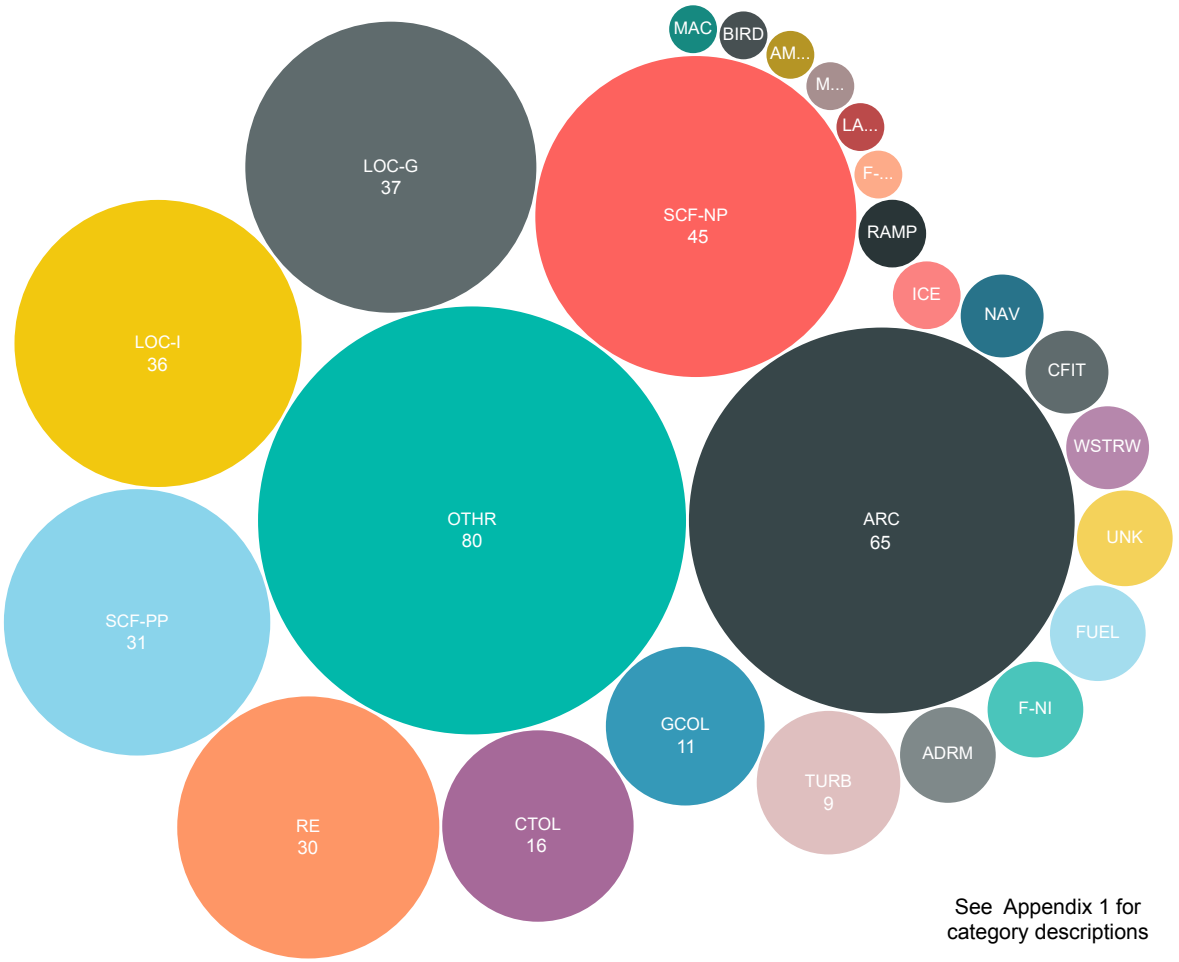
Correspondence investigations



See Appendix 1 for category descriptions

Factors for correspondence investigations reported on by AAIB in 2017

Correspondence investigations are usually conducted on non-fatal accidents on GA aircraft and to some serious incidents on CAT aircraft. The factors most predominant in these occurrences were classified as other followed by abnormal contact with the ground (ARC).

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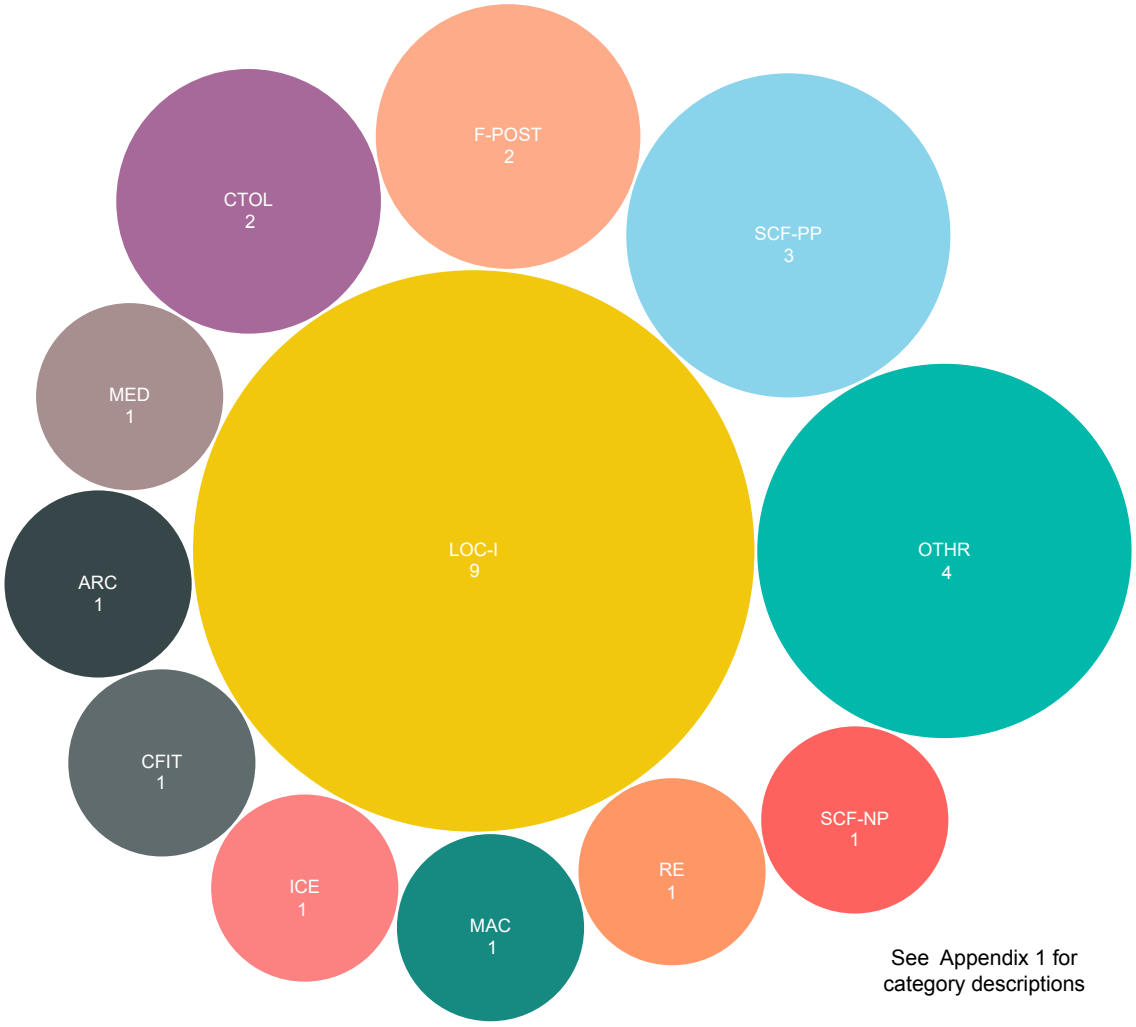
Fatal investigations



Factors for fatal investigations reported on by AAIB in 2017

The predominant cause of fatal accidents in general aviation, in common with previous years, was loss of control in flight (LOC-I). The article at the beginning of this Annual Safety Review explores the reasons behind this in more detail.

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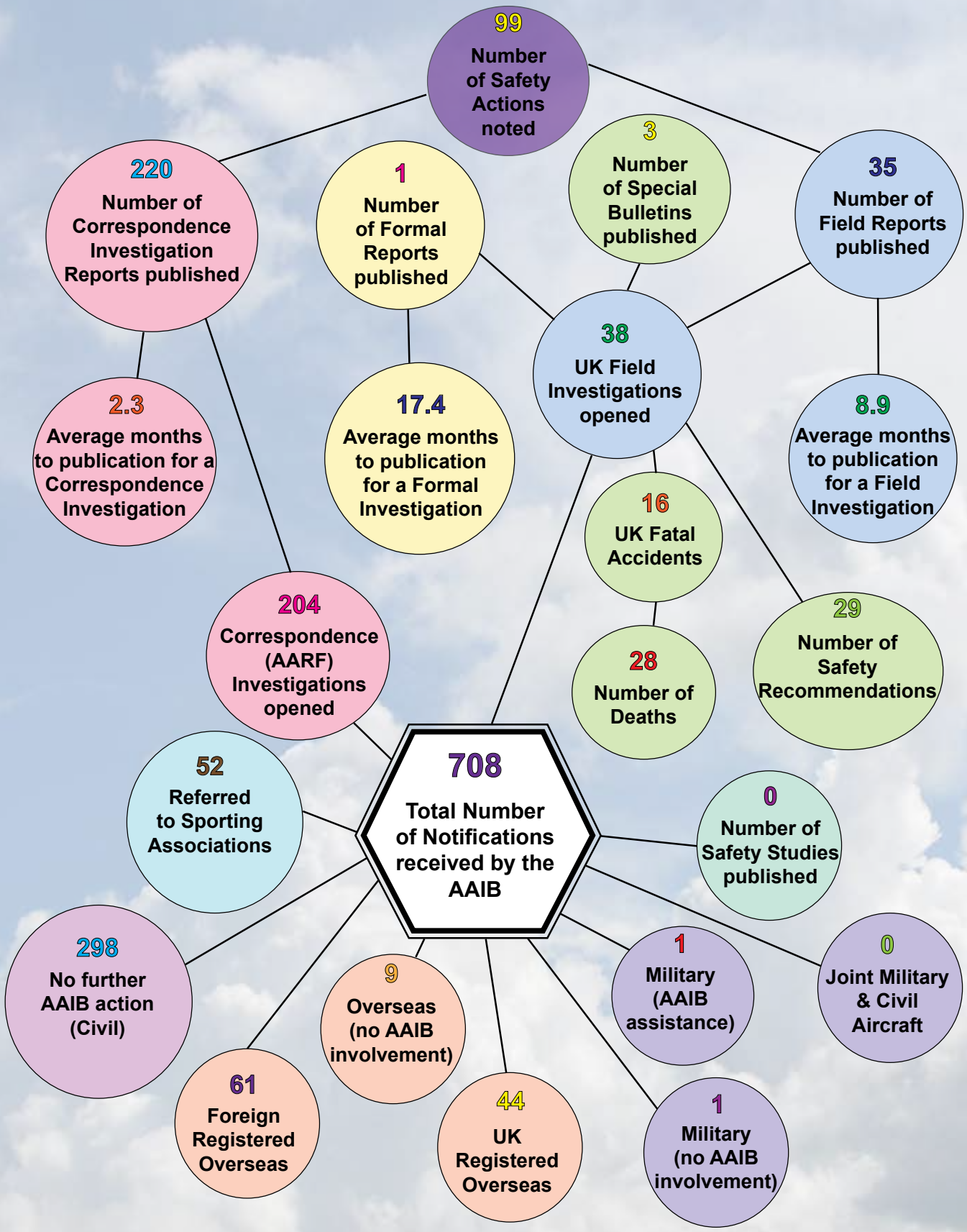
Statistics for 2017

An overview of what we were involved with during 2017 can be seen below:



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Introduction

The following pages provide the statistics for 2017, 2016 and 2015, for accidents and serious incidents involving the Air Accidents Investigation Branch.

An explanation of the categories is as follows:

Category	Definition
UK Aircraft overseas	Investigations involving UK registered aircraft, or aircraft registered in one of the UK Overseas Territories or Crown Dependencies, occurring in a Foreign State where the AAIB has participated in the capacity as the Accredited Representative in accordance with ICAO Annex 13.
Foreign Aircraft overseas	Accidents and serious incident investigations to Foreign registered aircraft occurring in a Foreign State where the AAIB has participated in the capacity as the Accredited Representative or Expert in accordance with ICAO Annex 13.
UK Field Investigations	Investigations involving the deployment of a 'Field' team within the UK or to one of the UK Overseas Territories or Crown Dependencies and those investigations where a team has not deployed but Safety Recommendations are made. Also includes investigations which have been delegated to the AAIB by another State.
Military with AAIB Assistance	Where an MoD Service Inquiry is convened following an accident / serious incident to a Military aircraft and an AAIB Inspector is appointed to assist.
AARF Investigations	Investigations conducted by correspondence only using an Aircraft Accident Report Form (AARF) completed by the aircraft commander.
Overseas (no AAIB)	Notifications to the AAIB of an overseas event which has no AAIB involvement.
Referrals to Sporting Associations	Investigations referred to the relevant UK Sporting Associations.
No further AAIB action (Civil)	Occurrences notified to the AAIB involving civil registered aircraft which do not satisfy the criteria of an accident or serious incident in accordance with the Regulations.
Military (no AAIB inv)	Notifications to the AAIB concerning Military aircraft with no AAIB involvement.

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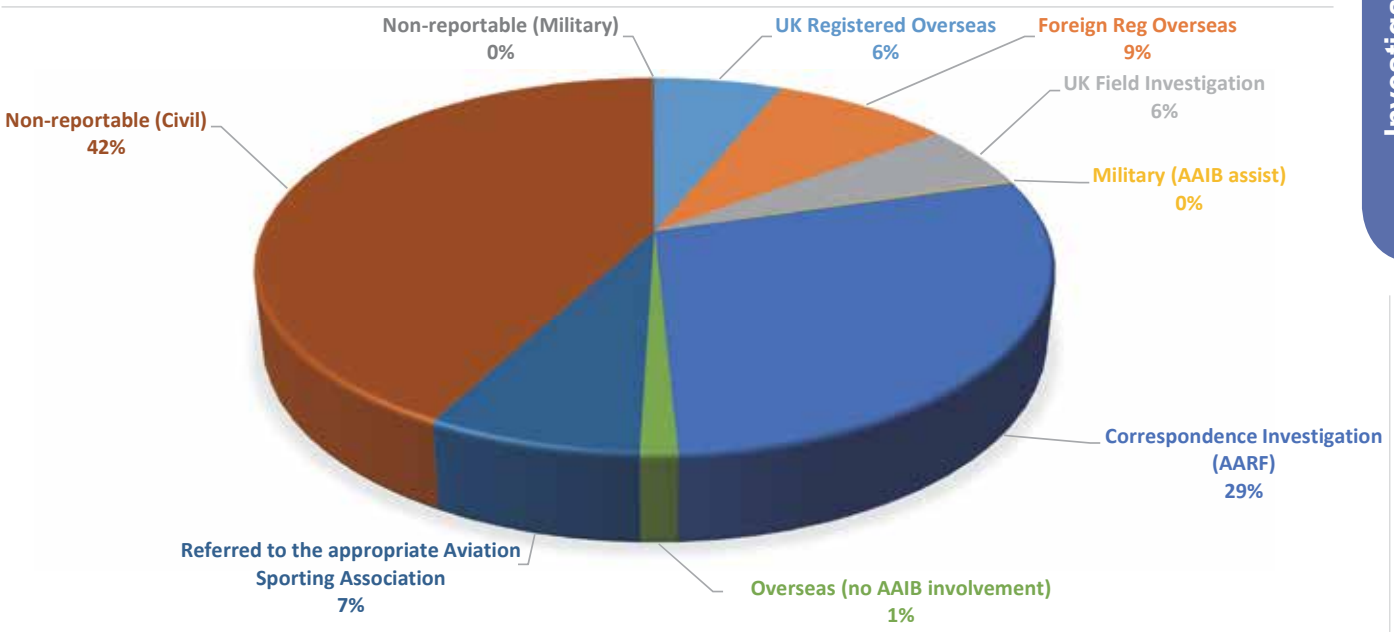
Notifications 2017

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
UK Registered Overseas	5	4	3	4	5	4	6	2	5	4	2	0	44
Foreign Reg Overseas	3	3	4	9	6	7	8	4	5	2	3	7	61
UK Field Investigations	2	3	4	2	6	3	2	4	5	1	2	4	38
Military (AAIB Assistance)	0	0	0	0	0	1	0	0	0	0	0	0	1
Correspondence Investigations (AARF)	9	7	15	15	36	29	24	25	17	11	10	6	204
Overseas (no AAIB involvement)	2	1	0	1	0	0	1	1	1	1	0	1	9
Referred to the appropriate Aviation Sporting Association	4	2	1	5	9	9	4	9	3	2	2	2	52
No further AAIB action (civil)	15	19	24	22	22	29	33	27	32	34	18	23	298
Military (no AAIB involvement)	0	1	0	0	0	0	0	0	0	0	0	0	1
Total	**40**	**40**	**51**	**58**	**84**	**82**	**78**	**72**	**69**	**55**	**37**	**43**	**708**
UK Fatal accidents	**1**	**0**	**1**	**1**	**3**	**2**	**1**	**1**	**3**	**0**	**1**	**2**	**16**
Number of deaths	**1**	**0**	**5**	**1**	**4**	**2**	**2**	**2**	**4**	**0**	**4**	**3**	**28**



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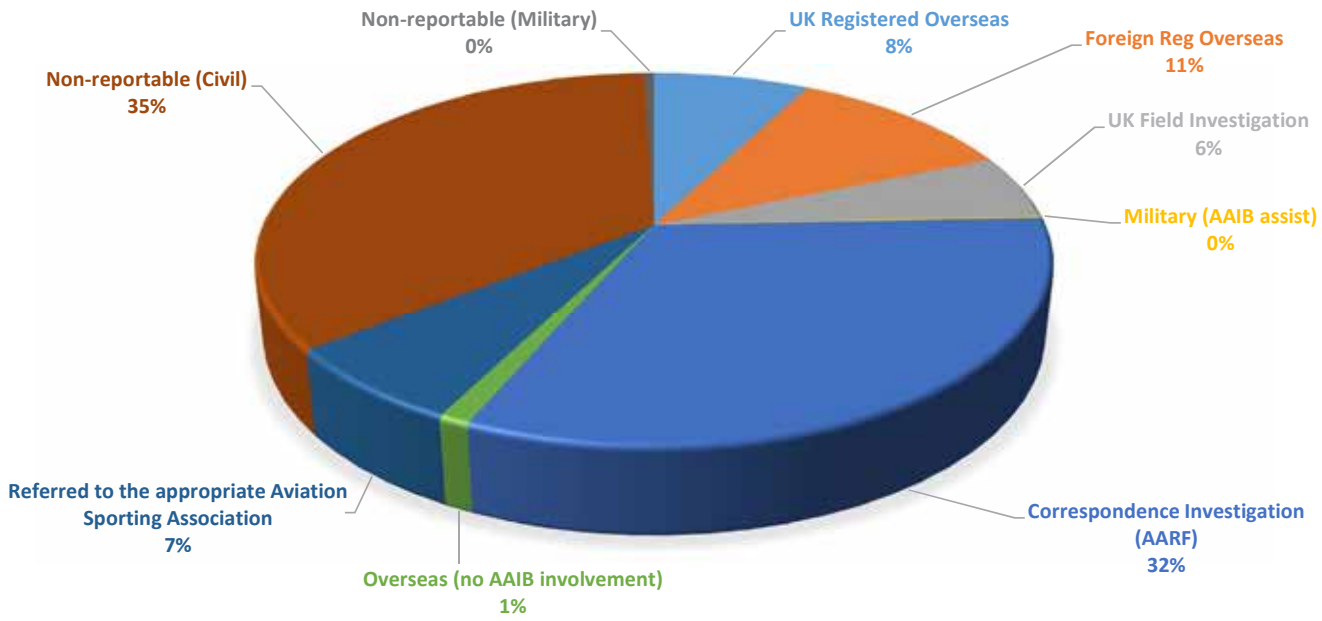
Notifications 2016

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
UK Registered Overseas	5	3	5	6	6	4	6	4	2	4	3	2	50
Foreign Reg Overseas	1	5	4	7	4	9	3	5	18	8	6	4	74
UK Field Investigations	3	2	2	2	1	3	8	3	3	4	2	5	38
Military (AAIB Assistance)	0	0	0	0	0	0	0	1	0	0	0	0	1
Correspondence Investigations (AARF)	9	15	10	16	19	25	27	31	22	16	8	10	208
Overseas (no AAIB involvement)	1	2	1	1	0	0	0	0	0	2	0	0	7
Referred to the appropriate Aviation Sporting Association	1	2	3	4	4	3	5	9	8	4	0	1	44
No further AAIB action (civil)	18	12	19	20	22	27	29	23	21	11	15	14	231
Military (no AAIB involvement)	0	0	0	1	0	0	0	1	0	0	0	1	3
Total	**38**	**41**	**44**	**57**	**56**	**71**	**78**	**77**	**74**	**49**	**34**	**37**	**656**
UK Fatal accidents	**0**	**0**	**1**	**1**	**1**	**1**	**4**	**1**	**1**	**2**	**0**	**2**	**14**
Number of deaths	**0**	**0**	**1**	**2**	**2**	**2**	**4**	**1**	**2**	**2**	**0**	**2**	**18**



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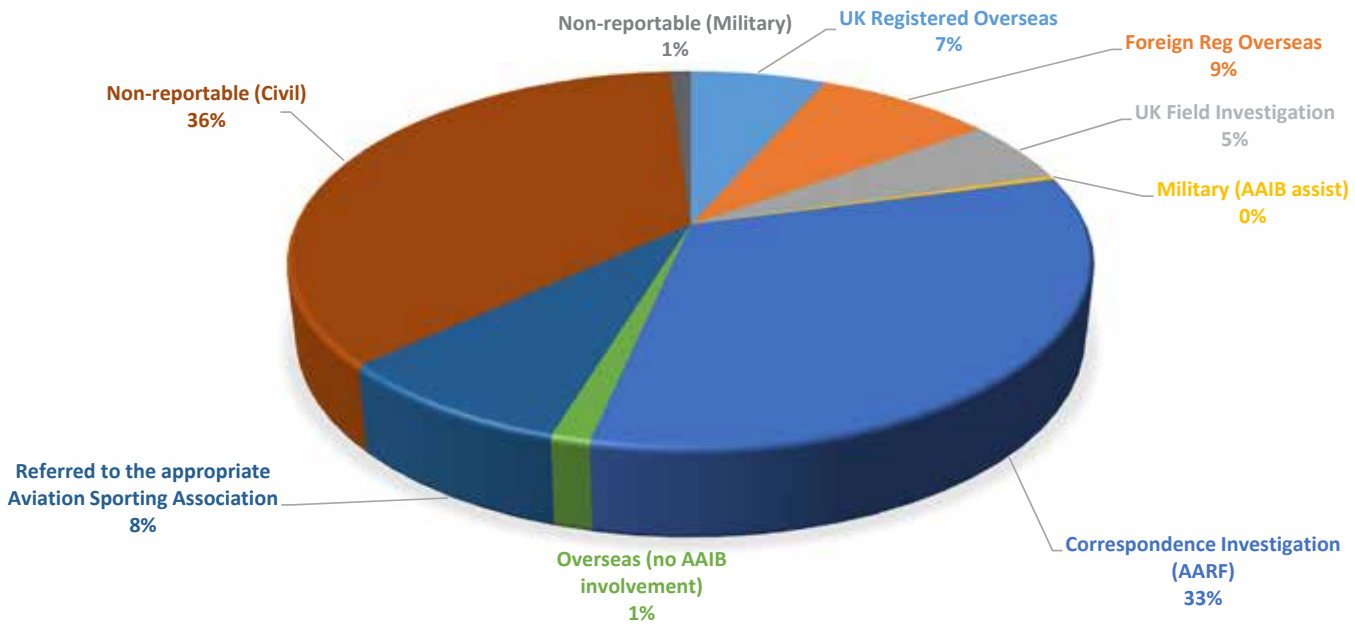
Notifications 2015

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
UK Registered Overseas	4	1	0	1	6	4	10	4	4	1	1	3	39
Foreign Reg Overseas	5	2	4	3	5	4	8	6	4	3	4	3	51
UK Field Investigations	3	1	1	5	1	5	5	4	2	3	3	1	32
Military (AAIB Assistance)	1	0	0	0	0	0	0	0	0	1	0	0	2
Correspondence Investigations (AARF)	11	7	12	24	16	29	24	20	27	12	7	5	194
Overseas (no AAIB involvement)	1	3	0	0	1	0	0	1	1	1	0	0	8
Referred to the appropriate Aviation Sporting Association	0	5	2	1	7	3	11	11	8	2	0	0	50
No further AAIB action (civil)	24	15	15	24	15	13	21	15	26	16	17	13	214
Military (no AAIB involvement)	0	0	1	0	0	2	0	0	1	2	0	0	6
Total	**49**	**34**	**35**	**58**	**51**	**58**	**79**	**61**	**73**	**41**	**32**	**25**	**596**
UK Fatal accidents	**1**	**0**	**0**	**3**	**1**	**3**	**2**	**3**	**1**	**2**	**1**	**1**	**18**
Number of deaths	**2**	**0**	**0**	**4**	**2**	**3**	**6**	**13**	**1**	**3**	**4**	**1**	**39**



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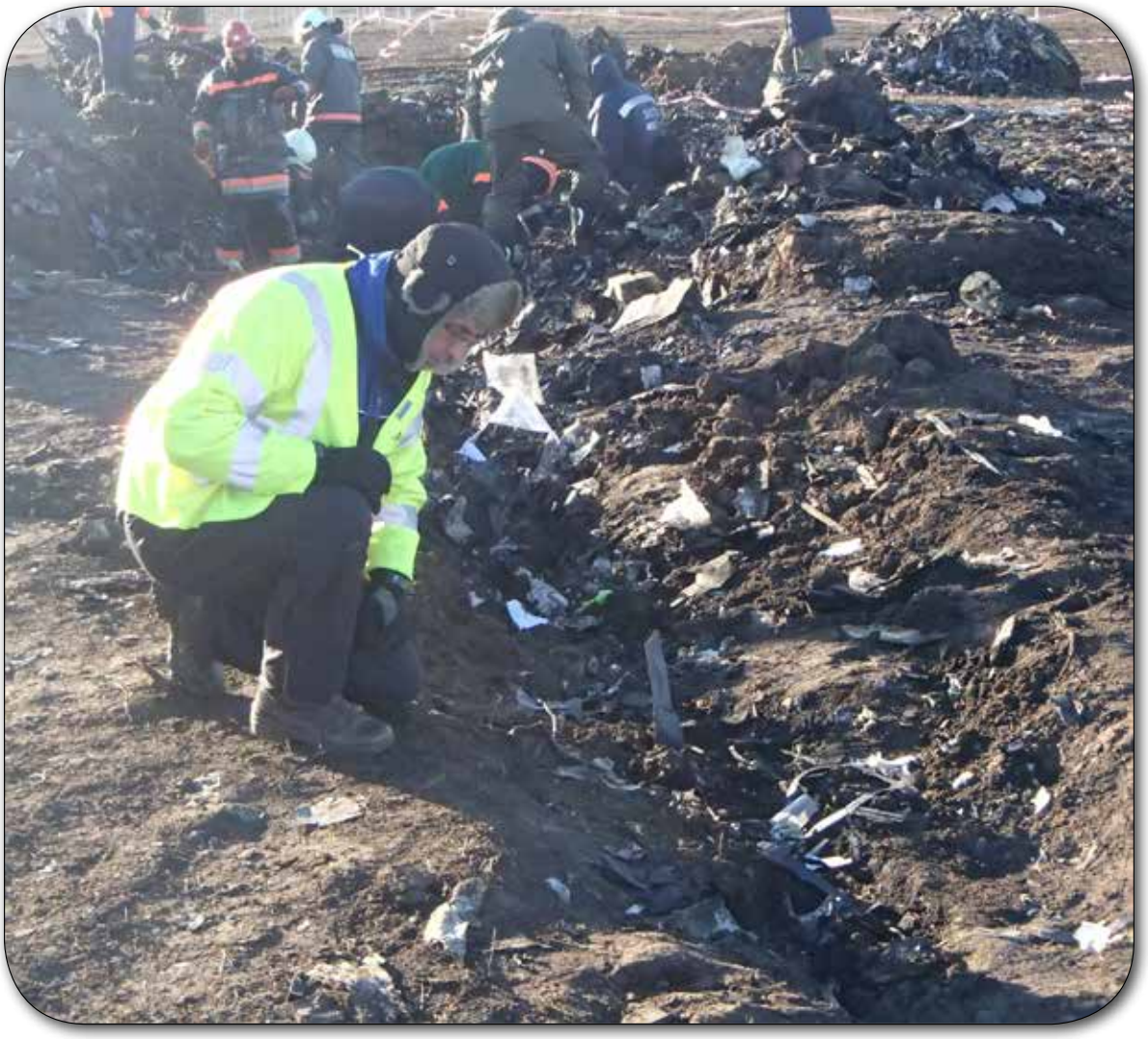

AAIB Inspector at accident site of Boeing 737-500, VQ-BBN
Kazan International Airport, Kazan, Russia
17 November 2013

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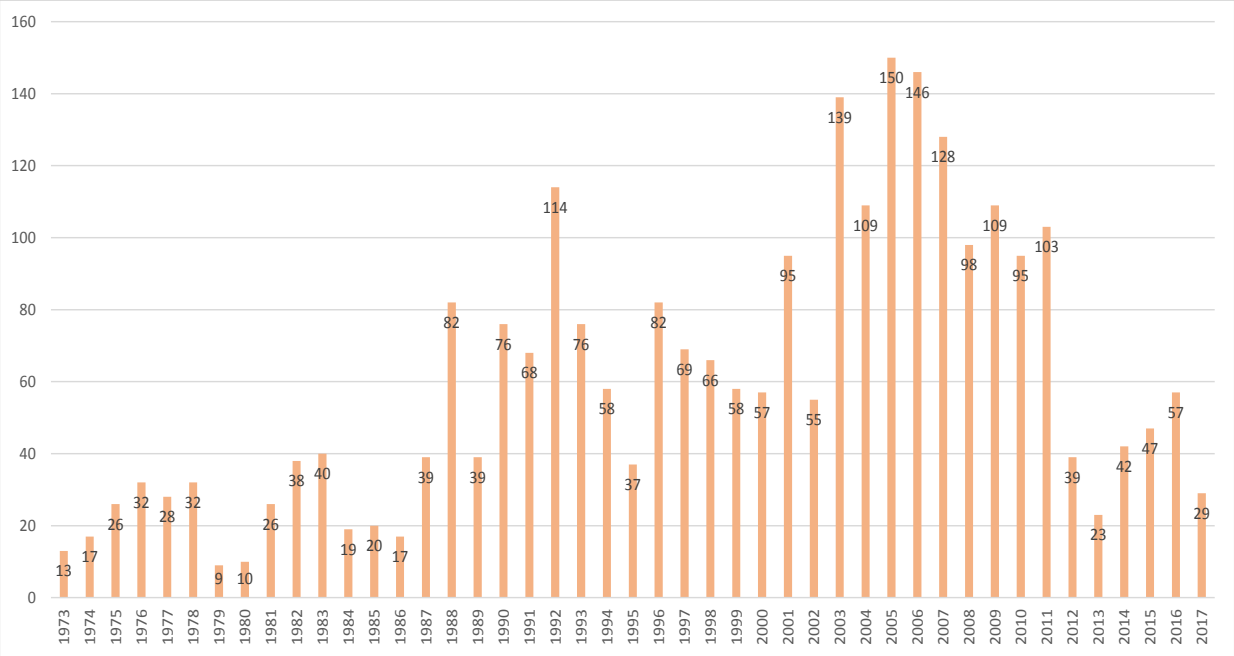
Safety Recommendations in 2017

In 2017 the AAIB issued 29 Safety Recommendations from 8 investigations.



Each Safety Recommendation is classified using the SR Topic taxonomy defined by the European Network of Safety Investigation Authorities (ENCASIA) Working Group 6 (WG6) which the AAIB is a member. The majority of the Safety Recommendations were dealing with safety issues relating to aircraft operations and safety risk management.

Each addressee to a Safety Recommendation has to respond within 90 days in accordance with European Regulation EU 996/2010 Article 18 and detail what actions have been taken or are under consideration and the time taken for their completion. If no actions are being considered by the addressee they have to provide their reasoning for the decision.

On receipt the AAIB has 60 days in which to assess the response and to inform the addressee on whether it is adequate. If the reply is not adequate or partially adequate then to provide justification to the addressee.

The responsibility to monitor the progress of action taken in response to a recommendation lies with the addressee including the authorities responsible for civil aviation safety.

The AAIB will keep open Safety Recommendations where it expects to receive responses from the addressee. If no further response is expected the recommendation is closed. A closed status does not necessarily mean the actions for a Safety Recommendation are complete, nor that the Safety Issue has been addressed.

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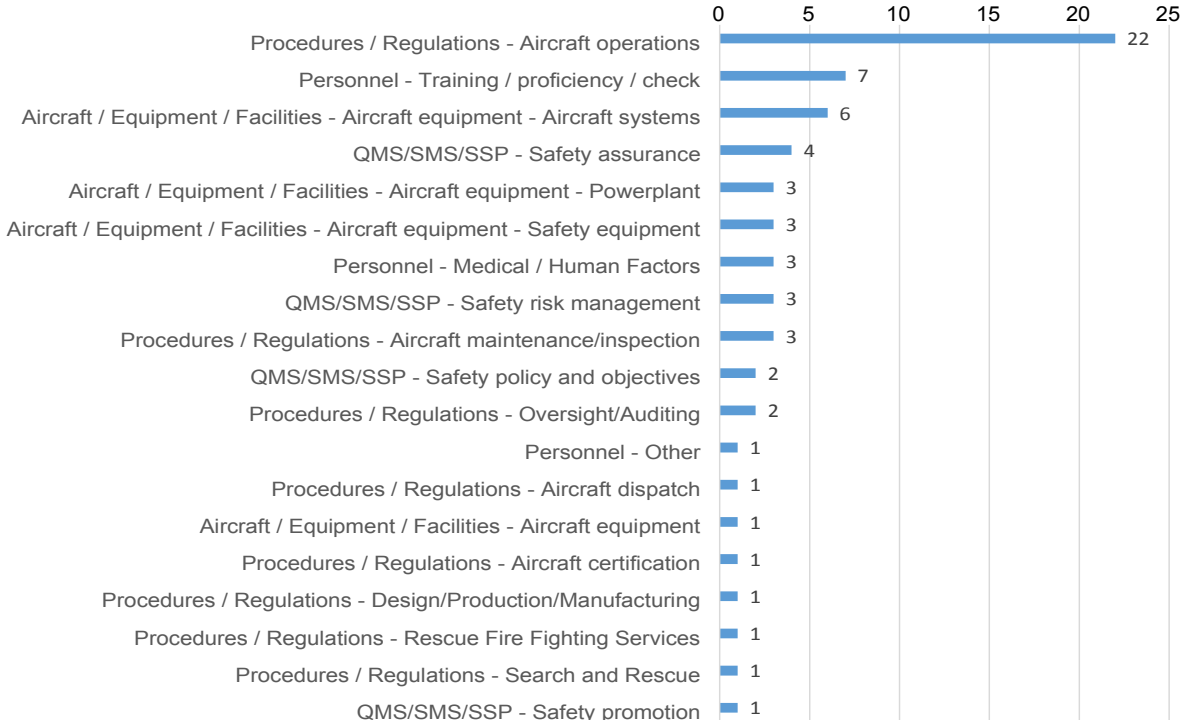
Safety Recommendation Topics



The chart above shows the recommendation topics. It should be noted that a recommendation can encompass several topics within the classification system.

A '**Not adequate**' assessment means that the response does not address the intent of the Safety Recommendation nor does it address the safety issue concerned.

A '**Partially adequate**' assessment means the response goes someway to meeting the intent of the Safety Recommendation and the action will address the safety issue to a certain extent, but further action would be required to fully address the issue identified.

An '**Adequate**' assessment means that the response fully meets the intent of the Safety Recommendation and the action is expected to address the safety issue.

Of the 29 Safety Recommendations issued in 2017, as of the end of February 2018, responses have been received for 21. In assessing the responses, 15 were adequate and closed, 5 were partially adequate and 1 was not adequate. Following the assessment, 16 Safety Recommendations from 2017 were closed, 11 remain open. The AAIB is awaiting responses from addressees for 5 of the open Safety Recommendations. Responses have recently been received for two Recommendations and are pending AAIB classification.

Each Safety Recommendation is also defined as to whether it is a Safety Recommendation of European Union Wide Relevance (SRUR) or a Safety Recommendation of Global Concern (SRGC). Of those issued in 2017, 6 were SRUR and 3 were SRGC.

The AAIB, as well as all EU Member States, is required to record on the European Central Repository Safety Recommendation Information System (SRIS) all recommendations it raises and the response that are received. Data from SRIS is available to view publically at:

http://eccairsportal.jrc.ec.europa.eu/index.php?id=114&no_cache=1

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Safety Recommendations issued in 2017

Notes: Safety Recommendation classification correct at time of publication.

Safety Recommendations can also be made through AAIB Special Bulletins and are then also reflected in the final report.

Reflects the situation with Safety Recommendatations at 28 February 2018.

Safety Recommendation 2017-001 made on 24 February 2017

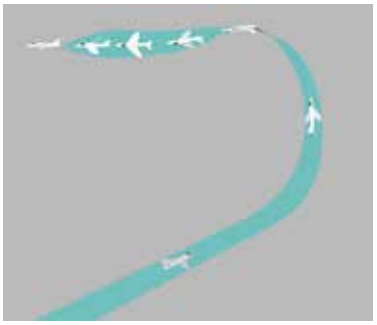
G-BXFI Hawker Hunter T7 on 22 August 2015

It is recommended that the Civil Aviation Authority amend CAP 403 to clarify the point at which an aerobatic manoeuvre is considered to have been entered and the minimum height at which any part of it may be flown.

Adequate - Closed

Safety Recommendation 2017-002 made on 24 February 2017

G-BXFI Hawker Hunter T7 on 22 August 2015



It is recommended that the Civil Aviation Authority require pilots intending to conduct aerobatics at flying displays to be trained in performing relevant escape manoeuvres and require that their knowledge and ability to perform such manoeuvres should be assessed as part of the display authorisation process.

Adequate - Closed

Safety Recommendation 2017-003 made on 24 February 2017

G-BXFI Hawker Hunter T7 on 22 August 2015

It is recommended that the Civil Aviation Authority review the grouping of aircraft types in display authorisations to account for handling and performance differences it considers significant.

Adequate - Closed

Safety Recommendation 2017-004 made on 24 February 2017

G-BXFI Hawker Hunter T7 on 22 August 2015

It is recommended that the Civil Aviation Authority remind operators, whose activities are subject to the guidance published in Civil Aviation Publication 632, of the need to maintain detailed training records for pilots and check their compliance during inspections it carries out.

Adequate - Closed

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Safety Recommendation 2017-005 made on 24 February 2017

G-BXFI Hawker Hunter T7 on 22 August 2015

It is recommended that the Civil Aviation Authority specify that the flight demonstration requirement of a display authorisation evaluation, other than to assess formation following, cannot be satisfied by the pilot following another aircraft during the evaluation.

Adequate - Closed

Safety Recommendation 2017-006 made on 24 February 2017

G-BXFI Hawker Hunter T7 on 22 August 2015

It is recommended that the Civil Aviation Authority undertake a study of error paths that lead to flying display accidents and integrate its findings into the human factors training it requires the holders of display authorisations to undertake.

Response Received - pending AAIB classification

Safety Recommendation 2017-007 made on 24 February 2017

G-BXFI Hawker Hunter T7 on 22 August 2015

It is recommended that the Civil Aviation Authority review the arrangements for safety regulation and oversight of intermediate and complex ex-military aircraft operated in accordance with Civil Aviation Publication 632, to ensure that they are consistent and appropriate.

Partially Adequate - Open

Safety Recommendation 2017-008 made on 24 February 2017

G-BXFI Hawker Hunter T7 on 22 August 2015

It is recommended that the Civil Aviation Authority consider implementing the changes outlined in Health and Safety Laboratory report MSU/2016/13 'Review of the risk assessment sections of CAP 403'.

Adequate - Closed

Safety Recommendation 2017-009 made on 24 February 2017

G-BXFI Hawker Hunter T7 on 22 August 2015

It is recommended that the Civil Aviation Authority require operators of aircraft used for flying displays to identify, and where practicable remove, any hazardous materials.

Adequate - Closed

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Safety Recommendation 2017-010 made on 24 February 2017

G-BXFI Hawker Hunter T7 on 22 August 2015

It is recommended that the Civil Aviation Authority prohibit the use of phenolic asbestos drop tanks on civil registered aircraft.

Partially Adequate - Open

Safety Recommendation 2017-011 made on 24 February 2017

G-BXFI Hawker Hunter T7 on 22 August 2015

It is recommended that the Department for Transport commission, and report the findings of, an independent review of the governance of flying display activity in the United Kingdom, to determine the form of governance that will achieve the level of safety it requires.

Partially Adequate - Open

Safety Recommendation 2017-012 made on 2 June 2017

G-KAXT Westland Wasp HAS1 on 23 September 2016

It is recommended that, for ex-military aircraft on the UK civil register, the Civil Aviation Authority requires maintenance and overhaul tasks to be reviewed in the light of the expected aircraft utilisation and calendar-based time limits introduced where appropriate. Where such calendar-based time limits already exist, these should be reviewed to ensure that they are appropriate for the aircraft utilisation.

Adequate - Closed

Safety Recommendation 2017-013 made on 7 September 2017

G-BDZC Reims Cessna F150M on 17 October 2016

It is recommended that the Civil Aviation Authority promulgates to flying instructors the need for specific training to highlight the differences between the C150 and C152 flap switch designs. Training should also include the effect on aircraft performance and handling of Flap 40°.

Adequate - Closed

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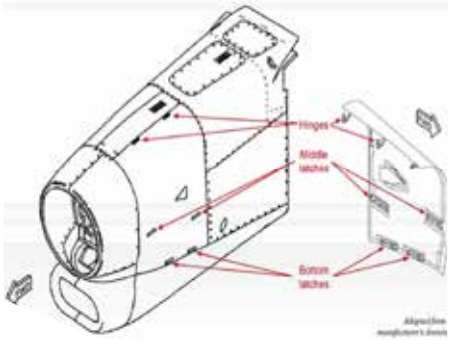
Safety Recommendation 2017-014 made on 8 September 2017

G-PRPC DHC-8-402 on 14 December 2016

It is recommended that Flybe Ltd introduces defined and consistently delivered flight crew training on pre-departure inspections for the DHC-8-402 (Q400), compliant with the inspection procedure documented in its Operations Manual. This should include a practical element on the aircraft and a demonstration of correctly secured main engine access panels.



Adequate - Closed

Safety Recommendation 2017-015 made on 8 September 2017

G-PRPC DHC-8-402 on 14 December 2016

It is recommended that Flybe Ltd considers introducing a means of disseminating pertinent safety information to ground operations staff in an appropriate format.

Adequate - Closed

Safety Recommendation 2017-016 made on 20 September 2017

C-FWGH Boeing 737-86J on 21 July 2017

It is recommended that the Federal Aviation Administration, mandate the use of Flight Management Computer software revision U12.0, or later revision incorporating the outside air temperature crosscheck, for operators of Boeing 737 Next Generation aircraft.

Partially Adequate - Open

Safety Recommendation 2017-017 made on 20 September 2017

C-FWGH Boeing 737-86J on 21 July 2017

It is recommended that The Boeing Company promulgates to all 737 operators the information contained within this Special Bulletin and reminds them of previous similar occurrences reported in the Boeing 737 Flight Crew Operations Manual Bulletin dated December 2014.

Response Received - pending AAIB classification

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Safety Recommendation 2017-018 made on 25 September 2017

G-GSGS Glasflugel 304 ES on 10 August 2017

It is recommended that the European Aviation Safety Agency (EASA) requires that all powered sailplanes, operating under either an EASA Restricted Type Certificate, or an EASA Permit to Fly, and fitted with a Front Electric Sustainer (FES) system, are equipped with a warning system to alert the pilot to the presence of a fire or other hazardous condition in the FES battery compartment.

Adequate - Closed

Safety Recommendation 2017-019 made on 25 September 2017

G-GSGS Glasflugel 304 ES on 10 August 2017

It is recommended that Alisport Srl modifies the Silent 2 Electro microlight to incorporate a warning system to alert the pilot to the presence of a fire or other hazardous condition in the Front Electric Sustainer (FES) battery compartment.

Adequate - Closed

Safety Recommendation 2017-020 made on 25 September 2017

G-GSGS Glasflugel 304 ES on 10 August 2017

It is recommended that Albastar d.o.o. modifies the AS13.5m Front Electric Sustainer (FES) microlight to incorporate a warning system to alert the pilot to the presence of a fire or other hazardous condition in the FES battery compartment.

Partially Adequate - Open

Safety Recommendation 2017-021 made on 9 November 2017

G-YAKB YAK-52 on 8 July 2016

The Civil Aviation Authority should review the maintenance requirements for seat belts and harnesses, and, if necessary, revise the maintenance requirements to ensure that seat belts and harnesses remain in a condition with an acceptable residual strength.

Adequate - Closed

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Safety Recommendation 2017-022 made on 7 December 2017

N276AY Airbus A330-323 on 26 June 2016

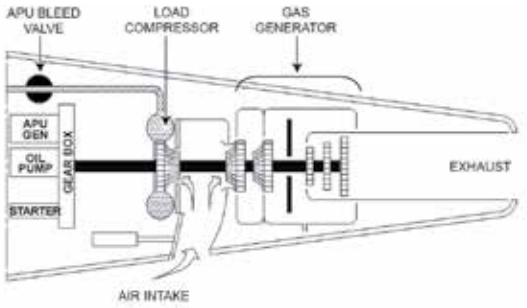
It is recommended that the Federal Aviation Administration mandate Service Bulletin GTCP331-49-7936 to add a system that shuts down the APU automatically if there is contamination of the lubricating oil.

△ **Response Awaited – Open**

Safety Recommendation 2017-023 made on 7 December 2017

N276AY Airbus A330-323 on 26 June 2016

It is recommended that the European Aviation Safety Agency mandate Service Bulletin GTCP331-49-7936 to add a system that shuts down the APU automatically if there is contamination of the lubricating oil.



▲ **Not Adequate - Open**

Safety Recommendation 2017-024 made on 7 December 2017

N276AY Airbus A330-323 on 26 June 2016

It is recommended that the Federal Aviation Administration regulate the operation of interphone handsets, including during emergency communications, so that it is standardised irrespective of aircraft type.

△ **Response Awaited - Open**

Safety Recommendation 2017-025 made on 7 December 2017

N276AY Airbus A330-323 on 26 June 2016

It is recommended that the European Aviation Safety Agency regulate the operation of interphone handsets, including during emergency communications, so that it is standardised irrespective of aircraft type.

◭ **Partially Adequate - Closed**

Safety Recommendation 2017-026 made on 7 December 2017

N276AY Airbus A330-323 on 26 June 2016

It is recommended that the Federal Aviation Administration reconsider the requirements for briefings given to passengers seated at exits, to ensure they offer appropriate guidance on exiting the aircraft rapidly in an emergency without implying undue responsibility for opening the exits.

△ **Response Awaited - Open**

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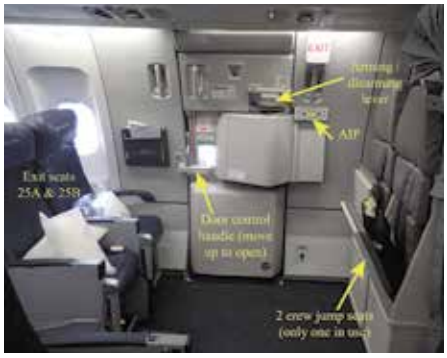
Safety Recommendation 2017-027 made on 7 December 2017

N276AY Airbus A330-323 on 26 June 2016



It is recommended that the Federal Aviation Administration require cabin crew on aircraft that are parked, and with passengers on-board who are neither boarding nor deplaning, to be evenly distributed throughout the cabin and in the vicinity of floor-level exits in order to provide the most effective assistance in the event of an emergency.

△ **Response Awaited - Open**

Safety Recommendation 2017-028 made on 7 December 2017

N276AY Airbus A330-323 on 26 June 2016

It is recommended that the European Aviation Safety Agency require cabin crew on aircraft that are parked and with passengers on-board to be evenly distributed throughout the cabin and in the vicinity of floor-level exits, in order to provide the most effective assistance in the event of an emergency.

▲ **Adequate - Closed**

Safety Recommendation 2017-029 made on 7 December 2017

N276AY Airbus A330-323 on 26 June 2016

It is recommended that the Federal Aviation Administration require that flight and cabin crew participate in joint training to enhance their co-ordination when dealing with emergencies.

△ **Response Awaited - Open**

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Safety Actions from investigations reported on in 2017

Early in an investigation the AAIB will engage with authorities and organisations which are directly involved and have the ability to act upon any identified safety issues. The intention is to prevent recurrence and to that end to encourage proactive action whilst the investigation is ongoing and not for those involved to wait for the issue of official Safety Recommendations.

When safety action is taken, it may mean there is no need to raise a Safety Recommendation as the safety issue may have been addressed. However, if the issue remains then a Safety Recommendation will be raised. The published report details the safety issues and the safety action that has taken place, usually with a green highlight. In 2017 safety actions directly as a result of AAIB investigations were recorded on two formal investigations, eighteen field investigations and seventeen correspondence investigations.

SPECIAL BULLETIN

Sikorsky S-92A, G-WNSR on 28 December 2016

Safety issue – HUMS procedures, component failure, airworthiness

The operator

The operator has subsequently introduced a number of measures to further strengthen the ability to detect impending bearing degradation. These include: a review of all HUMS data to ensure no anomalies, fleet-wide borescope inspections, a requirement for HUMS to be serviceable before flight and the time between HUMS download/analysis reduced to a maximum of 5 hours. The operator has also reviewed their HUMS processes and analytical procedures and introduced a requirement to carry out an additional assurance check.

The helicopter manufacturer

On 31 December 2016, the helicopter manufacturer issued to all operators an 'All Operators Letter' (AOL), CCS-92-AOL-16-0019, which described the event. It emphasises the use of the HUMS Tail Gearbox Bearing Energy Tool, provided on the ground station, which will detect a TRPCS bearing that is experiencing degradation, and recommends that this Tool should be utilised as often as reasonably possible.

This was followed by an Alert Service Bulletin (ASB) issued by the manufacturer on 10 January 2017. ASB 92-64-011 introduces a one-time inspection of the TRPCS and bearing assembly for ratcheting, binding, or rough turning. The manufacturer has recommended that compliance is essential and is to be accomplished prior to the next flight from a maintenance facility; three flight hours are

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allowed in order to return directly to a maintenance facility. Concurrent with the release of ASB 92-64-011, the manufacturer published Temporary Revision 45-03 to require operators to use S-92 HUMS ground station software to review Tail Rotor Gearbox energy analysis Condition Indicators for alert conditions on a reduced flight hour interval. Records in excess of published alert levels require inspection of the pitch change shaft and bearing.

FIELD INVESTIGATIONS

Hawker Sea Fury T Mk 20, G-RNHF on 31 July 2014

Safety issue – Historic aircraft airworthiness and maintenance

Various marks of the Centaurus engine are still in use in a small number of aircraft but findings in this case could equally apply to other radial and inline aero-engine types. Based on this, the CAA has undertaken to publish a Safety Notice aimed at the historic aircraft community, to draw attention to the issues and difficulties of maintaining airworthiness of aging aircraft engines and their associated components.

Saab 2000, G-LGNR on 6 November 2015

Safety issue – checklist unintended result, reduced control

The manufacturer stated that it intended to add the following to the 'Aileron system open failure' section of the malfunction checklist at the next AOM revision: "NOTE: Verify an open failure by visually observing that one of the ailerons do not follow control wheel input."

ATR 72-212 A, G-COBO on 4 March 2016

Safety issue – effects of icing, pre-flight inspection and training

The ATO responsible for the pilot's type conversion training is adjusting its conversion course to align with the EASA Operational Suitability Data report. This is being achieved by incorporating the manufacturer's simulator profile for a badly de-iced tailplane.

The operator has enhanced its winter awareness training for pilots by purchasing a computer-based training module. All pilots will complete this before each winter season and their knowledge will be tested as part of the process.

The operator's conversion courses are being extended through the inclusion of a ground training day, with a training captain, prior to the start of Line Flying Under Supervision. This is to ensure time is spent discussing, in detail, technical issues relating to line operations. Winter operations and de-icing/anti-icing will be among the topics covered.

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The operator provided the co-pilot with additional training before he was allowed to resume line flying duties.

The operator is reviewing its requirements for aircraft inspections following use of thickened de-icing fluids.

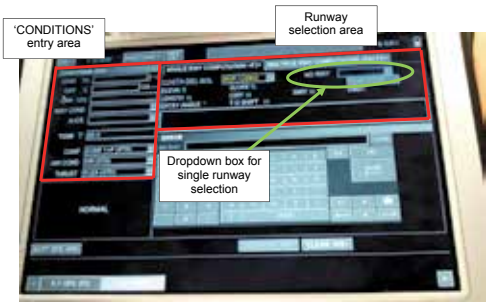
The operator intends to provide better guidance for the aftermath of a serious incident by making changes to its Operations Manual (Part A). This is likely to include a recommendation for a group debrief to take place as a matter of course, so the crew can discuss what happened and what they have learnt.

The manufacturer has stated it will contact all operators prior to the start of the next European winter, to promote awareness of the circumstances which led to this serious incident.

Airbus A319-111, G-EZFJ on 14 April 2016

Safety issue – EFB software anomaly, potential cockpit display confusion

- The operator sent an email to all pilots on 22 April 2016 highlighting this specific anomaly.
- The MRC function was disabled across the operator's fleet in May 2016.
- The operator has reviewed and proposed further modification to their SOPs.
- In the L6.x versions of FlySmart, it has been verified by the manufacturer that the MRC function is not affected by this anomaly.
- The manufacturer has sent Flysmart Communication reference X46D16018565 to operators highlighting the anomaly discovered during this investigation and recommending that the affected operators disable the MRC option.



- The manufacturer sent Flight Operations Transmission (FOT) 999.0095/16 to all operators reminding them of the manufacturer's recommended procedures for EFB use. This involves each crew member performing their own independent calculations, the results of which are then cross-checked.

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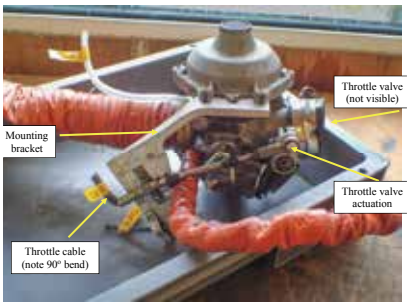
Rans S6-ESD (Modified) Coyote II, G-MYES on 30 May 2016

Safety issue – Low speed handling, pilot information and airfield markings

As a result of the rate of stall/spin accidents involving Rans S6 aircraft in the UK, the LAA has undertaken to conduct a safety review encompassing the following aspects:

- '*Complete a review of accident data with the type to date, including consideration of the aircraft configuration, weights and cg positions, mission and pilot profiles of those involved, including a comparison with the accident data for similar types of microlight*
- *Carry out a flight test program on at least two representative examples, to investigate possible handling, performance or other factors that might contribute to an elevated accident rate, including:*
  - *Longitudinal stability*
  - *Ability to trim (in pitch)*
  - *Longitudinal and lateral/directional trim changes with changes in power and configuration (i.e. flap position)*
  - *Directional stability and control, including contributing effects of adverse yaw with aileron input, and any contributing ergonomic aspects*
  - *Pre-stall warning*
  - *Stall characteristics*
  - *Ease of operation of controls*
  - *Adequacy of low-speed stall recovery/ climb performance at different weights and centre of gravity positions*
  - *Behaviour in a simulated engine failure*
  - *Instrumentation, in particular, adequacy of indication of airspeed and slip'*



The LAA has advised that the applicable paragraphs of BCAR Section S, both current and extant at the time the type was introduced to the UK, are being used as the basis for this evaluation. The results of the safety review will be communicated to all Rans S6 pilots within the LAA membership

The LAA has also undertaken to produce a series of pilot's notes for the Rans S6, tailored to each airframe/engine combination on the UK fleet, on completion of the flight tests. The relevant Rans S6 TADS will be updated accordingly.

Flying club

Recognising the possibility of future confusion, the flying club at Shifnal Airfield reported that it had removed the landing T and signal square, to prevent incorrect signals being displayed.

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Airbus A330-323, N276AY on 26 June 2016

Safety issue – Emergency evacuation procedures, master minimum equipment list (MMEL) guidance and component maintenance policy

Operator

All pilots were informed that an evacuation should only be halted by the commander if he 'has clear information that continuation of the evacuation would cause greater injury'.

Studies of the interphone equipment on different aircraft types confirmed a need to refine the communication process on certain types. On the Airbus A319, A320, A321 or A330-300, FAs should now press the EMER CALL button once to contact the flight deck in an emergency. On the Airbus A330-200 they should press the PRIO CAPT button and on the Embraer E190 the EMER PILOT button.

A video was produced with the co-operation of the crew involved in this occurrence, to highlight the issues they experienced. This video is being used as an educational tool for all pilots during their recurrent Human Factors (HF) training, for the nine month cycle commencing 1 February 2017. It may also become possible to use this video during FA training.

A type-specific 'Emergency Deplaning' drill has been developed for use by pilots on each of the operator's aircraft types and incorporated into the OM and the appropriate QRH. This drill is relevant to parked aircraft that are using a jetbridge or steps. Details were promulgated to all crews and pilots received relevant simulator training.

As there is no commonality between the cabin interphone handsets on different aircraft types, a physical training aid is being developed for use during initial and recurrent FA training. This is intended to give FAs a better understanding of the differences they will encounter and to help them adapt to any of the 14 aircraft types or variants on which they can be qualified.

Recurrent HF training for the aircraft operator's 12,000 pilots takes place on a 9 month cycle. The 27,000 FAs are on a 12 month cycle. This makes it difficult to conduct joint evacuation training with entire crews, so the operator is considering having pilot representatives participate in FA training and vice-versa. Future recurrent training for both pilots and FAs will focus on unplanned cabin evacuations when the aircraft is not on the runway.

The Continuing Qualification training given to all FAs between April 2017 and March 2018 includes a review of an 'Emergency Deplaning' and it is likely attendees will hear the specific aural alert signals for each aircraft type.

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The operator expects a company safety investigator to contact the commander by telephone as soon as its 'Dispatch' department has been advised of a serious incident or accident. The safety investigator is now required to remind the commander during this contact that action be taken to ensure the circuit breaker for the CVR is pulled without delay.

Training procedures were developed for the aircraft operator's ramp personnel, to ensure they know how best to react if a slide evacuation occurs while an aircraft is parked.

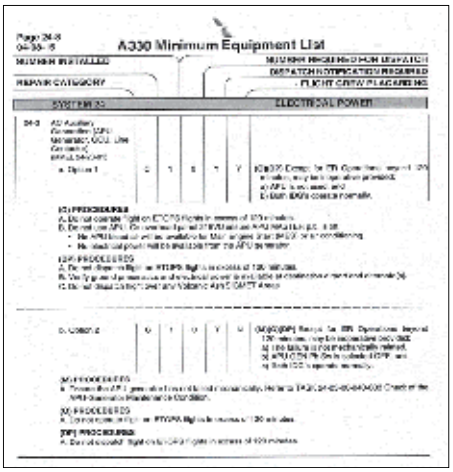
Twice a year, US operators, along with some foreign airlines that operate to the US, share experiences at a safety forum. The operator intends to discuss issues raised by this event at such a forum; to raise the industry's awareness of the challenges that can be created by a cabin evacuation from a parked aircraft.

Aircraft manufacturer

The aircraft manufacturer has reviewed and amended the MMEL section 24-23-01, for the dispatch of an aircraft with APU AC auxiliary generation unserviceable and a summary of these changes is as follows:

MMEL item 24-23-01A 'APU not used':

No change, as not relevant to the event.



MMEL item 24-23-01B 'Electrical failure':

To insure a more robust detection of a mechanical failure, a review has been conducted with the APU Generator supplier and the following 4 failure messages will be added to the list from the AMM task 24-23-00-040-803.

GEN APU (8XS)
GEN APU (8XS) EX FLD / GAPCU (40XG)
GAPCU (40XG) EX FLD / GEN APU (8XS)
GEN APU (8XS) EX FLD / GAPCU (40XG)

If any of these messages is present in the PFR when doing the interactive APU test, then the MMEL 24-23-01C must be applied.

MMEL item 24-23-01C 'AC auxiliary generation deactivated or removed (mechanical failure)':

An update of the related AMM tasks (e.g. 24-23-00-040-801 and -802) has been decided, to prevent oil cross-contamination from the APU Gen to the APU. The AMM TASK 49-91-41-210-802-A "Check of the APU Oil System for APU Generator

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Debris" has been added at the end of those tasks, and must be carried out prior to aircraft dispatch. This AMM task includes a physical check of the APU oil system (inlet screens of the scavenge-oil, inspection of the magnetic chip detectors and the mechanical differential pressure indicator, check of the lubrication oil supply and generator scavenge filters).

Yak-52, G-YAKB on 8 July 2016

Safety issue – Smaller (less than 400 hp) historic engines overhaul policy

The CAA have stated that they are conducting a review of engine maintenance to determine if Leaflet 70-80 should be extended to all piston engines and whether any Alternative Means (Methods) of Compliance arising from Leaflet 70-80 should be made mandatory by means of a Mandatory Permit Directive (MPD). This will also include a review of Generic Requirement No. 24 in CAP 747.

Druine D.31 Turbulent, G-ARNZ on 14 August 2016

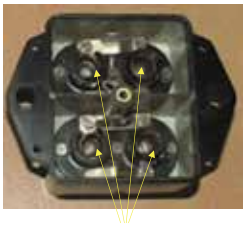
Safety issue – Aircraft system design

The operators of the aircraft developed a modification to fit a screen to the engine's carburettor intake, with the intention of preventing the ingress of similar debris to the balloon fragment. Should this screen become blocked, air can still be supplied to the carburettor via the alternative hot air supply, thereby allowing the engine to operate normally. After satisfactory testing, the modification was approved by the Light Aircraft Association.

Spitfire IXT, G-LFIX on 15 September 2016

Safety issue – Cockpit indicator visibility

In order to prevent the illumination of the complete word "DOWN" in the landing gear position indicator in the event that one landing gear has not achieved the fully locked position, the maintenance organisation modified the landing gear indicator to prevent light from either of the indicator bulbs illuminating the complete DOWN caption.



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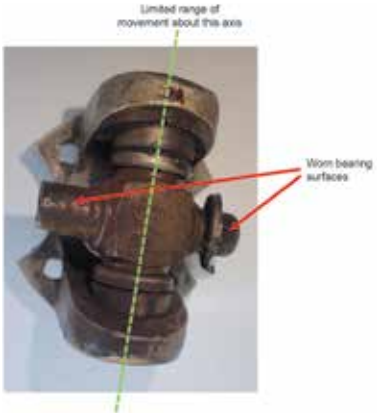
Westland Wasp HAS1, G-KAXT on 23 September 2016

Safety issue – Continued airworthiness of historic aircraft and servicing policy

The investigation findings were highlighted to the CAA at an early stage. The CAA took urgent action to ensure the continued airworthiness of Westland Wasp and Scout helicopters on the UK register by issuing Emergency Mandatory Permit Directive (EMPD) No 2017-002-E. (http://publicapps.caa.co.uk/modalapplication.aspx?appid=11&mode=detail&id=7759)



The EMPD requires operators to perform a visual check of the condition of the universal joint and conduct periodic lubrication of the joint.

Airbus A319-131, G-EUPM on 19 October 2016

Safety issue – CVR/FDR data preservation

Following this event, the operator of G-EUPM made changes to its procedures to ensure that the commander is aware of his responsibility to ensure that the recordings are preserved.

Airbus A320-214, G-EZWX on 28 November 2016

Safety issue - Component malfunction, OEM information and crew awareness

- By 9 December 2016, the operator of G-EZWX had removed all affected static inverters from its fleet and those that were held as spares.
- The operator's engineering department is now reviewing all TFUs on a routine basis.

Further safety action

- The aircraft manufacturer has advised that, later in 2017, it will release an Inspection Service Bulletin (ISB) to assist operators in identifying and rectifying any of the affected static inverters.
- The aircraft manufacturer has also advised that it will provide additional information to operators on the operation of the emergency interphone system.
- The operator has advised that, following the provision of the additional information of the emergency interphone system from the aircraft manufacturer, it will include this as part of crew training and update the appropriate internal manuals.
- The operator has also advised that it intends to conduct a review of its processes that relate to VSBs.

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ATR 72-212 A, 500 Version, G-COBO on 21 December 2016

Safety issue – Operating procedures, crew response

Operator

The operator reviewed its ATR procedures and amended them to improve safeguards against similar occurrences. Flight crews were reminded of the required response to APM cautions, and the operator now replicates this incident, and APM messages, during pilots' flight simulator training. Several internal recommendations were made, addressing non-normal situation handling in general.

The following *FLYING STAFF INSTRUCTION – ATR* was issued on 28 December 2016, with an amendment to the ATR Operations Manual Part B, Section 2.4:

> '2.4.16.2 Climb Speed
>
> Standard Climb Speed is 170 kt IAS or Red Bug + 10 kt, whichever is the higher, achieved using AFCS [Automatic Flight Control System] IAS mode.
>
> Climb speed may only be reduced below 170 knots if required for terrain clearance or mandatory ATC requirements. Under these circumstances the minimum IAS is White Bug + 10 kt in Normal Conditions and Red Bug + 10 kt in Icing Conditions.
> …
> If during climb at Standard Climb Speed the average rate of climb falls below 500 feet per minute, crews should request to stop climb at the next available level or advise ATC of the reduced climb capability. Speed must not be reduced to maintain a given rate of climb.'

The following memo was sent to all ATR pilots:

> 'APM / Reduced Performance
>
> Crews are also reminded that Severe Icing may be encountered without the presence of the normally associated visual cues, and reduced rate of climb or cruise airspeed are sometimes the only indication of significant ice accretion. Whenever crews encounter or suspect severe icing, the full checklist at QRH page 1.09 [Severe Icing] must be completed.

Aircraft manufacturer

The aircraft manufacturer stated that it is working to improve the APM to avoid the illumination of cautions that are perceived as spurious.

As a result of this occurrence and that investigated by the AIBN the manufacturer has amended the DEGRADED PERF and SEVERE ICING procedures.

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The amended DEGRADED PERF procedure will state that the SEVERE ICING procedure should be actioned if the aircraft is unable to maintain a climb rate greater than 100 ft/min, when climbing at red bug +10 kt. The SEVERE ICING procedure will have fewer memory items and will state that, after IAS and engine power are increased and the autopilot is disconnected, a descent is to be initiated to escape the severe icing conditions.

The amendments, in the appropriate documents, are due to be distributed to all operators in January 2018.

The manufacturer of this aircraft, together with other aircraft manufacturers, has contributed to the update of the Airplane Upset Prevention and Recovery Training Aid (AUPRTA), Revision 3, which is available on ICAO website. This update includes information specific to turboprop aircraft.

Boeing 737-36E Freighter, TF-BBF on 3 February 2017

Safety issue - Component failure

The operator is replacing the V-band clamps at the failure location on TF-BBF across its fleet of 737-300 and 737-400 aircraft. This is being carried out on a rolling programme, as the aircraft undergo scheduled C-check maintenance inspections. The operator is also considering replacement of other V-band clamps on their aircraft where the release of bleed air may create a hazard.

Europa, G-NDOL on 28 May 2017

Safety issue – Modification standard, system integrity

On 19 July 2017, the LAA issued Airworthiness Information Leaflet LAA/MOD/247/010. This required a mandatory inspection, before next flight, of all Europa aircraft operating under an LAA administered Permit to Fly. The inspection was to check for the correct installation of a fuel vapour return line. Details can be found on the LAA website.

CORRESPONDENCE INVESTIGATIONS

Robinson R44 II, G-SAIG and Spitfire IXT, G-CCCA on 15 June 2016

Safety issue – airfield movements deconfliction

After the accident, the Aerodrome Safety Manager issued a safety notice to the helicopter operator based at the airfield, requiring helicopters to hold short of the active runway and request clearance to cross. The A/G radio operator will then inform the helicopter pilot of any known traffic and the pilot, having checked it is safe to do so, may then cross the runway.

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Europa XS, G-BYSA on 10 August 2016

Safety issue – Airfield information

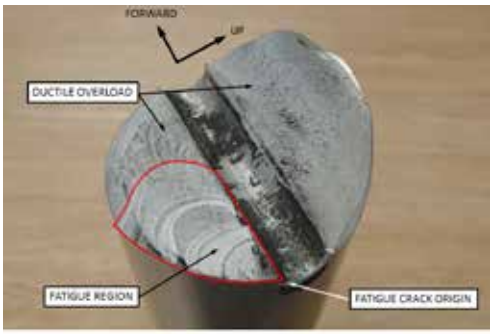
The airfield operator has informed the publishers of various flight guides that the runway width is now 10 m and requested that they include a warning to 'Beware cliffs on the east side of the airfield'.

The Light Aircraft Association included this accident in their October 2016 'Safety Spot' feature to advise their members of the circumstances.

Flight Design CTSW, G-CGVG on 8 October 2016

Safety issue – Airworthiness and NDT servicing policy

In response to this accident the UK agent intends to issue Service Bulletin CT145, which requires removal and dye penetrant crack inspection of the main landing gear legs of all CT2K and CTSW aircraft at intervals of 300 flying hours. Service Bulletin CT145 will supersede SB CT123. Service Bulletin CT145 will also introduce modification M309, in which the edges of the main attachment hole in the legs are peened, leaving residual compression stress at the hole edges intended to supress fatigue crack initiation. Service Bulletin CT145 continues to include the requirement to inspect the legs for cracks and straightness following heavy landing events.



Eurofox 912(LS), G-ODGC on 15 October 2016

Safety issue – Component fatigue, lifing policy and airworthiness

As a result of the incident and discussions with the LAA, on 1 November 2016 the aircraft manufacturer issued Mandatory Service Bulletin, EuroFOX SB 03/2016 LAA (v2). This required the replacement of the landing gear mounting bolts within 20 flying hours of the release date of the Bulletin and introduced a 500 flying-hour mandatory life on the bolts. On 4 November 2016, the LAA published Airworthiness Alert LAA/AWA/16/07 which detailed the failure and alerted operators of the aircraft to the requirements of the Mandatory Service Bulletin. The incident was also publicised in the LAA's November 2016 Safety Sense article.

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UAS Schiebel Camcopter S-100 (unregistered) on 18 October 2016

Safety issue – Human factors, workload and control logic

The manufacturer has implemented a software change to reduce operator workload during takeoff. If the UA is on the ground and the trim mode has been selected:

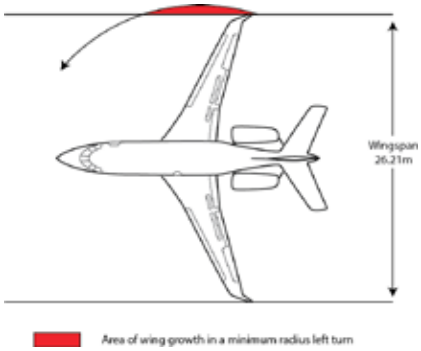
- Operator thumb rocker climb-rate inputs between -50% and +50% produce an automatic climb rate command of +50% until the trim becomes active, and
- All cyclic joystick inputs are ignored until the trim becomes active.

Dassault Falcon 7X, VQ-BSO on 24 November 2016

Safety issue – Aircraft ground handling and observation

London City Airport identified the following safety actions:

1. The parking positions for the Falcon 7X should be identified and the position of their main and nose wheels marked on the apron surface.
2. All the Jet Centre's marshallers should receive refresher training on the correct ICAO marshalling signals.
3. Marshalling wands must be used for all manoeuvring not just at night or in reduced visibility.
4. Initially, marshallers and 'wing walkers' would be equipped with belt mounted horns to provide an audio STOP signal. This would subsequently be replaced providing digital radios on a dedicated frequency.
5. A new supervisory level appointment would be created to oversee all parking.'



Robin DR400/180 Regent, G-ETIV on 7 December 2016

Safety issue – CRM, spatial awareness and airfield knowledge

Following an investigation, a safety action was taken at the airfield to ensure pilots are told the runway in use when they call on the radio prior to arrival.

In May 2017, the CAA published CAP 1535, 'The Skyway Code' which is intended to provide General Aviation pilots involved in non-commercial and flight training operations

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with practical guidance on the operational, safety and regulatory issues relevant to their flying. 'The Skyway Code' includes a section on the responsibilities of the Pilot in Command in a format which is intended to be more accessible than from regulatory documents.

To further clarify the term 'Safety Pilot' when used with an 'Operational Safety Pilot Limitation (OSL)' placed on a Medical Certificate, the CAA will produce an article for 'Clued Up', its magazine for the general aviation community. Additionally, the CAA will also ask the General Aviation Safety Council (GASCO) to publish the same article in its Flight Safety Bulletin.

DHC-8-402, Dash 8, G-FLBB on 8 December 2016

Safety issue – Component history and reliability

The operator has expressed concerns over the reliability of the outflow valve and has initiated a reliability investigation involving the spare part provider and the OEM. At the time of writing the results of the reliability investigation are not known.

Piper PA-28-181 Cherokee Archer II, G-BPAY on 29 December 2016

Safety issue – Ground movements, parking and observation

Since the accident the airfield operator has changed its procedures to reduce the need for parallel rows of parked aircraft and therefore lessen the risk of ground collisions.

Agusta AW139, G-VINB on 20 January 2017

Safety issue – Flight planning and CRM

The operator carried out a prompt internal investigation into the incident and identified a number of potential safety actions. The following are of relevance to this report:

Carry out a Flight Planning Software review for robustness and ease of use.

Carry out a review of the destination nomenclatures used for planning applications and software.

Reiterate to all crews the importance of clear and unambiguous communications.

Reiterate to crews the importance of re-briefing all aspects of the flight when a significant change has been applied.'

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Bell 206B Jet Ranger III, G-BTHY on 19 February 2017

Safety issue – Air space use and NOTAM requirements

The operator has advised its pilots of the potential hazard of high flying kites and the need to avoid areas where they suspect the activity is taking place.

The CAA has been advised of the activity and an investigation is being conducted. The incident has also been reviewed by the CAA Safety Risk Panel.

Airbus A320-214, G-EZTV on 3 March 2017

Safety issue – Aircraft ground handling procedures and equipment knowledge

There have been several safety actions made by three organisations as a result of this accident. These are outlined below.

The ground handling company has instigated several changes to its procedures and to personnel training, including:

Improvements to towbar maintenance and inspection procedures.

A training aid has been developed to help ground crew recognise when shear pins are unserviceable.

A standard fault-finding procedure has been introduced for ground crews when they hear an unusual sound or suspect a shear pin has broken while pushing or pulling an aircraft.

Improvements have been made to ground crew training to ensure that correct procedures for aircraft engine start are followed for each stand at Manchester.

The airfield operator has issued safety alerts to airfield users regarding inspections and maintenance of pushback equipment and regarding stand-specific pushback procedures.

The aircraft operator has reviewed its pushback procedures in response to the aircraft manufacturer's comments.

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Airbus A320-214, G-EZTM on 26 March 2017

Safety issue – Aircraft ground movements and support procedures

The operator's engineering department is reviewing the AMM task (324200710001-A Rev.55) and will make recommendations to the aircraft manufacturer to amend the AMM accordingly.

The ground handling company has undertaken the following actions to prevent a recurrence:

1. Raised awareness of the event;
2. Retrained the staff involved concerning the correct chocking procedures;
3. The defective equipment local operating procedure has been re-issued to all staff to prevent inoperative equipment being available for use.

Agusta A109S Grand, G-PBWR on 5 May 2017

Safety issue – Airworthiness, left horizontal stabiliser failure

Prompted by this event, the manufacturer issued a Service Bulletin providing new instructions for a one-time inspection and new repetitive inspections at a reduced inspection threshold and interval. As a result of this and its own safety assessment, EASA issued Emergency Airworthiness Directive AD 2017-0085-E, on 12 May 2017, to mandate these instructions.

Reims Cessna F406 Caravan II, G-RVLX on 1 June 2017

Safety issue – Hatch and door security, crew aircraft knowledge

The operator is taking the following safety actions:

An email was sent to all crew to notify them of the event and to highlight correct door operation and security

A fleet check of aircraft fitted with a similar door was carried out to ensure that both primary and secondary locks operated correctly.

Placarding of the secondary handle will be improved to clearly identify when it is the LOCKED position.

A strap will be fitted to the emergency exit main handle to minimise the likelihood of it being inadvertently disturbed.

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Cessna 510 Citation Mustang, OE-FHK on 15 June 2017

Safety issue – Aircraft system knowledge

The aircraft operator has taken the following Safety Actions;

A 'Safety Bulletin' to flight crew was circulated which stated that the parking brake is only to be set with the battery switch in the BATT position and that the appropriate checklists are always to be followed. This notice also warns crew not to remove chocks if there are obstacles such as a fuel bowser nearby and states that trainee pilots are always to be accompanied by an experienced crew member while operating the aircraft.

The SOPs were modified and additional guidance on operation of the parking brake and the use of wheel chocks was placed in the OM.

Pilot training was revised to try to ensure a comprehensive understanding of the hydraulic system and the aircraft brakes.

Quest Q-200 UAS on 12 July 2017

Safety issue - Commercial UAV operating procedures

The operator has made the following procedural changes to minimise the probability of collisions with high obstacles on this and other construction sites:

Construction site staff will be contacted, prior to launch, to check the height of the highest structure to ensure that sufficient clearance can be met. If this cannot be achieved that part of the site will not be overflown.

Any flights that have the potential to overfly the construction site will be flown at 400 ft.

Manual corrective action will be taken to manoeuvre the UA in the event of deviations from the flight plan.

AW109SP Grand New, G-HLCM on 2 August 2017

Safety issue - Rotor blade integrity and airworthiness

The manufacturer identified the main rotor blades that were potentially affected and issued Service Bulletin 109SP-116 to introduce a periodic inspection.

The EASA issued Emergency Airworthiness Directive 2017-0176-E to mandate the requirements of the Service Bulletin.

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Appendix 1 - CICITT Occurrence Categories

CODE	DESCRIPTION
ARC	ABNORMAL RUNWAY CONTACT
AMAN	ABRUPT MANEUVER
ADRM	AERODROME
MAC	AIRPROX/TCAS ALERT/LOSS OF SEPARATION/NEAR MIDAIR COLLISIONS/MIDAIR COLLISIONS
ATM	ATM/CNS
BIRD	BIRD
CABIN	CABIN SAFETY EVENTS
CTOL	COLLISION WITH OBSTACLE(S) DURING TAKEOFF AND LANDING
CFIT	CONTROLLED FLIGHT INTO OR TOWARD TERRAIN
EVAC	EVACUATION
EXTL	EXTERNAL LOAD RELATED OCCURRENCES
F–NI	FIRE/SMOKE (NON-IMPACT)
F–POST	FIRE/SMOKE (POST-IMPACT)
FUEL	FUEL RELATED
GTOW	GLIDER TOWING RELATED EVENTS
GCOL	GROUND COLLISION
RAMP	GROUND HANDLING
ICE	ICING
LOC–G	LOSS OF CONTROL–GROUND
LOC–I	LOSS OF CONTROL–INFLIGHT
LOLI	LOSS OF LIFTING CONDITIONS EN ROUTE
LALT	LOW ALTITUDE OPERATIONS
MED	MEDICAL
NAV	NAVIGATION ERRORS
OTHR	OTHER
RE	RUNWAY EXCURSION
RI	RUNWAY INCURSION
SEC	SECURITY RELATED
SCF–NP	SYSTEM/COMPONENT FAILURE OR MALFUNCTION (NON-POWERPLANT)
SCF–PP	SYSTEM/COMPONENT FAILURE OR MALFUNCTION (POWERPLANT)
TURB	TURBULENCE ENCOUNTER
USOS	UNDERSHOOT/OVERSHOOT
UIMC	UNINTENDED FLIGHT IN IMC
UNK	UNKNOWN OR UNDETERMINED
WILD	WILDLIFE
WSTRW	WIND SHEAR OR THUNDERSTORM

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GLOSSARY OF ABBREVIATIONS

aal	above airfield level
ACAS	Airborne Collision Avoidance System
ACARS	Automatic Communications And Reporting System
ADF	Automatic Direction Finding equipment
AFIS(O)	Aerodrome Flight Information Service (Officer)
agl	above ground level
AIC	Aeronautical Information Circular
amsl	above mean sea level
AOM	Aerodrome Operating Minima
APU	Auxiliary Power Unit
ASI	airspeed indicator
ATC(C)(O)	Air Traffic Control (Centre)(Officer)
ATIS	Automatic Terminal Information Service
ATPL	Airline Transport Pilot's Licence
BMAA	British Microlight Aircraft Association
BGA	British Gliding Association
BBAC	British Balloon and Airship Club
BHPA	British Hang Gliding & Paragliding Association
CAA	Civil Aviation Authority
CAVOK	Ceiling And Visibility OK (for VFR flight)
CAS	calibrated airspeed
cc	cubic centimetres
CG	Centre of Gravity
cm	centimetre(s)
CPL	Commercial Pilot's Licence
°C,F,M,T	Celsius, Fahrenheit, magnetic, true
CVR	Cockpit Voice Recorder
DME	Distance Measuring Equipment
EAS	equivalent airspeed
EASA	European Aviation Safety Agency
ECAM	Electronic Centralised Aircraft Monitoring
EGPWS	Enhanced GPWS
EGT	Exhaust Gas Temperature
EICAS	Engine Indication and Crew Alerting System
EPR	Engine Pressure Ratio
ETA	Estimated Time of Arrival
ETD	Estimated Time of Departure
FAA	Federal Aviation Administration (USA)
FDR	Flight Data Recorder
FIR	Flight Information Region
FL	Flight Level
ft	feet
ft/min	feet per minute
g	acceleration due to Earth's gravity
GPS	Global Positioning System
GPWS	Ground Proximity Warning System
hrs	hours (clock time as in 1200 hrs)
HP	high pressure
hPa	hectopascal (equivalent unit to mb)
IAS	indicated airspeed
IFR	Instrument Flight Rules
ILS	Instrument Landing System
IMC	Instrument Meteorological Conditions
IP	Intermediate Pressure
IR	Instrument Rating
ISA	International Standard Atmosphere
kg	kilogram(s)
KCAS	knots calibrated airspeed
KIAS	knots indicated airspeed
KTAS	knots true airspeed
km	kilometre(s)
kt	knot(s)
lb	pound(s)
LP	low pressure
LAA	Light Aircraft Association
LDA	Landing Distance Available
LPC	Licence Proficiency Check
m	metre(s)
MDA	Minimum Descent Altitude
METAR	a timed aerodrome meteorological report
min	minutes
mm	millimetre(s)
mph	miles per hour
MTWA	Maximum Total Weight Authorised
N	Newtons
N_R	Main rotor rotation speed (rotorcraft)
N_g	Gas generator rotation speed (rotorcraft)
N_1	engine fan or LP compressor speed
NDB	Non-Directional radio Beacon
nm	nautical mile(s)
NOTAM	Notice to Airmen
OAT	Outside Air Temperature
OPC	Operator Proficiency Check
PAPI	Precision Approach Path Indicator
PF	Pilot Flying
PIC	Pilot in Command
PNF	Pilot Not Flying
POH	Pilot's Operating Handbook
PPL	Private Pilot's Licence
psi	pounds per square inch
QFE	altimeter pressure setting to indicate height above aerodrome
QNH	altimeter pressure setting to indicate elevation amsl
RA	Resolution Advisory
RFFS	Rescue and Fire Fighting Service
rpm	revolutions per minute
RTF	radiotelephony
RVR	Runway Visual Range
SAR	Search and Rescue
SB	Service Bulletin
SSR	Secondary Surveillance Radar
TA	Traffic Advisory
TAF	Terminal Aerodrome Forecast
TAS	true airspeed
TAWS	Terrain Awareness and Warning System
TCAS	Traffic Collision Avoidance System
TGT	Turbine Gas Temperature
TODA	Takeoff Distance Available
UAS	Unmanned Aircraft System
UHF	Ultra High Frequency
USG	US gallons
UTC	Co-ordinated Universal Time (GMT)
V	Volt(s)
V_1	Takeoff decision speed
V_2	Takeoff safety speed
V_R	Rotation speed
V_{REF}	Reference airspeed (approach)
V_{NE}	Never Exceed airspeed
VASI	Visual Approach Slope Indicator
VFR	Visual Flight Rules
VHF	Very High Frequency
VMC	Visual Meteorological Conditions
VOR	VHF Omnidirectional radio Range

Air Accidents Investigation Branch

Annual Safety Review 2017

SJH_06

Thanet Clinical Commissioning Group

Governing Body

Governing Body - Part 1

12 June 2018 - 13:00

Council Chamber, 3rd floor Thanet District Council, Cecil Street, Margate, CT9 1XZ

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GOVERNING BODY MEETING

Council Chamber
Thanet District Council, Cecil Street, Margate, Kent, CT9 1XZ
Tuesday 13 March 2018, 13:00 – 16:00

PART 1 MINUTES

Members:	[redacted]	TM Clinical Chair JB Chief Finance Officer CH Lay Member, Patient and Public Engagement GJ Governing Body GP DL Lay Member, Governance & Risk MMT Governing Body GP JM Governing Body GP RM Governing Body GP SLM Governing Body GP SM Lay Member, Primary Care JN Governing Body, GP MS Governing Body GP
In Attendance:		MC Company Secretary AO Chief Operating Officer MR Head of Nursing, Quality and Safeguarding CS Managing Director, East Kent OW Chief Officer – IACO SF Business Support Officer (minutes)

Item		Action
1	**Apologies, Declarations of Interest, Quoracy** TM welcomed everyone to the meeting. The meeting was confirmed as quorate. No declarations of interest were declared.	
2	**Questions from the Public and update on questions from HRG** TM reported that he had received the following question from [redacted], a member of the public: *It is stated that the stroke review will improve outcomes for death and disability, but there is no evidence that we (Save our NHS in Kent) can find to support this in relation to non-urban areas. Can you prove us wrong on this - if there are studies we'd love to see them. Also, as head of the CCG you have a duty to reduce inequalities of care. Given that the stroke review necessitates longer ambulance journey times than ever trialled before and the risks that entails, do you think you are failing the people of Thanet and failing in terms of the duties assigned to your role?* TM reported that the Governing Body needed to see the evidence that the proposed changes would improve patient outcomes for the population of Thanet, with evidence of success in non-urban areas similar to Thanet. TM noted that the extra journey time would be countered by improved clinical facilities, as the risk of death was increased not	

	by call to thrombolysis time but by care during the inpatient stay (e.g. issues with swallow, complications of pneumonia) which would be improved by a hyper acute stroke unit (HASU). TM noted that the questions which needed to be answered were 'is the HASU the right move?' and 'if so, where should they be located?' TM reported that patient outcome evidence from other areas indicated that HASUs provided the best clinical care and that work needed to be undertaken to consider the locations of the proposed HASUs taking the deprivation of Thanet into account. TM reported that the equality impact assessment which had been undertaken as part of the review was supposed to be overlaid with deprivation data; TM to check this has happened. TM stated that he had been really disappointed to see the recent Kent and Medway figures for life expectancy as while overall life expectancy was increasing the gap in between the highest and lowest figures was growing. TM highlighted the need to look at what could be done to increase investment in deprived areas such as Thanet. TM noted that this had been partly addressed by the Kent County Council Public Health team but that more needed to happen in terms of social care as well as health. A further question was raised by a member of the public in response to the Governing Body discussion: *Why now? Why has this not been addressed yet when the pre-consultation work on stroke services began in 2014?* TM said that he would have hoped to have seen answers before now but that the consultation process would seek to address all the questions raised with evidence. TM reported that he and JN sat on the Joint Committee for stroke and that careful consideration of the evidence would be given by the Governing Body to inform discussion at the Joint Committee. TM stated that he personally would not vote in favour of something without clear evidence of benefit to patients. The member of the public reported that she had been trying to obtain information from the STP office around which of the CCGs in England had transitioned. OW agreed to email Professor Rudd, National Clinical Director for Stroke, to request this information and would feedback into the review.	**TM** **OW**
3	**Minutes of Previous Meeting** The minutes were agreed as an accurate record of the meeting held 19 December 2017 subject to the following amendment: AO to be listed as an attendee, not a member.	
4	**Report from the Clinical Chair** TM reported that [redacted], formerly Accountable Officer for Thanet and South Kent Coast CCGs, had resigned from her post at Thanet CCG to take up a new role as Director of Partnerships for the STP.	
5	**Public and Patient Engagement Report** CH reported that a meeting of the Thanet Health Reference Group (HRG) had been held recently, whose membership consisted of chairs and secretaries of all Thanet patient participation groups. CH noted that discussion had focused on the stroke review and he highlighted that the same issues raised by the HRG had been raised at all the public meetings he had attended as part of the consultation. Concerns expressed	

included:

- Why was the Queen Elizabeth Queen Mother (QEQM) hospital dismissed so quickly from the list of possible sites for a HASU?
- Length of travel time, and waiting times for ambulances in addition, particularly in light of the public health campaign around FAST (the acronym used as a mnemonic to help detect and enhance responsiveness to stroke victim needs)
- Even if there was evidence to prove that a service would be better for patient outcomes despite a longer travel time, radical mitigations would be needed for the 145k population of Thanet which was spread across three towns and multiple villages.

CH reported that two successful Esther style cafes had been held covering mental health issues.

CH highlighted that the stroke consultation ran until 13 April 2018 and encouraged everyone to complete the questionnaire.

MMT noted the very valid concerns which CH had relayed and queried what mitigating actions had been suggested for Thanet residents. CH suggested that a protocol could be put in place to ensure that if the HASU was situated at Ashford, that a Thanet patient who had been travelling for one hour would be seen as a priority over an Ashford resident who had travelled a very short distance. CH also queried whether telemedicine could be used in ambulances. MMT reported that call to needle time was the key performance indicator for the success of thrombolysis for those patients which it was appropriate for, and this would be the way in which patients would be prioritised.

OW reported that she had begun discussions with South East Coast Ambulance Service (SECAmb) about starting the assessment process much earlier. OW noted that similar work had been done in rural France so learning would be taken from this and if appropriate for taking forward Thanet would be used as a pilot area. OW reported that telemedicine was used out of hours but not currently with ambulance crews; if developed the CCG would push for Thanet to be prioritised.

SLM expressed concern that the ambulance response priority code for a possible stroke was red 2 which could mean up to a 40 minute wait for an ambulance. If travel time to hospital was then 1 hour this would greatly impact on call to needle time. SLM also highlighted the need for mitigations around transport for relatives or return transport for outpatient clinics to be considered for Thanet patients. DL reported that if the clinical evidence for fewer stroke units was compelling then the CCG should be looking for mitigations for the most adversely affected patients.

GJ expressed concern about transient ischemic attack (TIA) clinics being co-located with the HASU, as this would affect mainly elderly patients who would require multiple visits and follow up appointments. GJ highlighted that transport for these appointments needed to be addressed. TM concurred that wherever a HASU was situated there must be a good one-stop clinic at the non-selected sites as this would affect a patient group which would not find transport easy, as well as a significantly deprived population.

TM reported that an ambulance response priority code red 1 was for immediately life threatening circumstances. TM noted that the evidence so far had been that where treat and transfer had been implemented in remote areas that patients experienced increased event to needle time despite this seeming counter-intuitive. MMT highlighted the importance of infrastructure which would require councils and local government to work in conjunction with healthcare. He said the road from Thanet to Ashford was in atrocious condition and highlighted the need for increased public transport links.

JM expressed concern about the long term future of the QEQM hospital in terms of co-

	dependencies. He expressed concern that removing high level stroke services would impact upon recruiting and retaining staff. He noted that levels of expected population growth might mean that a unit in Thanet would be required within 5-10 years. OW reported that population growth projections for the next 10 years had been factored into the planning by the Public Health team. The Joint Committee for stroke had been advised that where stroke beds had been removed from district general hospitals this had not resulted in a hospital downgrade anywhere in the country. TM noted that there was some reduction in the number of beds as part of the proposed reconfiguration and highlighted that this would need to meet the Secretary of State's criteria for reconfiguration for approval.	
6	**Report from the Clinical Leadership Team** TM reported that significant work was underway around tiers of care, identifying services which could be more appropriately and accessibly provided to patients more locally to their primary care setting such as rheumatology and diabetes care. TM reported that the Clinical Leadership Team (CLT) had agreed to trial a Minor Eye Conditions Scheme (MECS) which will be delivered via trained high street opticians. TM highlighted in integrated community care the work of the acute response team (ART) pulling out primary care type patients from A&E to ensure that these patients were responded to more quickly and appropriately. TM emphasised the importance of addressing why patients who should be seen in primary care were accessing A&E and ensuring primary care was offering the appointments and care that it should. TM reported that an enhanced GP contract had been discussed recently to ensure GPs had the resources required to extend the care they could provide. In mental health work was ongoing with the Kent and Medway Multi agency Suicide Prevention steering group. JM reported that there was a certain tranche of money associated with suicide prevention to reflect the disproportionate impact on Thanet and East Kent and bids for funds were being prepared. The new service for Children and Young People's mental health was still in mobilisation but TM reported that he hoped the new provider would ensure these patients were attended to more quickly than the previous contract had delivered, and given the support that they need. JM reported that Thanet could look forward to an improved offer from mental health in terms of primary mental health workers in the year ahead and that Recovery College was starting a pilot in Thanet.	
7	**Kent and Medway STP Update** TM reported that the CCGs in Kent and Medway were working together on the stroke consultation. TM noted that while the Kent and Medway Sustainability and Transformation Programme (STP) did not have any statutory power, it did have a lot of support from Simon Stevens, Chief Executive of NHS England. The question of how the STP and CCGs would work together was still open but design workshops were currently being held to consider what the STP would look like into the future. TM reported that there was a push for the Kent and Medway CCGs to all sign up to Glenn Douglas, Chief Executive of the STP, becoming the single accountable officer for all eight CCGs. TM reported that this pressure would be discussed at a private meeting of the Governing Body this afternoon to ensure that any decision ensured the needs of the Thanet population were addressed. SM expressed concern about the interface between the STP and local care. MC reported that the second of the series of design workshops being held would focus on governance and structure. CS reported that the deliverability of local care was key and that the challenge was delivering faster and at scale. CS said that she wanted to see	

	the Kent and Medway piece as a framework which was driven locally and for the STP to attract investment from external sources for local care while resisting the pressure to funnel it into the acute sector. OW echoed CS' comments, noting that there was a good foundation in Thanet based on goodwill and innovation and highlighted the need to use the STP and investment wisely to deliver local care at a pace. SM suggested that the Chair of the Governance & Risk Committee should be invited to the STP Governance workshop; MC concurred. DL reported that he understood the need for an overall strategic plan but highlighted the importance of not losing the gains in clinical leadership through this process. DL emphasised that the governance and clinical leadership were not separate.	
8	**Report from the Quality and Operational Leadership Team** MR presented a summary of quality issues which had been discussed at the Quality and Operational Leadership Team (QOLT) meetings since the last Governing Body meeting. MR highlighted the significant quality challenges at East Kent Hospitals University NHS Foundation Trust (EKHUFT) around A&E performance, infection prevention control and surgical never events and reported that the Committee had been providing assurance around the actions in place to provide support to the trust to ensure the safety of services while going through these challenges. MR reported that there had been some improvements to Looked After Children performance at both EKHUFT and Kent Community Health Foundation Trust (KCHFT). AO reported that QOLT had continued to monitor performance against key targets. RTT regrettably (partly due to winter pressures) had continued to deteriorate around 18 and 52 week waits. The trust had produced plans to get 18 week waits back to 88% and to halve the number of patients waiting 52 weeks which provide some assurance. The CCG would review these plans and report back to QOLT. AO reported that contract performance notice (CPN) meetings continue, supplemented by weekly telephone calls. AO reported that as part of the KCHFT contract key deliverables were put in place last year. These would be reviewed this week and consideration would be given as to how the contract could be used to increase the pace in local care transformation. GJ queried the big jump in figures at the end of the RTT graph. AO to query the figure in the projections and provide an update. TM requested a breakdown of ambulance response times and a breakdown by locality. MMT requested an overview of staffing vacancies to highlight the most challenged services. SM highlighted that performance by EKHUFT around RTT had been an issue for years; the trust has produced action plans but sustained improvements have not been delivered. SM queried what else the CCG could do given the questions raised by NHS England around the CCG's management of the acute contract. AO highlighted the need to recognise that the CCG was dealing with an extremely challenged trust and therefore it was not surprising to see poor performance and quality issues. AO acknowledged that the CCG did not currently have assurance and this would be tested at regular meetings with the trust. SLM reported that her biggest concern around EKHUFT performance was the performance around the 62 day standard for cancer. TM reported that the CCG was looking to move forward through the CPN meetings and noted that it would be interesting to see if something at an STP level would help to deliver improvements. TM noted that the care delivered by the hospital staff was rated as consistently good and that alternative routes to facilitate changes were important. JN highlighted that a big	**AO**

	challenge was attracting and retaining staff, citing that many of the trust specialties had a 40% locum rate. SLM suggested that consideration should be given for patients to access treatment elsewhere to ensure they receive it in a timely fashion. CS reported that there had been a quality meeting this morning between the Kent and Medway CCGs and the regulator to consider radical solutions to deliver alternatives to patients and help the trust.	
9	**Finance Report** JB reported that the CCG had hit financial targets at month 10 and that Thanet was the only CCG in East Kent in this position. JB highlighted that the year end position would depend on the results of the expert determination between the CCG and the trust. JB reported that going forward the CCG would work more closely with NHS England and NHS Improvement to reduce the levels of dispute. JB reported that where this had been done in Devon there were big changes in the care delivered and it could result in opportunities to get the care needed for Thanet patients. SM noted that it was unhelpful not to receive the outcome of the expert determination until the end of the financial year as it made planning for the forthcoming year difficult for both the CCG and the trust. JB reported that the expert determination involved a 30 day piece of work rather than the usual one hour meeting which reflected the substantial issues requiring detailed consideration. JB hoped that arrangements could be regularised with the trust going forward. SLM expressed concern over Thanet District Council's decision to charge for collection of sharps waste and that the knock on effect of this could be more costly in the long term. AO reported that the CCG was in discussion with the local authority to try and resolve this. CH noted that the decision would affect the poorest most as their care was free at the point of delivery and yet they would now be charged for waste collection.	
10	**Budget approval for coming year** JB reported that the CCG was in a better position than anticipated in terms of next year's funding. JB reported that there would be a significant increase in primary care funding – 4.1% - which was very welcomed. The general increase in budget was 2.9% which was 0.8% higher than expected. The mandatory reserves were used centrally but 0.5% has been released. JB noted that this had allowed the CCG to identify additional funding for local care and emphasised the need to grab opportunities to develop local care initiatives. JB noted that the entire budget totalled around £216M which included the £21.79M full primary care allocation and an additional £3M funding for primary care. SM highlighted the importance of deciding at a very early stage what would be funded through the primary care monies as there would be a requirement for the plans to be submitted to the Primary Care Commissioning Committee (PCCC) as soon as possible. CS reported that the Executive teams for the East Kent CCGs had spent all of the previous day and would spend the following Monday morning discussing this in order to give a clear picture to both providers and the public. MMT queried whether the hub developments were part of the budget. JB confirmed that an element of the budget would be needed for the hubs. MMT reported that with the hubs there was an emphasis on social prescribing and noted that this should not all come from NHS budgets. CS suggested that there might be opportunities for matched funding and that the Kent and Medway level work would support this. JM queried what proportion of the funding would be spent on mental health and	

	dementia. JB reported that the parity of esteem calculations would be used for mental health funding and that consideration had been given to how dementia affects other services so there was growth in the healthcare and mental health budget and that money had been put back into the Ogden unit which would benefit dementia patients. CS highlighted that any working around frailty and MDTs would benefit dementia patients. SLM acknowledged that 4.1% increase in primary care funding was positive but highlighted that practices which were struggling to recruit were having to pay locum GPs £950 per day. JB reported that if practices were under particular financial pressure then there could be a discretionary claim under section 96 of the 2006 Act claim and that was always open when care was under pressure from costs which could not be anticipated or managed. JM suggested drilling down into the mental health standard to consider how to fund projects which would deliver other benefits. JB reported that the CCG had a requirement to increase spend on mental health, but not on any specific contract so the funding could be moved to give the best outcome for patients with mental health issues. CS agreed that the current model of care was not delivering the best results and suggested considering the whole mental health budget and how it was spent in order to improve this. JB noted that there was uncertainty around the acute trust figures. JB reported that an assumption had been made that the CCG would win 50% of the monies during expert determination. Therefore if the CCG lost the entire arbitration case then it would put £5m pressure on the budget; if the CCG won the entire dispute it would add £5m extra. The Governing Body would be kept informed of the result and the budget would be brought back for consideration if it changed significantly. JB noted that case mix may be different locally to the national average and that with HRG4 tariff the figures were susceptible to small coding changes. JB reported that this had been one of the major elements of the dispute with EKHUFT this year. JB noted that a £14m pressure on a £76m unplanned hospital care budget was substantial. JB reported that the £8m QIPP figure was achievable but noted the risk associated with the majority against the acute contract. JB emphasised that delivering local care that worked was the way forward. He added that the CCG had a responsibility to drive down the cost base by preventing inappropriate admissions, improving quality and identifying plans that would deliver. DL queried how compatible the CCG budget was with the EKHUFT budget. JB reported that as the CCG and trust went through the reporting process over the next month the centre would be triangulating. At present EKHUFT was struggling to increase capacity so the CCG figures were more likely to be closer to the trust's than elsewhere (e.g. in West Kent). JB noted that the price increase issue would need to be addressed but the CCG was not disputing the baseline level of activity this year so the gap would be smaller than it had been in previous years. JN reported that he was supportive of multidisciplinary teams (MDTs) as long as they did not drive additional activity which was not beneficial to patients. TM agreed that multidisciplinary meetings must continue to be embedded in local care led by the patient's GP going forward. GJ queried whether there was a process for auditing the quality of discharge letters and coding. JB reported that some work on coding had been undertaken this year as there was a clear clause in the national contract which allows the CCG to audit. GJ queried whether there was an easy way for GPs to report concerns around discharge letters or	

	coding. JB reported that due to the sheer volume it would be very difficult to dispute individual cases but confirmed that having written evidence from GPs would have effect. SLM queried whether consideration should be given to commissioning alternative services for patients currently waiting longer than the targets. JB reported that there was scope in the 'other acute contracts' section of the budget for a considerable number of patients to be treated elsewhere than EKHUFT. The Governing Body approved the planned revenue budget for the year 2018/19 as set out in the paper. The Governing Body noted that some adjustments to the budget would be necessary to reflect completed contract negotiations. The Governing Body noted that a paper showing a detailed budget with the adjustments would be brought to the next Governing Body meeting.	
11	**Governance and Risk Committee Report** DL highlighted that the typo in the Governance & Risk Committee Report and confirmed that he (not his counterpart at South Kent Coast CCG) was the author of the report. DL reported that the governance arrangements for the STP had been discussed extensively at the last Governance & Risk Committee. DL reported that while the Committee agreed with the direction of travel of the STP, lay members had concerns about the lack of good governance, particularly that the Governing Body should not be presented with nor accept decisions being presented as a fait accompli. SM echoed these concerns. MMT also agreed with these concerns and suggested that the appointment of a single accountable officer for Kent and Medway should be resisted. MMT noted the drive for Thanet to become an appendix of a larger body. He said that local care must be developed from the bottom up and that the Governing Body should decide at a Thanet level what needed to done at scale. DL reported that the internal auditors had been critical that the assurance framework had fallen off the Committee radar somewhat while there had not been a company secretary in post. DL emphasised that the monitoring of those things which were mission critical must not be lost sight of.	
12	**Board Assurance Framework** MC reported that Michelle Harris, Thanet and South Kent Coast CCGs' Risk and Assurance Manager was leading on the board assurance framework (BAF) and was in the process of updating the document. MC reported that the format would remain simple but would better capture links between the strategic aims and strategic risks. MC noted that areas where the CCG was least assured included the constitutional standards which had already been discussed under agenda item 8. Further detail was included around the actions taken to mitigate these risks but MC noted that the targets (e.g. A&E performance) were directly out of CCG control. SM reported that she was surprised the "We will improve the quality and sustainability of primary care" item was rated as green. SM suggested that an amber rating would be more appropriate and queried the process for agreeing the ratings. MC to update the rating and present the updated BAF to the Governance & Risk Committee. DL confirmed the Governance & Risk Committee would scrutinise the mission critical items and progress against them. DL noted that a green rating could mean the item was progressing reasonably rather than that it had been fully achieved. The BAF to be submitted to the next Governing Body meeting for approval.	**MC** **MC**

13	**Risk Register** MC reported that the format of the risk register had been simplified. He had identified some very long standing items which had been reframed or closed as appropriate. MC reported that the risk register would be split going forward, into risks that were less likely to change quickly and those which were changing more rapidly. MC reported that this was an approach that the Internal Auditors supported as live risks could easily get buried under longer standing items. MC confirmed that the longstanding risks would still be reported in a summary fashion. TM expressed concern about splitting the risk register, noting that the top risks were those which impacted patients the most whether they were longstanding or newer risks. MC highlighted that all the risks would appear on the same document just on different tabs; there was no intention of losing sight of the top risks as challenge needed to be maintained. MC to submit a draft template of the new look risk register to the Governance & Risk Committee for review; TM requested that the Governance & Risk Committee then bring a proposal to the Governing Body. JM reported that the risk around NELFT waiting times for ADHD assessments should be included on the risk register. MC confirmed that the risk register was a live document and would be updated. The Governing Body approved the recommended closure of risks H005 and LC004.	
14	**Preparation for end of year external audit opinion** MC reported that the deadline for the submission of the audited accounts to NHS England was noon on Tuesday 29 May 2018. MC reported that the Governing Body was responsible for approving these and because of the tight timelines involved, asked the Governing Body to delegate any final amendments to the annual accounts to the Governance & Risk Committee Chair. The Governing Body approved the delegation of any final minor amendments to the annual accounts to the Governance & Risk Committee Chair, with any significant amendments to be considered by a special meeting of the Governing Body if required.	
15	**Primary Care Commissioning Committee Report** SM reported that the two main issues highlighted in the PCCC report were the increased population numbers to be accommodated in the infrastructure and the sustainability of the primary care workforce and GP practices.	
16	**For Information Only** The minutes of the recent Thanet Health and Wellbeing Board and the Kent County Council Health and Wellbeing Board were noted.	
17	**Questions and Answers** Iris Johnston, Councillor for Margate Central Ward reported that she was very glad that the issue of Thanet District Council charging for sharps waste disposal had been raised and discussed at this meeting. She asked the Governing Body GP members whether they had been made aware of the council's plans prior to implementation; all confirmed they had not. She said that she was very concerned about the lack of consultation prior to the decision to proceed with the plan and would be raising the issue with the Council.	
18	**Date of next meeting:**	

	Tuesday 12 June 2018, 1 – 4pm	

Thanet Formal Governing Body meeting - 13 March 2018 - DRAFT Action Log

Date of Meeting	Item No.	Item	Action no.	Action	By Whom	Target Date	Status	Recommendation for Chair	Update
13/03/2018	2	Questions from the public		TM to ensure that the equality impact assessment undertaken as part of the stroke services consultation had been overlaid with deprivation data.	Tony Martin				
13/03/2018	2	Questions from the public		OW to email Professor Rudd, National Clinical Director for Stroke, to request information from the Kent and Medway Sustainability and Transformation Plan (STP) office around which of the CCGs in England had transitioned, and would feedback into the review.	Oena Windibank				
13/03/2018	8	Report from the Quality and Operational Leadership Team		AO to query the figure in the RTT projections and provide an update.	Ailsa Ogilvie				
13/03/2018	12	Board Assurance Framework		MC to update the rating for 'quality and sustainability of primary care' to amber and present the updated BAF to the Governance & Risk Committee.	Matt Capper				
13/03/2018	12	Board Assurance Framework		BAF to be submitted to next Governing Body meeting for approval.	Matt Capper				

Report to:	Governing Body		**Agenda Item:**	2.1
Date of Meeting:	12 June 2018			
Title of Report:	Communication and Engagement Report			
Author:	[redacted] Engagement Lead NEL			
Governing Body Sponsor:	[redacted] Lay Member, Public and Patient Engagement			
Action Required:	Approval	Decision	Discussion/ Assurance	Information X
Conflict of Interest:	N	For Part 1		
Involvement of patients, carers, staff and stakeholders	Describe: The report covers the way the CCG has been involving patients and the public over the last two months			

Situation:

NHS Thanet CCG recognises that listening to and acting on what matters to local people is key to the delivery of our commissioning intentions and plans.

Engaging and communicating with patients and local people to jointly design and commission services will make them a more active and powerful resource. It will also help us to gain a much better return on the money we invest in local services.

In Thanet and across east Kent, we are looking at how local health and care services can be delivered in a more joined-up way. These will help people get care that looks after them as a whole person, rather than treating their different conditions separately. It will also mean people can get more care and support in their local community, with more services provided at some GP surgeries, community hospitals or other bases.

This month the new EU legislation on General Data Protection Regulations came in so we have reviewed the way we contact people and asked them to renew their membership as members of the health network. Held an Esther café to listen to the patient perspective and taken part in some strategic planning groups.

Background:

There is a duty to involve people in the planning and design of services and the CCG has spent time establishing regular means of contact and involvement, we intend continuing upon this work. The recent review of our work by NHS England offers some scope for improving our work going forward.

Assessment:
NA

Recommendation:
Information for update on recent progress.

Risk description:

Lead Committee	Date Added	Risk Description Including Cause and Impact to CCG	Original Risk Rate	Actions Completed to Reduce Risks	Action Planned and Progress	Date By When All Actions will Be Completed	Owner / Risk Register
			0				

Supporting Paper/Appendices:
Communication and Engagement Report

NHS
Thanet Clinical Commissioning Group

Communications and engagement progress report June 2018

Introduction

NHS Thanet Clinical Commissioning Group recognises that listening to and acting on what matters to local people is key to the delivery of our commissioning intentions and plans.

Engaging and communicating with patients and local people to jointly design and commission services will make them a more active and powerful resource. It will also help us to gain a much better return on the money we invest in local services.

A summary of recent activity is included below.

1. Patient and stakeholder engagement

Since the last Governing Body meeting in public, Lay Member for Patient and Public Engagement Clive Hart has continued to promote and encourage public participation in local health matters.

Clive regularly attends Thanet Adult Strategic Partnership, Thanet Local Children's Partnership Group, and Thanet Health and Wellbeing Board, and thereby maintains close working relationships with third sector and statutory organisations supporting and caring for residents of all ages across the district.

Thanet Health Reference Group, which Clive chairs, continues to bring together the leaders of GP practice patient participation groups (PPGs) to support Thanet CCG and to help individual PPGs spread good practice through the regular networking opportunity. This two-way engagement process is proving beneficial to all parties concerned and is well attended.

Thanet Health Network is being used increasingly to inform members of the growing number of public engagement opportunities being planned as part of changes to local care and the wider work to transform health and care services in Kent and Medway. Clive also makes sure members are kept right up to date with fast moving changes through a monthly bulletin.

Since the last Governing Body meeting, Clive has attended and supported the latest local Esther Café session in Broadstairs (during May) that focused on social prescribing. The informal Esther Cafes are proving to be a very informative form of engagement at a very practical and local level. Esther Cafés are relaxed and informal events which provide an opportunity to hear first-hand people's experience of using local services, and a chance for them to contribute their ideas and feedback.

Clive also attended the further Thanet public consultation meetings on the stroke service review, held in St Peters/Broadstairs and Ramsgate. These followed on from earlier events in Margate and Minster and thereby provided Thanet residents with engagement opportunities in each of our three main coastal towns and a more central rural/village location. Throughout the period of the stroke consultation he consistently promoted the associated resident survey through social media channels.

Clive was pleased to see keen involvement in local care issues at a public meeting held in March to discuss plans to provide more joined-up care, closer to home for east Kent. More than 50 members of the public attended the Design by Dialogue event in Canterbury, including representatives of campaign groups, who came together at the cricket ground in Canterbury to share their views on health and care services in the area. A summary report of the event has been published on our NHS Thanet CCG website.

Clive and Ana Nacif (Lay Member for Canterbury and Coastal) share attendance at East Kent Programme Board meetings in relation to engagement matters but the most recent meetings have unfortunately been postponed.

At Kent and Medway level, Clive continues to attend meetings of the Kent and Medway Sustainability and Transformation Partnership's Patient and Public Advisory Group and also supports the STP's Communications and Engagement work stream and also attended a workshop on 'system transformation'.

Clive was also pleased to see closer team working being promoted through an event focused on the 'Principles of Buurtzorg', a way of working in small teams used extensively in the Netherlands that KCC hope to 'pilot' in other areas of Kent in the near future.

1.2 Local care

The integration of health and social care has been acknowledged as the means of delivering better care and improving quality and outcomes for citizens, as well as efficiencies across the system.

On 25 May, there was an ESTHER Café held at Bradstow Court in Broadstairs. Twelve people attended and there was an informal presentation about social prescribing, given by Red Zebra. Social prescribing is a future project which the Local Care team will focus on this year.

We are currently applying, with Bethesda Medical Centre, for planning permission to extend the building and create a state-of-the-art health centre for Margate.

The plans are to create a new “one stop shop” for people in Margate which can cater for up to 32,000 patients, allowing them to get all the medical and nursing services they expect in much more modern and accessible space. The CCG want the building to feel like a community venue and the local community to feel a part of the development. Over the next 12-18 months, there will be opportunities for the local community to become involved in commenting and sharing their thoughts on this.

We have been supporting the Limes to engage with patients about its ability to provide a high quality service at its Garlinge branch surgery and are now supporting the practice to explore options for the future of the branch.

1.3 Thanet Health Reference Group (HRG)

The HRG met on 11 April 2018, when a presentation was given by Oena Windibank, the Chief Officer for Local Care. The presentation focused on the plan for Thanet’s Local Care and the services it could or would provide across Thanet down to locality level. The group members were also asked to comment on the layout and design of the slides to ensure the information is people friendly.

The next Health Reference Group meeting is on Wednesday 06 June, between 10am and 12 noon, at Thanet District Council offices. At this meeting there will be a presentation and a discussion on the new east Kent Rheumatology service.

1.4 General Data Protection Regulation preparing for 25 May

We have been liaising with NEL colleagues to ensure we meet the changes in EU regulations regarding the data we keep and the contact we make with our stakeholders, patients and the public when discharging our duty to involve.

a. Publicly available contact information (eg. GP practice general email address, phone numbers and emails for MPs, councillors, organisation general email addresses) can work on an opt-out basis.

- When contacting people to opt-out the message needs to be clear what data the CCG holds, how it is used, why, and provide an option for them to no longer receive news updates, and a reminder they can opt-out any time.

- Store this data/list so there is an audit trail

b. Individual professional email addresses – opt-out

Same as above – where there is already an established communication channel and we have been contacting them before and this information is also available publicly on public facing websites etc.

c. Patients, public, patient groups – opt-in by 25 May.

Be clear what their data will be used for, how long it will be held for, and reminder they can opt-out any time.

Individual CCG staff can continue to contact individuals as part of their day-to-day work – as GDPR is related to general communications emails/marketing, rather than any contact between organisations or individuals.

The virtual health network, which is one of our means of ongoing dialogue with individuals and organisations, has been contacted to request people give their consent to renew their membership.

1.5 Transforming health and social care in Kent and Medway

On Wednesday 18 April, Kent and Medway health and care staff and partners attended a 'Heart of Local Care' conference to look at how different professionals can best work in multi-disciplinary teams (MDTs) to improve care for patients.

The conference attracted frontline colleagues from across the health and social care sector, as well as partner organisations, including Kent Fire and Rescue Service and the Heart of Kent Hospice. Speakers, like trainee advanced clinical practitioner in frailty, Carrie Mandeville, told of the advantages of integrating teams.

Highlights of the conference, which saw the audience chuckling, were two films. ‘What is an MDT?‘ stars local colleagues and helped to articulate the vision and challenges of working this way. ‘Patiently confused‘, shows just how much we’ve confused the public with our use of acronyms, you can watch it here.

1.6 Co-production approach for the STP

The Kent and Medway Patient and Public Advisory Group (PPAG)’s recommendation to the STP Programme Board that they champion a co-production approach (working in equal partnership with the public on developing and implementing plans) has been enthusiastically adopted.

At its most basic, co-production of public services is about ‘action’, for example, people (including professionals and people who use services) coming together and producing a service or an outcome.

Voice-based initiatives, where we ask people to tell us what they want, may be able to design better services than those that don’t engage with people

but, ultimately, they are not aimed at unlocking the practical skills and capacities of people who receive services.

Six principles of co-production:

1. Assets: transforming the perception of people from passive recipients of services and burdens on the system into one where they are equal partners in designing and delivering services.

2. Capacity: altering the delivery model of public services from a deficit approach to one that recognises and grows people's capabilities and actively supports them to put them to use at an individual and community level.

3. Mutuality: offering people a range of incentives to engage with, enabling them to work in reciprocal relationships with professionals and with each other, where there are mutual responsibilities and expectations.

4. Networks: engaging peer and personal networks alongside professionals as the best way of transferring knowledge.

5. Blur roles: removing tightly defined boundaries between professionals and recipients, and between producers and consumers of services, by reconfiguring the ways in which services are developed and delivered.

6. Catalysts: enabling public service agencies to become facilitators rather than central providers themselves.

Some of these principles, such as asset-based approaches, are distinct practices in their own right, with robust emerging evidence bases, especially for improving health and wellbeing.

A working group of project leads and PPAG members is being formed to create a business case for co-production, including the development of a number of pilots in Kent and Medway. Each STP workstream is currently identifying a suitable project for a co-production pilot.

1.7 Stroke consultation across Kent and Medway, and parts of south London and East Sussex.

The consultation closed on Friday 20 April and all feedback is now being independently analysed. The analysts will produce a report for the stroke review team and the joint committee of ten clinical commissioning groups to consider.

Patricia Davies, senior responsible officer for the stroke review, said: "During the consultation we've heard a range of views from people across Kent, Medway and the surrounding areas. There have been some important points made covering: travel times, links to rehabilitation services, recruitment and many other topics.

"Alternatives suggested during the consultation will be evaluated and viable options included in the report to identify a preferred option. We expect to be ready for the CCGs to make a final decision at a public meeting towards the end of this year."

The consultation feedback includes:

- 2,240 responses to the online questionnaire
- 299 hard copy questionnaires
- Notes from 28 public listening events attended by 850 people
- Notes from meetings hosted by others where we discussed the proposals
- Notes from consultation events with staff in NHS trusts
- 701 telephone interviews
- 442 face-to-face discussions through focus groups, street surveys and outreach engagement
- 500+ email / postal / phone comments and questions
- 500+ comments and questions through social media
- 1,521 postcard responses and a petition with ~3,500 signatures received from a group in Thanet

The feedback report will identify all the main themes from the consultation responses. Notes from engagement events during the consultation and responses from organisations/groups will be published in due course as part of the feedback report. Individual comments will not be published as they may contain personal identifiable information which respondents did not wish to be made public.

The CCG website has been updated to reflect this, as has the central Kent and Medway website.

http://www.thanetccg.nhs.uk/health-network/stroke-services-review/what-people-have-said-so-far

A summary of the process to identify the final preferred option is available at:

https://kentandmedway.nhs.uk/stroke/decision-making-process

1.8 Plans for east Kent

In east Kent, we are looking at how local health and care services can be delivered in a more joined-up way. These will help people get care that looks after them as a whole person, rather than treating their different conditions

separately. It will also mean people can get more care and support in their local community, with more services provided at some GP surgeries, community hospitals or other bases.

We are also looking at how to make sure our hospitals provide high-quality sustainable care that meets national standards.

Working with specialist communications and engagement colleagues from a number of organisations, we have developed a pre-consultation communications and engagement plan. It outlines the strategy and activities for undertaking the final phase of the pre-consultation engagement, up to and including the formal evaluation of the proposed medium-list of options, and the formal agreement to prepare and undertake consultation on any option shortlisted following this process.

In a nutshell, there will be:

- Local Design by Dialogue sessions (where the 'system players' can tell their story together)
- Targeted sessions with, for example, people with protected characteristics and users of specific services such as maternity, inpatient surgery, and primary angioplasty from other parts of Kent
- Sessions on the evaluation of the potential options that include patients and public. A citizen jury type approach may be useful here
- Broader stakeholder engagement with for example local authorities, MPs, partner agencies Healthwatch PPAG other NHS organisations, GP practices and primary care teams including demonstrable clinical engagement across the system
- A whole system stress test simulation-type event (presenting the proposed whole system model, creating scenarios that will enable people to see how it might work and stress test it to extract learning and refine the model where required) We will need whole system representation in the room.

We will enact the plan in coming months, once the activity modelling work is complete, enabling us to answer the question "What does this mean for me?" for different communities, demographics, and health needs or conditions.

It builds on the intensive programme of earlier engagement which has taken place since the East Kent Strategy Board, now East Kent Delivery Board was set up in autumn 2015. This included engaging widely with staff, stakeholders, patients, carers and the public on the case for change in east Kent, the development of best practice models of care for urgent care, acute medicine and orthopaedic services, the design and development of evaluation criteria, and early thinking for potential option one of the two potential options for urgent, emergency and acute medical care.

1.9 National consultations

The engagement team will be promoting these through bulletins to those registering an interest in the Thanet health network, and to the Thanet Public Health Reference Group, to encourage people to respond.

Consultation on extending access to personal health budgets

The Department of Health and Social Care is holding an open consultation on personal health budgets and integrated personal budgets. The consultation includes extending the right to have a personal health budget to people who have been kept in hospital for mental health care and are eligible for funding for aftercare, and to people with ongoing mental health needs, or people with a learning disability, autism or both, who are eligible for ongoing NHS care. The consultation closes on 8 June. More information and the consultation can be found at the following link:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/697825/personal-health-budgets-and-integrated-personal-health-budgets-consultation.pdf

Alternative ways to have an 'online' consultation with your GP

NHS England is supporting GP practices to offer their patients alternative ways to have a consultation with a GP or other practice-based health professional online via the internet, rather than waiting for the next available appointment to attend in person – we are referring to this as 'online consultations'.

Online consultations are a way for patients to use a smartphone, tablet or computer, to contact their practice about a new problem or an ongoing issue, to ask questions or tell their GP about their symptoms. The practice will ensure their contact is dealt with by the right person in the team, helping ensure they are served as quickly and appropriately as possible. Sometimes this will mean a patient will need a phone call with the GP or nurse, or an appointment at the practice, and this will be arranged as usual.

Places that are using online consultations already have found a number of benefits:

• Patients were able to get a quicker response, rather than waiting for an appointment in person

• It is more convenient as patients do not have to travel to their GP practice or wait for the next available appointment.

• GPs were able to provide more appointments for patients, offering the same level of consultation, diagnosis and necessary actions (such as referral or a prescription) as patients would get in a face-to-face appointment.

NHS England is seeking views through an online survey by Friday 15 June 2018. The survey should take less than 10 minutes to complete. The next

steps are to continue these open discussions and to work through the recommendations made by the RCPCH.

https://www.engage.england.nhs.uk/survey/online-consultations-public-engagement/

2 Spreading the word through the media and other communications

2.1 Media relations

We keep the local media updated on plans and progress and regularly receive good coverage for news stories. We also provide responses to requests for further information and post updates on the CCG website.

Recent press releases have included Dementia Action Week, encouraging use of pharmacists for common ailment prevention, and updates on the stroke review.

We have also supported local practices in their public communications and media relations, notably Bethesda Medical Centre and The Limes.

Media releases and other communications continue to be shared with partner organisations as we move towards greater integration of care.

The promotion of the Health Help Now website and app continues in both traditional media and social media.

2.2 Change of Chair

We have recently shared the news about our change of Chair, sending information to patients, the media, and putting it on our website.

2.3 Wheelchairs

As the lead commissioner for wheelchair services for Kent and Medway, we have been working with the provider on communications for patients and stakeholders about the service, which has been experiencing longer waiting times for non-urgent referrals than we would wish. An audit to understand the reasons for the pressures so we can resolve the challenges is underway.

2.4 Healthy Ageing in east Kent

Our booklet, Healthy Ageing in east Kent – your local guide, is now being printed, ahead of distribution to frail and older people.

It gives advice and tips on staying healthy and looking after yourself, and lists ways to spot signs of common illnesses at an early stage, before they become more serious.

It also has details of local services in east Kent that provide help and support on a range of issues including hearing problems, living with dementia, avoiding falls, and meeting new people.

It was prepared with our health, social care, public health and district council partners, and has been clinically approved. It was funded by NHS England.

2.5 Over the counter medicines

NHS England has published guidance on a number of short-term minor conditions where, instead of issuing a prescription, patients should be directed to purchase medication in a shop or pharmacy.

This follows a national consultation, and one in east Kent where there was strong support (86 per cent) for the proposal to restrict prescriptions for common health issues.

We are supporting GP practices to help patients understand this change, by preparing posters to encourage patients to self-care where appropriate and make use of their local pharmacy.

2.6 Urgent care communications

We are reviewing the system resilience communications plan with a view to increase its reach and impact, including the creation of patient films.

As of 17 May 2018, the Kent Health Help Now web app had been used 346,525 times by people using 290,858 devices (such as smartphones, tablets or computers).

Users stay on for just over one minute on average. Forty per cent of users are aged 18 to 34, 24 per cent are 35 to 44, 17 per cent 45 to 54, 11 per cent 55 to 64, and eight per cent 65 plus. Just over 70 per cent of usage is by women.

The downloadable app, which launched on 9 December 2014, had been used 74,856 times by 27,233 visitors. People typically stay on for almost three and half minutes and look at 12 screens.

2.7 Digital and social media

The CCG continues to use new technologies to better engage and communicate with patients and stakeholders. Our digital, media and engagement services work closely to ensure all priorities are promoted and communicated via the website and social media channels.

1 April – 14 May 2018

Web statistics

- Organic Search – 1,077
- Direct search – 477
- Referral – 75
- Social – 20

- Page Views – 8,659
- Unique Page Views – 6,240
- Site Visits/Entrances – 2,343

Top five pages

1. http://www.thanetccg.nhs.uk/about-us/
2. http://www.thanetccg.nhs.uk/about-us/governing-body/
3. http://www.thanetccg.nhs.uk/contact-us/
4. http://www.thanetccg.nhs.uk/services/
5. http://www.thanetccg.nhs.uk/health-network/

Web Activity

- **Bethesda Medical Practice - New section and web banner regarding the new development of Bethesda Medical Practice**
- **Capital Funding Boost – News article and web banner**
- **Diabetes Awareness Week – News article and web banner**
- **Mental Health and Wellbeing – Restructured page**
- **Applied NHS 70 logos to website**
- **GDPR - Ensuring the website is GDPR compliant. Updated cookie banner and privacy policies. Instructed clients how to delete contact form data.**

Twitter

April

- 14,900 – Impressions
- 324 – Profile Visits
- 80 – Mentions
- 35 – New Followers

May

- 9,722 – Impressions
- 123 – Profile Visits

- 42 – Mentions
- 27 – New Followers

Recent tweets include:

NHS Thanet CCG @ThanetHealth May 30
Two days left of #nationalwalkingmonth. Still time to take part - why not take a brisk 10 minute walk at lunch time and take in your local views. #walkthismay #selfcare #active10 #mentalhealth

NHS Thanet CCG @ThanetHealth 30 May
Today is World No Tobacco Day. If you need help to quit smoking, contact @Kent_cc Smokefree Kent team to find out what is available. http://ow.ly/1k0C30ke0NN #oneyou #selfcare #smokefree

NHS Thanet CCG @ThanetHealth May 29
Life can get really tough sometimes, but talking can help. @Kent_cc Release the Pressure helpline has a highly trained and experienced team available 24/7 to provide you with confidential support to get you back on track. Call them on 0800 107 0160.

NHS Thanet CCG @ThanetHealth May 28
There are seven minor injury units in east Kent which can treat a number of conditions. Patients are often seen much quicker at an MIU than an A&E department. Use @NHSHealthHelp to find your nearest one. http://ow.ly/Q3mE30jPFvk #staywell

NHS Thanet CCG @ThanetHealth May 28
Pharmacists can help you with a range of minor illnesses and injuries. Find out where you can get help this bank holiday #Monday. #selfcare #staywellpharmacy http://ow.ly/GXAX30kd4Ig

NHS Thanet CCG @ThanetHealth May 23
Saturday 9 June is officially NHS70 parkrun day. Over 160 parkruns are hosting special NHS-themed events to mark the NHS's 70th birthday and celebrate its contribution to the nation. Why not get involved? http://www.nhs70.nhs.uk/parkrun #NHS70 #loveparkrun

NHS Thanet CCG @ThanetHealth May 25
The earlier you seek help, the sooner you can get advice and support. Find out how to get help in east Kent #DAW2018 http://www.thanetccg.nhs.uk/news/blog/?blogpost=10683 …

NHS Thanet CCG @ThanetHealth May 23
Caring for someone with dementia? Have you tried your local dementia cafe, or support group? Find out where your nearest one is in east Kent. #DAW2018 http://ow.ly/k6PY30k7BKq

NHS Thanet CCG @ThanetHealth May 21
Helping people to live well with dementia. Find out where you can get help in east Kent. #DAW2018 http://www.thanetccg.nhs.uk/news/blog/

NHS Thanet CCG @ThanetHealth May 18
Dying matters – what can you do? #DAW2018 http://ow.ly/5Coi30k3UPK

NHS Thanet CCG @ThanetHealth May 15
The NHS in east Kent has produced a new booklet to help older people stay well. 'Healthy ageing in east Kent - your local guide' gives advice and tips on staying healthy and looking after yourself. Download it now. #stayingwell http://ow.ly/lw1W30k0rGc

3 Public affairs and stakeholder management

3.1 Health Overview and Scrutiny

Due to bad weather, the 2 March HOSC meeting was cancelled with all items to be carried forward to future meetings.

At the meeting on Friday 27 April 2018 we presented briefings on:

- Kent and Medway strategic commissioner
- Financial recovery in east and north Kent
- Transforming health and care in east Kent
- Patient transport services
- Kent and Medway integrated urgent care service procurement
- East Kent OOH and NHS 111 service.

The next HOSC meeting will take place on Friday 8 June 2018.

3.2 Stakeholder Briefings

There have been no requests from the Department of Health for briefings since the last governing body report.

NHS Ashford Clinical Commissioning Group
NHS Canterbury and Coastal Clinical Commissioning Group
NHS South Kent Coast Clinical Commissioning Group
NHS Thanet Clinical Commissioning Group

CLINICAL ASSURANCE AND STRATEGY COMMITTEE IN COMMON
Terms of reference

1. Introduction

1.1. The Clinical Assurance and Strategy Committee in Common (the Committee) are established in accordance with the Clinical Commissioning Groups' (CCGs) Constitution, Standing Orders and Scheme of Reservation and Delegation. These Terms of Reference set out the membership, remit responsibilities and reporting arrangements of the Committee and shall have effect as incorporated into the CCGs' Constitution and Standing Orders.

1.2. The Committee is authorised by each of the Governing Bodies to act within its terms of reference. All Members and employees of the CCG's are directed to co-operate with any request made by the Committee.

1.3. Nothing in these Terms of Reference delegates, or purports to delegate, the exercise of the CCGs' statutory functions to the Committee. The role of the Committee is to assist and advise the CCG's in their exercise of their statutory functions.

1.4. The Committee will operate in common and decisions will be made by each CCGs' members under the delegated authority of their sovereign organisations. Where possible consensus will sort from all parties.

2 Aim

2.1 The Committee's main aim is to:

- "Work together develop and recommend future joined up clinical strategy to deliver benefit to patients of East Kent and aligning where practical the delivery of the strategies outputs."

2.2 To be achieved by:

- Providing professional, clinically led advice and decision/recommendations, with regard to clinical strategy.

- Scrutinising business cases to implement agreed strategy, prior to approval

2.3 Reviewing and determining whether to approve recommendations made by the East Kent Prescribing Group

2.4 Assurance and recommendations to each Governing Body on all of the above through quarterly reporting. The reporting provided to each governing body will be specific to each CCG.

3 Membership

3.1 The Committee shall be appointed with agreement by the four named CCG's and may include individuals who are not on any of the Governing Bodies.

3.2 The Committee will be chaired by a nominated representative from the voting membership. This will be decided at the first committee meeting. In the event of a conflict of interest arising, the Secondary Care Clinician shall preside.

The membership of the Committee shall consist of:

- The CCG Clinical Chairs
- Two GPs from each CCG (one of which must be a member of a local care group[1])
- Lay member for public and patient engagement.
- Lay member for Audit and Risk
- Lay member for Primary Care Co-commissioning
- Four Local Care Directors.
- Two CCG Secondary care clinicians.
- Nominated representative from the East Kent Prescribing Group.
- Quality team representative.

Only the above members, or their nominated deputy, shall be entitled to vote.

The following may be invited as the agenda dictates, but shall not be entitled to vote:

- Chief Operating Officers
- Heads of Commissioning/Clinical project / portfolio leads
- Social Services representative
- Public health
- Medicines Management representative.

Others may be invited as the agenda dictates.

4 Quorum

[1] Ashford Clinical Providers, Chanel Alliance, Encompass, Herne Bay Integrated Care, Thanet

4.1 In order for the committee to be quorate the following members must be present:

- At least one Clinical Chair
- At least one CCG GP
- At least one Secondary Care Clinician
- At least three Lay Member
- At least two Local Care Directors
- A Quality team representative

4.2 Members are expected to identify and send an appropriate deputy if unable to attend to ensure quoracy.

5 Voting

5.1 The aim of the Committee will be to achieve consensus decision-making wherever possible. The committee is operating as a joint committee therefore the following is applied to each CCG element within the committee in common.

5.2 When a consensus is not possible, decisions will be put to a vote; each member of the committee shall have one vote. The Committee shall reach decisions by a simple majority of members present.

6 Frequency of meetings

6.1 Meetings shall be held monthly for the first six months. Meetings in public are not required.

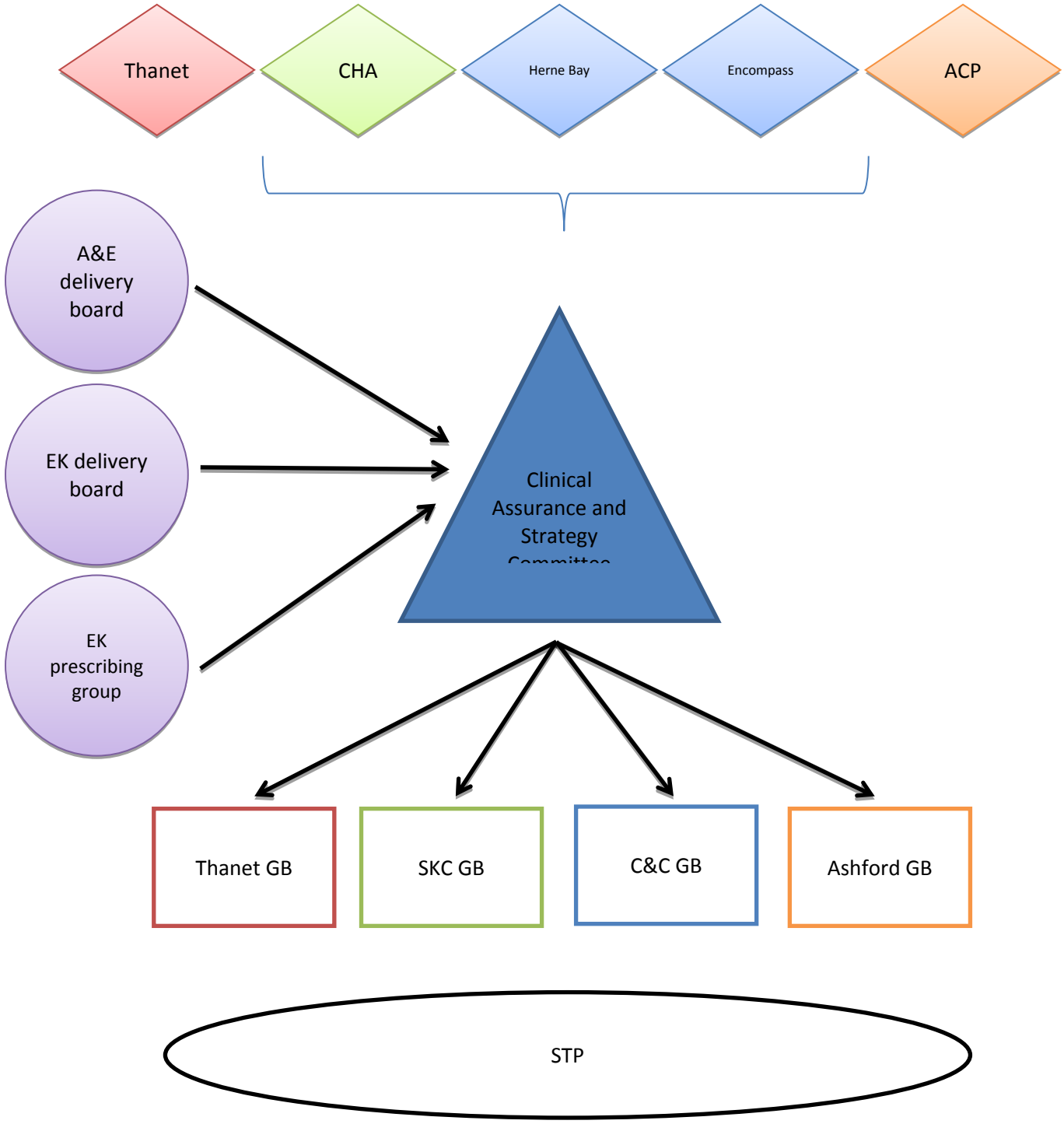
7 Relationship with the Governing Body

7.1 The minutes of all meetings of the Committee shall be formally recorded and a headline report together with recommendations where appropriate, will be submitted to each of the Governing Bodies as well as the local care groups. The submission to the Governing Body shall include details of any matters in respect of which actions, improvements or decisions are required.

7.2 The Committee will report annually to each Governing Body in respect of the fulfilment of its functions in connection with these Terms of Reference.

7.3 The CCG's annual report shall include a section describing the work of the committee in discharging its responsibilities.

8 Relationship with other Groups and Committees (Draft)



9 Policy and best practice

9.1 The Committee is authorised by each of the Governing Bodies to instruct professional advisors and request the attendance of individuals and authorities from outside the CCG's with relevant experience and expertise if it considers this necessary for or expedient to the exercise of its functions.

9.2 The Committee is authorised to obtain such internal information as is necessary and expedient to the fulfilment of its functions.

9.3 The Committee is authorised to establish such working groups as the Committee deems appropriate in order to assist the committee in discharging its responsibilities

10 Notice of meetings

10.1 Meetings of the Committee, other than those regularly scheduled as above, shall be summoned by the Secretary of the Committee at the request of the Chair.

10.2 Unless otherwise agreed with the chair, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed and supporting papers, shall be forwarded to each member of the Committee and any other person required to attend no later than 5 working days before the date of the meeting.

11 Conduct of the Committee

11.1 The Terms of Reference of the Committee shall be reviewed by each of the Governing Bodies after six months.

Report to:	Thanet Governing Body	**Agenda Item:**	3.3
Date of Meeting:	12 June 2018		
Title of Report:	Local Care Plan		
Author:	[redacted], Chief Officer - Local Care		
Governing Body Sponsor:	[redacted], Chief Officer - Local Care		

Action Required:	Approval Y	Decision	Discussion/ Assurance	Information
Conflict of Interest:	Y/N	For Part 1		

Involvement of patients, carers, staff and stakeholders	Describe: range of public engagement activities including discussion at Thanet Health Reference Group, Practice Patient Participation groups, Thanet and EK wide Listening events and rolling ESTHER programme. Development of plan with local clinical leads and Primary Care Homes. Detailed review underway with key provider stakeholders including Kent Community Health NHS Foundation Trust (KCHFT), Kent and Medway NHS and Social Care Partnership Trust (KMPT), East Kent Hospitals University NHS Foundation Trust (EKHUFT) and Kent County Council (KCC). Plan shared with Thanet Health and Well Being Board and Thanet Leadership group on an ongoing basis as it evolves Development of plan aligned to Kent and Medway Sustainability and Transformation Plan (STP) process and implementation review

Situation:

The development of Local Care is a central element of transformation of services required to address the key health and social care challenges. These include the workforce concerns across all key providers, the increasing demand and complexity of patients, the complex and fragmented provision of services.
Thanet faces a number of key challenges in relation to access to care, quality of care, health inequalities and complex vulnerable patients:

- Life expectancy differs by 10.9 years for men and 6.2 years for women across Thanet
- Frailty commences at 50 years for many people living in Thanet
- High levels of complex long term conditions such as COPD/CVD
- High levels of risk taking behaviour i.e. smoking, obesity and substance misuse
- GP list sizes are higher than average (between 2,000 to 3,000 per GP)
- Access to GPs is a concern for the Thanet population
- The Accident and Emergency performance is poor and amongst the worst in the country
- Many patients are admitted to hospital when there needs could be met within their own

home and patients often stay in hospital longer than necessary
- The population is anticipated to rise by 26% over the next 12 years

Patients advise us that there are a range of services available but they do not work together effectively, it is unclear what services are available or where to get help and care can be inconsistent.

The demand on health and social care continues to grow alongside an aging and reducing workforce.

Background:

The Five Year Forward View 2014 sets out a clear direction for services to work in an integrated way and develop new collaborative approaches to care.

The following GP Forward View 2016 identified the need to address the growing pressures and challenges in Primary care including supporting practices to transform and build resilience and sustainability.

Thanet developed an integrated Compact agreement in 2016 across all the key stakeholders including the Clinical Commissioning Group (CCG), Thanet District Council (TDC), Kent County Council (KCC), Kent Community Health NHS Foundation Trust (KCHFT), Kent and Medway NHS and Social Care Partnership Trust (KMPT), East Kent Hospitals University NHS Foundation Trust (EKHUFT) to move forward integrated working to improve health outcomes for the Thanet population.

The Kent and Medway STP identified a clear need for reviewing and redesigning services to collectively address the challenges faced. The Kent and Medway Local care workstream developed a model for supporting frail patients more effectively through multi-disciplinary working and this model has been developed and is being rolled out across Thanet.

The modelling demonstrates that a small number of patients with complex health needs account for a significant proportion of both activity and spend. Supporting these patients improves both their outcomes and also enables secondary and primary care to operate mode effectively.

There has been a reduction in GP practices across Thanet in recent years and there are now 14 practices remaining, most of whom are facing pressures within their area.

Thanet was successful in being one of fifteen test sites for a national initiative by the National Association for Primary care called Primary Care Homes (PCH) supporting local practices to work collaboratively together.

A Local care team has been developed in Thanet CCG to drive the integration programme forward.

Assessment:

The Thanet Local Care Plan; the Thanet way has been developed over the past two years and continues to be refined to deliver transformation of services across the system.

This has included engagement at local level including with primary care, the voluntary sector, the community and acute providers, the care sector and local people. This is an on-going process as the model and detail is refined.

Thanet has 4 Primary Care Homes who are identifying key issues developing local ideas /solutions and leading the delivery of the Multi Disciplinary team model.

Detailed activity and finance modelling continues to be refined including the impact of addressing the issues faced within the Acute Trust.

The GPFYFV investment has targeted support to local practices and the PCHs with transformation and to build resilience and sustainability.

Estates and Technology Transformation (ETTF) monies and STP capital programmes are being accessed to support the estates developments and improvements to enable local integration.

A K&M review of progress on delivering the multi disciplinary Local care model has been undertaken which demonstrates considerable progress for Thanet but with a clear need to continue to work at pace to deliver transformation.

Work has been undertaken at Kent & Medway level to identify the possible investment required to move the model forward and there is on-going work at both east Kent and Thanet level to refine the investment case.

The work to date identifies significant opportunities for reducing secondary care demand and building new models of care within the local community.

Primary Care is a cornerstone of Local Care and is currently experiencing significant challenges. Support into Primary Care is essential to enable collaborative working and new roles to build resilience and ensure sustainability.

Primary Care is a cornerstone of local acre and requires support to address the current pressures.

Thanet has developed a number of local initiatives to both address secondary care demand and primary care access including the Acute Response team, the Acute Care teams within practices and new shared roles across the PCHs.

MDT working is being rolled out across Thanet with good engagement from key stakeholders.

Recommendation:
To note and approve the direction of travel as detailed with the Thanet Plan presentation To note the on-going work across Thanet To note the need for support into Primary Care to enable delivery of the Plan

Risk description:

Lead Committee	Date Added	Risk Description Including Cause and Impact to CCG	Original Risk Rate	Actions Completed to Reduce Risks	Action Planned and Progress	Date By When All Actions will Be Completed	Owner / Risk Register
			0				

Supporting Paper/Appendices:
Local Care PowerPoint Presentation - item 3.3

Integrating health and social care IN THANET

Thanet Local Care

The Thanet Way

April 2018

Key Challenges for Thanet

- Significant Health Inequalities; life expectancy lower than national average
- Life expectancy difference between wards of 10.9yrs men and 6.2 yrs women
- High levels of At Risk behaviours ie obesity, smoking, drug and alcohol use
- High incidence of ; CVD, COPD, FNOF
- Concerns re numbers of late presentations of Cancer
- Frailty affects patients earlier ie 50 years in some wards
- Mental health is a concern with higher than average levels of depressions and self harm
- Population growth is forecast at 26% by 2030 (38,000pts)
- 30% GPs due to retire over next 5 years
- Current GP list sizes between 2,000 and 2,800pts per GP
- ED performance challenged
- General recruitment in the area challenging

Cornerstones of the Thanet way

Working together; helping people help themselves and live positive lives

- Resilient Primary Care; working at scale
- Integrated Multi-disciplinary working across the health and care community
- Sustainable high quality *planned* care
- Sustainable high quality *urgent* care
- Robust self care/prevention strategies
- **'ESTHER' at the heart of everything**

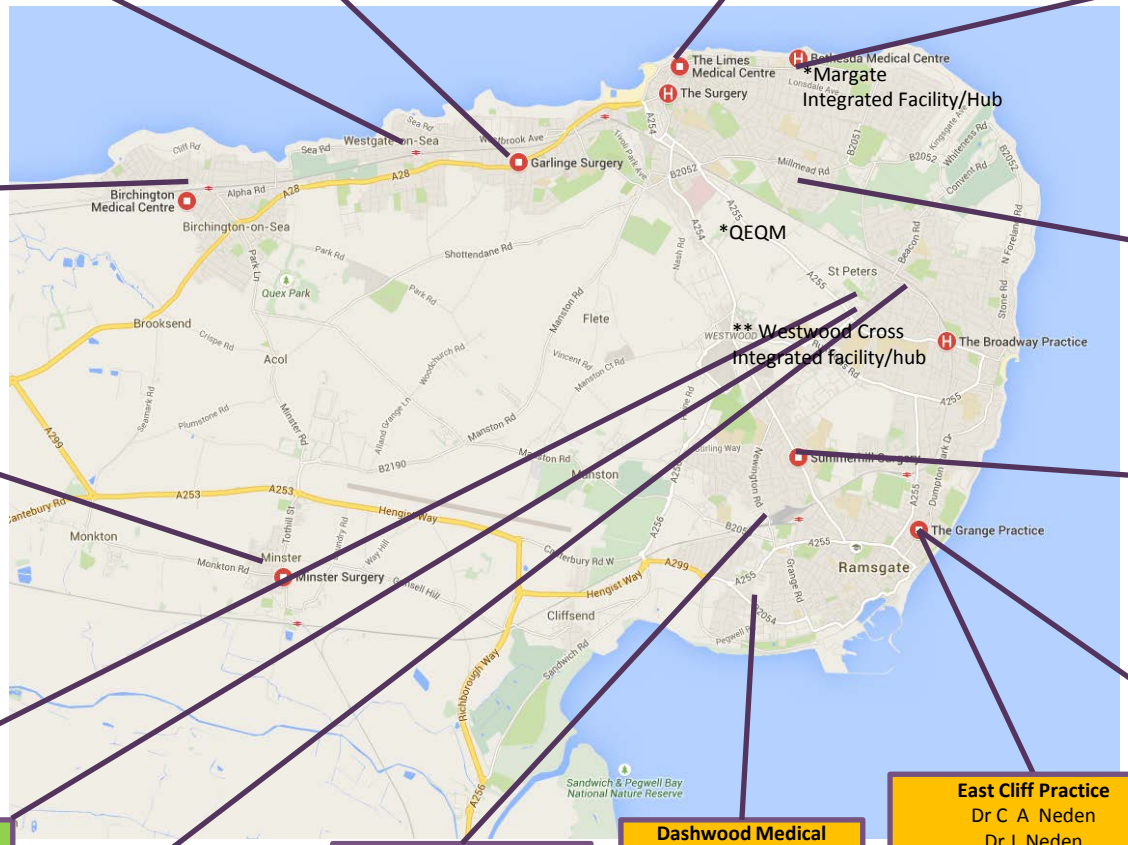
Westgate Surgery:
Dr G Jha
Dr C Leire
Dr B Vishwanathan
Dr H Williams
Dr A Walton
Nicky MacDougald
Practice Population:
10,145

Garlinge Surgery
Branch of Limes Medical Centre

The Limes Medical Centre:
Dr H McCafferty
Dr A Jain
Dr R Misra
Julie Sandum
Practice Population:
15,973

Bethesda Medical Centre:
Dr Joy
Dr Martin
Dr Scott
Dr Sohail
Dr Mohammed
Dr Jha
Dr Roux
Dr Su
Dr Karamat
Rachael Cousins
Practice Population:
19.342

Birchington Medical Centre:
Dr A Ghazi
Dr A C Martin
Dr E Osman
Dr I D Finlay
Dr M Gamal-Eldin
Hannah Price
Practice Population:
8,849



Northdown Surgery:
Dr J De Murtinho-Braga Ossa
Dr J Geevarghese
Dr M Wolny
Wendy Blake
Practice Population:
10,003

Minster Surgery:
Dr C Crosfield
Dr M Elliott
Dr M Jansen Van Vuuren
Dr G Stern
Dr R Mangam
Graeme Haggerty
Practice Population:
8,392

Summerhill Surgery:
Dr S Grover
Lisa Hardaker
Practice Population:
6,246

Mocketts Wood Surgery:
Dr D Reddy
Dr D Marshall
Dr S Kanumuru
Melanie Oliver
Practice Population:
9,070

The Grange Medical Practice
Dr J Bonnett
Dr J R Johnstone
Dr M Maiden-Tilsen
Dr S L Marsden
Dr F Newton
Dr M Bannon
Julie Hill
Practice Population:
11,926

St Peters Surgery:
Dr A J Cunard
Dr S Goldberg
Helen Downer
Practice Population:
4,575

Broadstairs Medical Practice:
Dr A Malik
Dr I Ali
Dr A Khalid
Dr S Qureshi
Margaret Atkins
Practice Population:
7,148

Newington Road Surgery:
Dr A Akyol
Dr I Ali
Dr N Mohammed
Ausra Grace
Practice Population:
7,893

Dashwood Medical Centre:
Dr M Cardwell
Dr S Jabur
Dr E Ricks
Dr R Misra
Dr J Malasi
Dr E Speller
Louise Pilcher
Practice Population:
10,111

East Cliff Practice
Dr C A Neden
Dr J Neden
Dr C Eldred
Dr L Kent
Dr A M Macpherson
Dr E Mash
Dr A Peshen
Dr M J Pick
Dr M Sivakumar
Dr J M Woodward
Gerald Bassett
Practice Population:
15,781

Quex | **Broadstairs** | **Ramsgate** | **Margate**

Thanet Local Care;

145,454 pop

Thanet level provision;

Acute Response Team

GP Streaming

OOH Provision

Rapid Response to care homes

Step up/down beds (30 beds Victoria unit, Westbrook) Dementia step up/down beds (15 beds Ogden unit,)

Integrated Frailty Unit at QEQM

Improved primary care access weekends Additional urgent primary care Access Urgent treatment centre

Margate PCH
Bethesda
Integrated
Hub facility

Ramsgate, Broadstairs and Quex PCH's

Westwood
Cross
Integrated
Hub facility;

Hub facilities delivering
Integrated teams
Vol sector
Out pts services
Well being services
Urgent Care provision

Thanet Wide provision
PCH GMS
Improved Access

PCH (Extended primary care networks (30 - 50,000 pop)		Practices	Practice pop	GPs * Mar 18 Headcount	Care homes provision				
					LD	res	nursing	Tot homes	Tot beds
Integrated Care teams Aligned to Integrated hub facility 3rd sector/voluntary organisations									
Margate PCH 45,318 pop	Diabetes lead MDT in place	Northdown surgery	9,995	3	1	15	2	18	635
		Bethesda	19.384	10 (3 locums)					
		The Limes	15,825	4					
Ramsgate PCH 51,947	Urology lead MDT in place	Dashwood Surgery	10.104	7	0	7 plus 1 MH	0	8	226
		Eastcliffe Surgery	15,866	10					
		Newington Surgery	7,918	3					
		The Grange	11,905	6					
		Summerhill Surgery	6,263	1 (1 locum)					
Broadstairs and Quex PCH** 41,031 pop (**Broadstairs** 20,793) (**Quex** 27,386)	Respiratory lead MDT in place Cardiology lead MDT development 'mini hub' model	St.Peters Surgery	4,607	2 (3 locums)	0	2	1	3	104
		Broadstairs health centre	7,084	4					
		Mocketts Wood Surgery	8,917	3 (3 locums)					
		Minster Surgery	8,379	6	2	3	4	9	289
		Birchington surgery	8,887	3					
		Westgate Surgery	10,115	5 (1 retainer)					

Whole population URGENT CARE

Reactive response for frail patients……Proactive response for frail pts / building primary care access……..Core primary care

Primary care at scale….Care close to home. increased primary care access…Increased complex pt capacity

Thanet Wide provision

- **ART Complex ; rapid response**
  MDT response
  7 day 8 to 8
  Complex/At risk pts
  Care home crisis response
- **Integrated frailty unit**
  assessment /intervention
  24/48 hr stay
  ART and secondary care
  frailty specialists
- **Step Up/down beds***
  Complex/At risk pts
  Dementia pts
  Rehabilitation
- **Discharge support**
  Age UK home and settle service
  3 day post discharge service (Hilton)
- **Integrated Urgent care (UTC)**
  GP/ACP in A&E ; 12 hrs/7 days
  Urgent Treatment Centre
  Alignment to OOH
- **Weekend Primary care access**
  based at QEQM
  8 to 8 service
- **Social Prescribing co-ordination**
  Thanet wide voluntary sector
- **Public Health Programmes**
  Stop smoking/Healthy walks etc./Public health prevention campaigns
- **Local rehabilitation model**

Locality provision 30-50,000 pop
(3 PCHs; Margate, Ramsgate, Quex/Broadstairs)
2 Integrated facilities; Margate and Westwood Cross
Inc health/council/Local authority services

- **Integrated Multi-disciplinary teams inc;**
  GP/Practice Nurse/Community nurse/Mental health Nurse/Dementia specialists/
  Pharmacist/Social Workers/case managers/care Navigators
  Delivering co-ordinated care to frail/at risk pts
  Anticipatory care planning
- **Health and Well-being integration**
  Voluntary services/Housing/DWP /Domiciliary Care/Primary care/Task Force/Public health
- **Social prescribing**
  range of well being opportunities
  focus on frail/at risk pts and social isolation
- **Range of out patient services**
  I.e. Respiratory/Urology/Cardiology/Diabetes /Paediatrics etc. Access to specialist advice/diagnostics
- **Weekday 8 to 8 Primary care access**
  practices across the locality(PCH) provide primary care access Mon to Fri 8 to 8
- **Acute Care Teams**
  MDT in practices working across the locality(hub)
  Triaging/streaming, providing advice, apts or home visits to minor illness pts
- **Primary Mental Health services**
  Assessing and supporting people with mental health needs
  Integration with physical health services
- **Shared roles; ACP/Clinical pharmacists/paramedics**

Practice level

- **Routine primary care appointments**

GPs/ enhanced roles i.e. advanced nurse and paramedic practitioners

- **Care navigation**

Receptionists/voluntary sector i.e. Age UK/ practice employed staff
Supporting total population

Directing to appropriate well being services

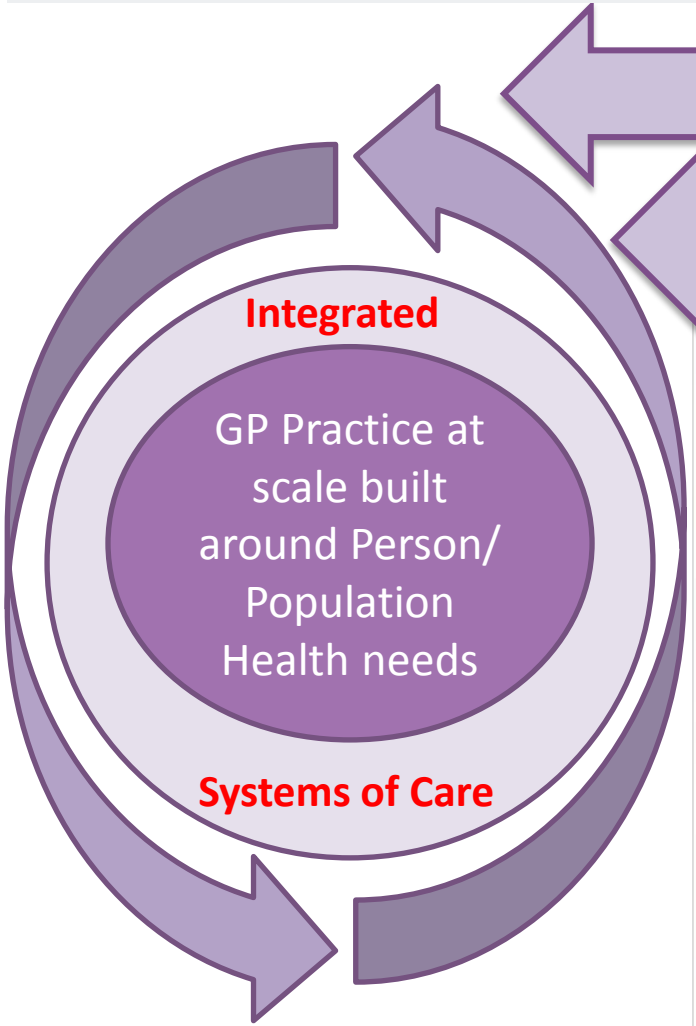
Aligning to locality level social prescribing/vol services

- **Specialist advice**

Inc. linking into locality support and clinics

- **Hosting services on behalf of the Locality (PCH) esp QUEX/Broadstairs**
- **Capacity built into local GPs to support frail/at risk people**

Local Care (Frailty) Model – Health, Social Care, Voluntary and Community involvement working together at scale



Number of People

Admission Avoidance

Routine, Prevention and Proactive Care –Integrated Case Management (ICM building on Enhanced Frailty pathway, admission avoidance, anticipatory care planning. Tier two provision. Care navigation, social prescribing

Emergency and Reactive Care – Acute Response(ART); MDT team utilising EFP and PTL, providing rapid access, wrap around care. Virtual caseload mgt Rehabilitaion care/services

Acute Care

- Integrated working with secondary care
- Rapid assessment, acute frailty unit
- Early discharge (Home First model)

Tertiary Care

- For highly specialist intervention. Repatriation at the earliest opportunity.

PCH (primary care networks)

Total Population 145,070

Each Cluster – 20 to 52,000*

Level of Acuity

The Thanet Local Care plan is about ensuring that you can get services at the right time and place to meet your needs and help you to stay well

Some services will be provided across Thanet
Particularly when you are unwell and need a quick response or care out of usual GP hours

When you are frail or have complex needs:

- A multi-professional team including Gps, nurses, the voluntary sector, domiciliary care who can see you within 2 hours and look after you at home if appropriate for up to 7 days until your condition has stabilised

- Integrated teams (frailty unit) working in QEQM assessing you as you arrive at the hospital. Sending you home with support or stabilising you in the unit for up to 48hrs

- Integrated teams helping you get back home from hospital as soon as possible including nurses, social workers, therapists, care workers and the voluntary sector

- You may require a short stay in local community facilities to stabilise your condition and/or help you regain your independence

Additional services if you need have an urgent need to see a health professional

- Primary care (GP /nurse/paramedics) for simple illnesses at the weekend and in the evenings
- GPs/specialist nurses and paramedics supporting the A&E department to divert patients with non emergency needs to the most appropriate professionals
- Integrated teams providing a wide range of urgent treatments and diagnostics for people who don't need emergency specialist care (Urgent treatment centre)
- A range of services that can give you advice to manage your condition including pharmacists and therapists

Keeping well campaigns

- Advice and information on how to keep well and prevent illness
- Joint programmes with the local council, businesses and voluntary services
- Staff from council and local services to help support you in your home and community ie housing, fire and rescue services

The Thanet Local Care plan is about ensuring that you can get services at the right time and place to meet your needs and help you to stay well

GP practices will work across Localities of 30-50,000 population
(Margate, Ramsgate, Quex / Broadstairs)

There will be at least 2 Integrated facilities; Margate and Westwood Cross and a model developed for Minster, Bichington and Westgate that supports the people living there. These include services from health/council/Local authority services providing advice, access to their services and direct support at the facility.
Local people will be involved in shaping the services available that are important to them

Integrated Multi-disciplinary teams will work together to support you if have complex health problems to keep you well i.e.;

- GP/Practice Nurse/Community nurse/Mental health

Nurse/Dementia specialists/Pharmacist/Social Workers/Care workers/Key workers coordinating your care

- Professionals will **work together and with you to co-ordinate your care and plan the support you need. You are the key person in the planning your care**

Services will work together to provide a range of opportunities/information for you to keep well, active and safe including:

- Access to; Voluntary services/Housing/DWP/Domiciliary Care providers /GPs/public health professionals/police services/Social services/mental health professionals and services

- Community Activities such as; group classes/community cookery/drop in groups/ community gardens/support groups/social groups

- Community cafés with regular lunches and teas

There will be a range of out patient clinics keeping your care close to your local community This may be delivered by a range of different professionals/teams

The practices within the locality will work together to ensure you can see a primary care professional (GP/Nurse/Paramedic

- up to 8pm Mon –Fri
- Additional apts supporting your local practice for simple illnesses i.e. coughs colds, grazes minor cuts/burns
- Sharing GPs, nurses, paramedics, support services

The Thanet Local Care plan is about ensuring that you can get services at the right time and place to meet your needs and help you to stay well

In your GP practice
you may receive care from a number of different professionals depending on your problem
Highly skilled staff will make a decision which professional you should see including:
Routine appointments:

- With your GP when continuity of your care is important
- With longer GP appointments if you have a complex condition
- With your GP for short term problems when a GP's skills are needed
- With your GP or nurse or paramedic supported by specialist advice when needed
- With a highly trained nurse or paramedic for short term problems such as coughs/colds, rashes simple injuries i.e. small cuts
- You may receive a home visit form a GP, a nurse or paramedic from your practice depending on your problem that day

Care navigation
Staff who can talk to you and give you advice and/or direct you to other services including voluntary sector, local community resources

Thanet Local care: Finance & Activity Plans

The East Kent CCGs Local Care Finance and Activity Plan has been produced to support the planning of Local Care from April 2018 - March 2021 and specifically the production of the pre-consultation business case (PCBC) for the East Kent Hospitals University Foundation Trust (EKHUFT) hospital reorganisation. Local Care has been categorised into five areas:

- Frailty/At Risk: Developing services to care for people who are frail to support them to stay healthy in their own homes (including care homes).
- Primary Care at Scale: Groups of GP practices working together to provide more integrated services in the community
- Pathway Redesign – Unplanned Care: Increasing options for people to access urgent care via minor injuries services, urgent treatment centres and rapid response in the community. This will free up emergency services to respond where required.
- Pathway Redesign – Planned Care: Improve pathways for people with long term conditions so that they are supported to manage their conditions, prevent deterioration and receive care nearer home.
- Prevention: Provide access to healthy living support

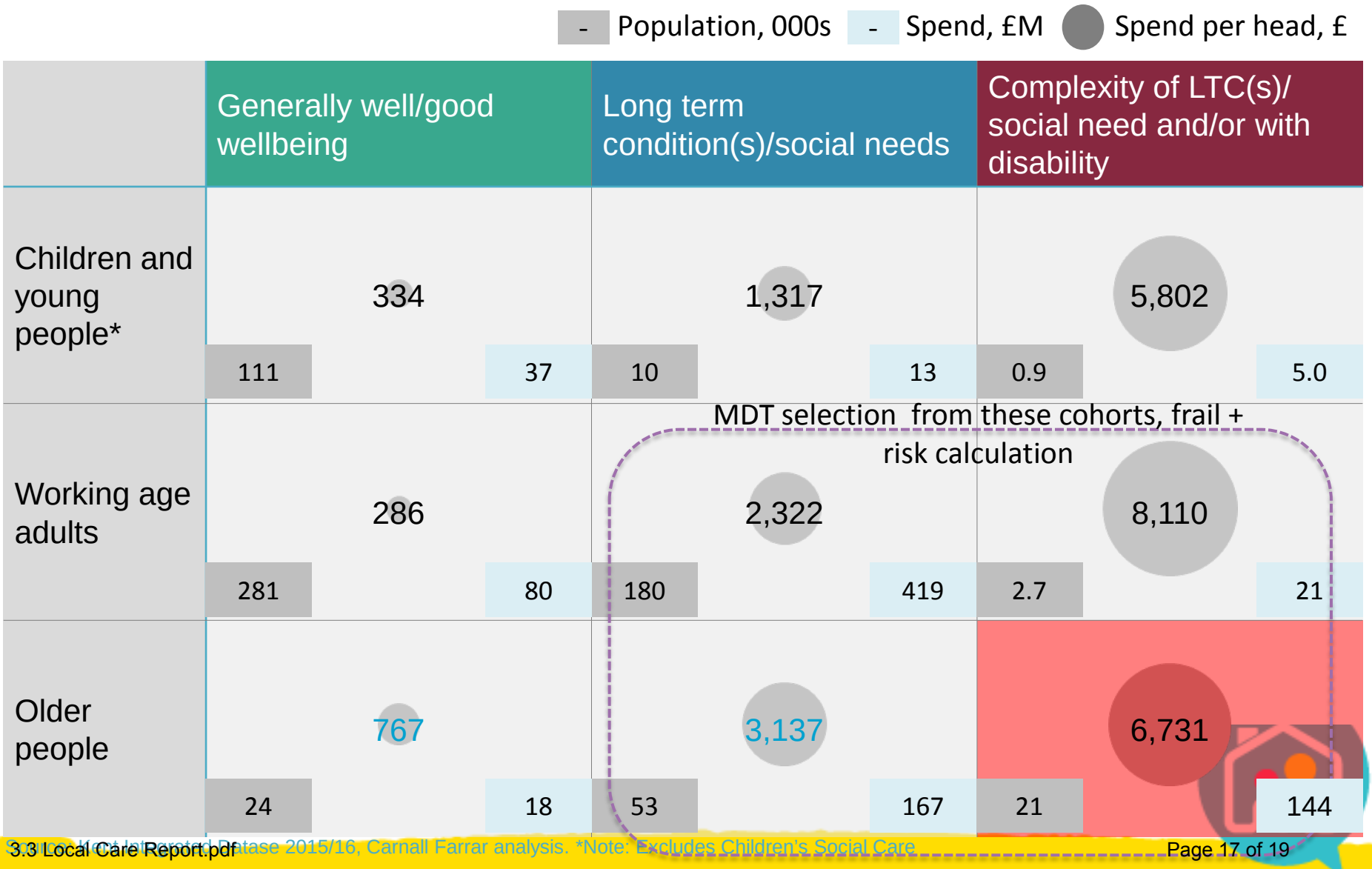
Thanet Local Care Hubs: 2018/19 Summary

The Plan is currently in draft and the proposed activity reductions in 2018/19 for Thanet would deliver a gross* financial saving of £5,292,475

Point of delivery	Activity saving	Financial saving
A&E attendances	1,577	£478,816
New outpatient attendances	3,743	£619,502
Follow-up outpatient attendances	11,675	£874,156
Day case admissions	546	£568,118
Elective inpatient admissions	162	£782,501
Short stay non-elective admissions	667	£358,848
2+ day length of stay non-elective admissions	664	£1,601,534
Total	19,033	£5,292,475

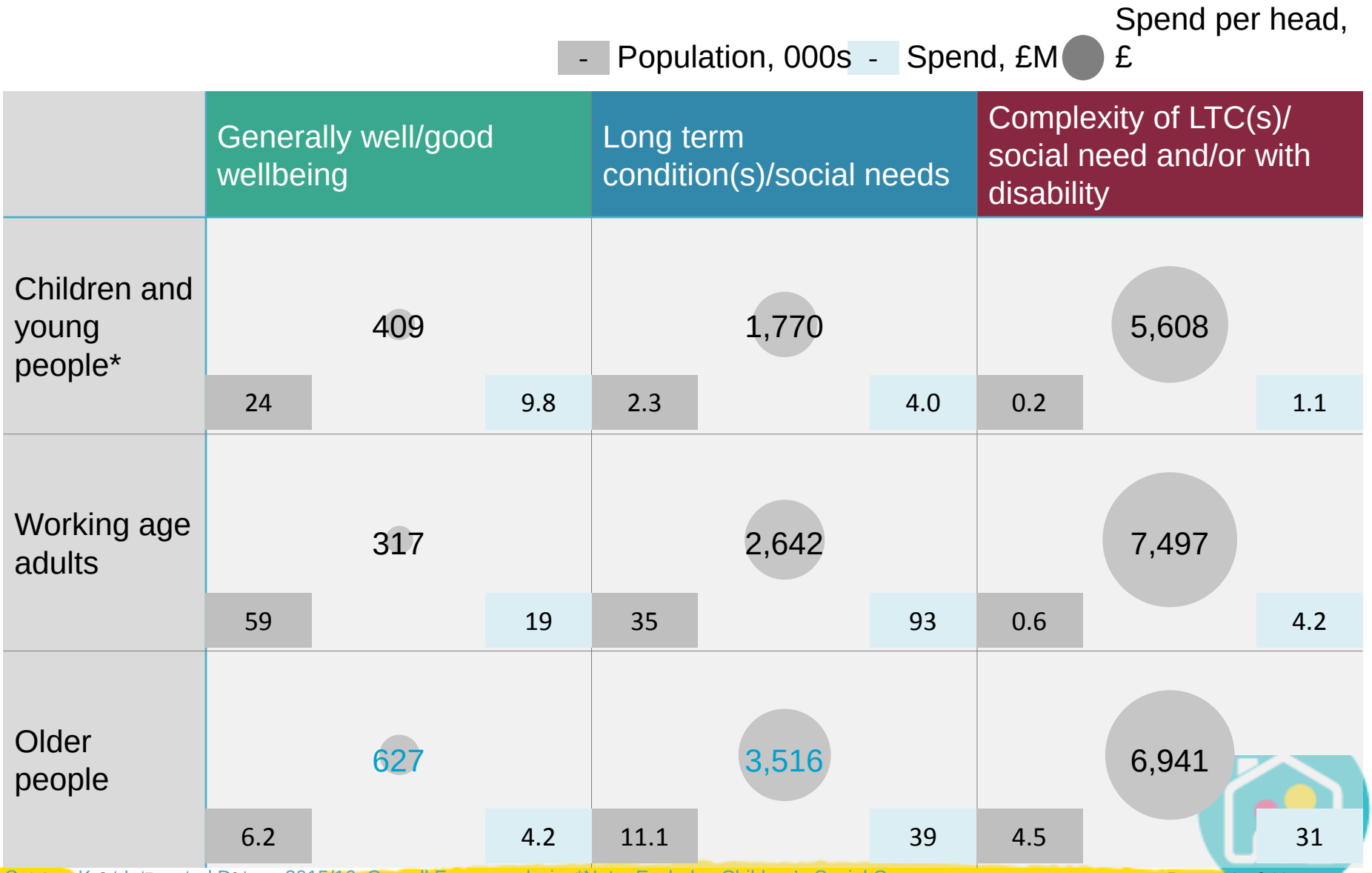
**Investment plans being developed and net savings identified*

East Kent Region Population Segmentation



Source: Kent Integrated Dataset 2015/16, Carnall Farrar analysis. *Note: Excludes Children's Social Care

Thanet CCG population segmentation



Source: Kent Integrated Dataset 2015/16, Carnall Farrar analysis. *Note: Excludes Children's Social Care

Proactive Frailty/At risk of admission Schemes

Proactive Care via MDTs

- 3% of the population assumed to be frail/at risk of admission (Encompass Vanguard analysis of Kent Integrated Dataset - KID).
- Ratio of admission for these patients is 1:1.45 (each patient has 1.45 admissions per year) – from Vanguard analysis of KID.
- Assume savings to be 20% of the admissions (one in five) from the cohort (Whole Systems Partnership)
- Applies only to schemes that deliver pro-active care
- Opportunity to reduce admitted patients' LOS to be quantified – Proactive in-reach.
- Inclusive of complex ART service covering Thanet, Herne Bay and Deal

		0.03	1.45	20%		50%	50%	Total Number Admssions 18/19 'do nothing' plan		97.23	601.00	2,385.00	
	Popn (Oct 17)	No. of Proactive Care Packages (3%)	Total Admissions for proactive care cohort (NEL and SSNEL)	Modelled Admission Reduction (NEL and SSNEL)	Modelled Reduction in A&E attendances	Modelled Reduction in NEL (50% of total admission reduction)	Modelled Reduction in SSNEL (50% of total admission reduction)	NELs	% NEL Reduction by 20/21	Modelled A&E saving	Modelled SSNEL saving	Modelled NEL saving	Total saving at 100% delivery in 18/19
Ashford	132,437	3,973	5,747	1,149	1,149	575	575	13,117	9%	£111,753	£345,384	£1,370,617	£1,827,753
Canterbury	223,950	6,719	9,718	1,944	1,944	972	972	21,489	9%	£188,973	£584,042	£2,317,703	£3,090,717
SKC	205,332	6,160	8,910	1,782	1,782	891	891	22,797	8%	£173,263	£535,488	£2,125,021	£2,833,771
Thanet	144,748	4,342	6,281	1,256	1,256	628	628	16,669	8%	£122,141	£377,490	£1,498,025	£1,997,656
	706,467	**21,194**	**30,656**	**6,131**	**6,131**	**3,066**	**3,066**	**74,072**	**8%**	**£596,129**	**£1,842,403**	**£7,311,366**	**£9,749,898**

Report to:	Governing Body	**Agenda Item:**	4.1
Date of Meeting:	12 June 2018		
Title of Report:	Performance Summary		
Author:	[redacted], Head of Performance		
Governing Body Sponsor:	[redacted], Chief Operating Officer		
Action Required:	Discussion/ Assurance		
Conflict of Interest:	N		
Involvement of patients, carers, staff and stakeholders	The Integrated Quality and Performance Report which feeds this summary includes review of patient experience across all major providers.		

Situation:

This report provides Governing Body with an update on the work of the Quality and Operational Leadership Team (QOLT) in considering the level of assurance that the CCG can have that contracts are being delivered in line with expectations.

Background:

QOLT receive an Integrated Quality and Performance Report (IQPR) which they review in order to understand provider contract performance. Any key performance issues are highlighted and mitigating actions are explained. QOLT then considers whether mitigating actions are sufficient to give assurance that the issues can be resolved in a timely manner. Where such assurance does not exist the committee can resolve to take additional action.

QOLT also receives a report on primary care performance again identifying key issues and explaining any mitigating actions that are in place.

Assessment:

The most recent meeting of QOLT identified a number of areas that the CCG does not have adequate assurance that performance is in line with expectations:

Urgent Care

- A&E 4 hour wait performance at EKHUFT remains very poor. A new East Kent Integrated Improvement Plan is now in place but results are yet to be seen.

Cancer

- Cancer performance against all targets has deteriorated in recent months and this trend is expected to continue due to an imbalance between demand and capacity at EKHUFT. QOLT has specifically requested that an East Kent Board to board meeting should be held to discuss concerns.

Referral to Treatment Times (18 and 52 week waits)

- Whilst performance has been improving in general over the past month there are concerns that gynaecology waiting times are increasing significantly, EKHUFT has reported that gynaecology is now under control but haven't fully explained how or given an indication of the expected improvement trajectory.
- A trajectory for improvement against the RTT standard has been provided by EKHUFT for 2018/19 but CCGs are not fully assured if this is theoretical or if it aligns to planned contractual activity.

IC24 (111 and out of Hours services)

- 111 performance remains poor and Out of Hours service activity is around 20% below plan. The lead commissioner from Canterbury CCG will be attending QOLT in June to explain the mitigating actions in place and report on progress.

Millbrook (Wheelchairs Service)

- The wheelchair service has not been delivered to the contract specification, leading to long waiting times. Millbrook say that this is due to inaccurate information presented during the original procurement. An audit is underway to understand whether this is the case and whether there are other reasons for the apparent mismatch between demand and capacity. Once the audit is completed, Thanet, as lead CCG for the contract, will co-ordinate a response.

EKMS (Spencer Wing)

- There are significant concerns about the quality of data provided by EKMS making it difficult to manage the contract and have assurance that the CCGs have not been overpaying. There are also concerns that EKMS have over performed despite giving assurances that they would not. A letter is being drafted to EKMS which will set out the CCGs expectations about the next steps, these may include the issuing of a CPN or AQN in the absence of rapid improvements.

QOLT was also made aware of the issues with access to data relating to the Optum mobilisation and were given assurance that action plans were in place to resolve these issues and that both CCGs and Optum were making progress in delivering against the action plan. Thanet CCG in particular has seen a positive response from practices signing up to the new risk strat tool with over 60% of practices now signed up (over the whole of Kent only 30% have signed up so far). QOLT asked to be provided with the action plan tracker for assurance purposes. QOLT were also informed that a review of the contract mobilisation with Optum is underway with a view to learn lessons and take contractual action where appropriate.

QOLT was also made aware of progress in key areas for the following contracts:

KCHFT (Community services)

- Work is underway to develop key deliverables for the contract and an SDIP which will focus on specification reviews. There will be a need for clinical involvement in these reviews which will be task and finish in nature.
- Governance of the contract is being reviewed to ensure clear links between local care developments and contractual requirements.

KMPT (Adult mental health)

- Gradual improvement in waiting times has been noted over the past year following a change in the way waiting times were counted a year ago.
- EIP performance is above target across East Kent, although KCHFT have struggled in the recruitment of a consultant psychiatrist to enable them to meet NICE guidance for physical health checks. QOLT was informed that the recruitment process was expected to commence soon.

NELFT (CYP mental health)

- A workshop is to be held in early June to review the KPIs for the first set of quarterly data. The mobilisation period allowed for a period of limited reporting whilst NELFT brought staff up to speed with new IT systems. Regular data will be expected for the rest of the year.

G4S (Patient Transport)

- Heads of terms have now been agreed alongside a contract which consolidates the former three lots into one. This includes agreement for an additional £1.6 million funding across Kent.
- New suite of KPIs has been agreed and monitoring is expected to start from June onwards.

Recommendation:

It is recommended that through QOLT the Governing Body seeks assurance that:

- **The East Kent Integrated Improvement Plan is being robustly monitored and that progress updates will be received monthly by the CCG.**
- **A board to board meeting will be requested for all EK CCGs and EKHUFT to discuss the demand and capacity issues relating to cancer performance.**
- **EKHUFT provide a clear explanation of mitigating actions to improve gynaecology and an specialty level improvement trajectory based on those actions.**
- **Appropriate actions are in place to improve 111 and OOH performance.**
- **The results of the wheelchairs audit will be used to quickly develop a plan to resolve the issues identified with an associated improvement trajectory that can be tracked on a monthly basis.**
- **A clear action plan is designed and implemented to resolve the data issues relating to the EKMS contract.**
- **Swift progress is being made to resolve data issues related to the Optum contract mobilisation for BI services.**

Risk description:

Supporting Paper/Appendices:

Report to:	Governing Body		**Agenda Item:**	4.2
Date of Meeting:	12 June 2018			
Title of Report:	Chief Nurse report			
Author:	[redacted], Head of Nursing, Quality and Safeguarding			
Governing Body Sponsor:	[redacted] Interim Chief Nurse, East Kent CCGs			
Action Required:	Approval	Decision	Discussion/ Assurance y	Information
Conflict of Interest:	N	For Part 1		
Involvement of patients, carers, staff and stakeholders				

Situation:
This paper sets out the key quality and statutory requirements within the Chief Nurse for East Kent CCG's portfolio

Background:
This paper sets out the assurance to the governing body on quality and statutory requirements in the Interim Chief Nurse portfolio It describes the challenges and assurance process for commissioned providers, Safeguarding and Infection Prevention and Control

Assessment:
There are significant challenges across commissioned providers in providing high quality care, there are measures put in place to support and deliver improvement, this paper sets out the actions in response to the quality issues. EKHUFT, NHS E and NHS I alongside the East Kent CCGs are supporting EKHUFT to ensure there is a whole system approach to the challenges KMPT are working towards improvements and actions set out by recent CQC inspection and are confident that they can achieve and ensure safe care and good governance are in place for Community Mental Health Caseloads KCHFT continue to be challenged by Computer Information System (CIS) and have set out their mitigations in place to ensure that clinical care is not compromised Thanet CCG is an outlier for e coli they achieved c diff ceilings for 17/18 and met requirements for Safeguarding adults Self-Assessment Framework.

Recommendation:
To note the significant challenges for commissioned providers To be assured that Thanet CCG's Quality Assurance Framework is providing assurance to governing body in relation to actions taken The Governing Body is requested to note the contents of the report discuss any concerns regarding strategic objectives and if they consider there is a lack of assurance on robust management action and direct any further actions they require to be assured and to ensure delivery of the strategic objectives.

1.0 Introduction

This paper provides an assurance report to the Governing Body across the East Kent CCG's Nursing and Quality's portfolio. It informs the Governing Body about the current levels of assurance on the quality of services provided by the NHS Trusts commissioned by Thanet CCG and the decisions reached by the Quality, Operational and Leadership Committee (QOLT) following it's scrutiny of the latest quality and safeguarding information and action the CCG is taking to drive up quality of its commissioned services.

It further reports on the CCG's delivery, as a statutory NHS organisation, of its safeguarding duties, and infection control duties.

The accountability currently sits with the Interim Chief Nurse for East Kent CCGs. Work is in train and in consultation to align work across the 4 East Kent CCG's Nursing and Quality Teams

2.0 Commissioned Providers – Quality of Services

The CCG meets with its commissioned NHS providers at least monthly at a Clinical Quality Review Group to review quality of services information for assurance, actions planned and progressed since the last meeting and to agree further improvements where necessary. This is supported by quality visits to commissioned providers. Any significant quality concerns are escalated to the monthly Contract Management Committee (CMC)

2.1 East Kent Hospitals United Foundation NHS Trust (EKHUFT)

CQC has currently rated this provider as requiring improvement.
Following consistent patient safety concerns identified by Ashford, Canterbury, SKC and Thanet CCG issues were escalated to Kent and Medway QSG. A single item QSG was convened on the 13th March 2018. Membership for this meeting was at Senior level NHS I, CQC, NHS E, CCG, CNO and Managing Director for East Kent CCGs, and Health Watch. The purpose of the meeting was to discuss how to support EKHUFT with

some of the significant quality and safety challenges being experienced by their patients currently.

The agreement following this was monthly NHSE/NHSI jointly chaired Quality Oversight meeting in place monthly to drive quality of service across the East Kent system.

EKHUFT CQRG with revised membership in May to discuss the quality improvement and assurances required

The Quality and Operational Leadership Team meeting approved the following;

- An excusing notice for the Contract Performance Notice (CPN) which had been issued in relation to VTE assessments. EKHUFT have continually improved and have reached the 95% target
- Approved actions and support from CCG and NHS I in relation to poor performance within HCAI's In EKHUFT
- Noted that EKHUFT have breached MRSA and C diff targets and assured around subsequent actions.
- Received the East Kent CCG's quality visit report undertaken as a response to the Never Events reported within EKHUFT. Noted issues identified and supported actions and assurances from EKHUFT to support improvements
- Approved action plan in relation to gaps in Adult and Children's Safeguarding Assurances
- Noted significant improvement to Looked after Children (LAC) performance through CPN meetings.
- Approved actions and additional assurances identified through quality visits to QEQM A and E department in relation to persistent breach of 4 hr. target

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2.2 Kent Community Health Foundation NHS Trust (KCHFT)

The Trust is judged as 'good' by the CQC.
Quality and Operational Leadership Committee approved the following actions for escalation to the Contract Management Committee

- Persistent failure of CIS and ability to provide assurance to CCG in relation to quality and performance data. Remains a risk for KCHFT and a standing agenda item at Governing Body Meetings
- Noted significant improvements within KCHFT in relation to meeting statutory targets for Looked After Children

2.3 Kent and Medway Partnership NHS Trust (KMPT)

The CQC has issues the Trust with 2 warning notices following an unannounced inspection to the Community Mental Health teams in Jan 2018. These were in relation to Regulation 12 Safe Care and treatment and

17 Good governance The Quality Surveillance Group has enhanced surveillance in place for this provider.

KMPT continue to work to the CQC action plan to deliver improvements in relation to the 2 warning notices that were issued.
East Kent CCG colleagues are supporting KMPT with the planned programme of Quality visits being arranged by KMPT commencing in May

2.4 Millbrook

Quality and operational Leadership Committee approved actions and response to concerns around Kent and Medway residents receiving wheelchairs in a timely manager. Approved the following;

- Clinical Audit
- Quality Visit
- Supporting provider with consistent comms message

2.5 NELFT

3 Meetings have been convened with NELFT Director of Nursing and Associate Director of Safeguarding to seek assurances around existing caseload and to agree quality reporting on going. The CCGs are assured by NELFT's engagement and Quality Assurance Framework and governance that they have in place. A Clinical Quality Review Group has been agreed and will commence in June 2018

2.6 South East Coast Ambulance Foundation NHS Trust (SECAmb)

Following a comprehensive inspection in May, CQC issued a Warning Notice identifying six main areas of concern for improvement by the trust:

The systems in place to ensure enough staff are employed and deployed appropriately are not effective.
NHS 111 calls are not always responded to in a timely and effective manner.
Processes to ensure that equipment is properly maintained and secured are not adequate.
Safeguarding processes to prevent abuse of service users are not operated effectively.
The systems in place for medicines management are not operated safely and effectively.
Governance arrangements including systems to assess, monitor and improve the quality and safety of the services are not operated effectively.
The CCG are working with Swale CCG to oversee the CQC action.

CCG Statutory Duties

3.1 CCG Safeguarding Arrangements

Assurance around Safeguarding including Looked After Children and Child deaths is through bi monthly Safeguarding Committee in Thanet CCG. This is now a joint committee across Thanet and SKC CCGs and chaired by Thanet CCG and SKC CCG Lay Nurse. Onward reporting to QOLT and Governing Body is an outcome of both committees.

Safeguarding Self-assessment framework for Thanet CCG received and approved by KMSAB for adults and commended. Work in train to submit Self-Assessment framework for children to KMSAB.

3.2 Looked after Children

Commissioned providers continue to be unable to meet the agreed CCG KPI of 85% for completion of initial health assessments within statutory timescales. However, it is important to note that performance in quarter 3 is significantly better than in quarter 2 and only one percent off the KPI. Following a significant amount of work to address failings in the health assessment pathway and the issuing of a CPN there has been ongoing improvement in performance over the past three quarters

Continued poor compliance in undertaking health assessments within stipulated timescales signifies a risk that the CCG's are not meeting their statutory health obligations for Looked after children. (Currently on the risk register) 3.3

3.3 Unaccompanied Asylum Seeking Children

The numbers of UASC arriving in the County remains very small
The National Transfer Scheme (NTS) came into force on in July 2016, this is a voluntary scheme which requires all local authorities (except London) to agree to take the new arrivals into their care, leading to all LA sharing the responsibility of care to this group of children and young people. However, there has been a lack of response to the need and we now have a small but significant number of UASC remaining in Kent past the 10 day period expected by the NTS
The LAC team remain understaffed ,insufficient Designated doctor and nurse resource to adequately provide strategic oversight of LAC across the county, leading to lack of assurance to the CCG's that they are meeting their statutory requirements. Recruitment to posts is underway.

3.4 Infection Prevention and Control

E coli and reduction in blood stream. Thanet remains an outlier but has plateaued. NHS I are supporting a piece of work to understand why Thanet remains an outlier. This in turn is supported by the E coli strategy in place for East Kent

Thanet met the c diff trajectory for 2017/18 and showed sustained improvement in the community

Thanet CCG reported one MRSA for quarter 4 of 2017

Conclusion

The CCG continues to develop its internal working arrangements to ensure all of its staff teams and clinical leads are provided with the information needed and supported to ensure that quality can be central to all aspects of our CCG business.

The CCG is commissioning from a number of providers who all have challenges across at least one of their services. It is essential that the quality surveillance and remedial action is owned by all members of the CCG and embedded into all aspects of CCG business.

Report to:	Governing Body		**Agenda Item:**	4.2
Date of Meeting:	12 June 2018			
Title of Report:	The Independent Review into Liverpool Community Health NHS Trust; [redacted] January 2018			
Author:	[redacted], Head of Nursing Quality and Safeguarding, Thanet CCG			
Governing Body Sponsor:	[redacted], Interim Chief Nurse EK CCGs			
Action Required:	Approval	Decision	Discussion/ Assurance x	Information x
Conflict of Interest:	N	Part 1	For Part 2	
Involvement of patients, carers, staff and stakeholders	Describe:			

Situation:

The Independent Review into Liverpool Community Health NHS Trust; [redacted] (January 2018) was published in February 2018.

Liverpool Community Health NHS Trust was created in 2010 and services included adult care, child and adolescent care, community dentistry, prison healthcare and public health.

Background:

The review independent conducted by [redacted] CBE, commissioned by NHS Improvement, looks into the widespread failings at Liverpool Community Health NHS Trust from November 2010 to December 2014It also looks at the oversight of the trust by the NHS Trust Development Authority, NHS England and commissioners.

Assessment:

Dr Kirkup makes a series of recommendations for NHS Improvement, the Care Quality Commission, NHS England, the Department of Health and to the trusts currently providing services that used to be run by Liverpool Community Health NHS Trust.

The report outlines how cost improvement programs imposed by the trust in a bid to gain foundation trust status put the safety of patients at risk, and that a culture of bullying meant that

staff were scared to speak up or that incidents were ignored or not escalated.

The review found that the external overview of the trust failed to identify the services problems for at least four years, and concluded that earlier intervention would have reduced the avoidable harm that occurred to patients and staff across the trust

Recommendation:

Governing Body are asked to note the recommendations made in the paper and consider implications for the CCGs internally and externally;

- New Boards are not completely inexperienced and are supported
- Cumulative risks are considered
- Saving targets are realistic
- Quality impact assessments are completed and followed up
- Service changes include effective communications and handover

Risk description:

Lead Committee	Date Added	Risk Description Including Cause and Impact to CCG	Original Risk Rate	Actions Completed to Reduce Risks	Action Planned and Progress	Date By When All Actions will Be Completed	Owner/risk register

Supporting Paper/Appendices:

The Independent Review into Liverpool Community Health NHS Trust; Dr Bill Kirkup January 2018

Report of the Liverpool Community Health Independent Review

Dr Bill Kirkup CBE

January 2018

LIVERPOOL COMMUNITY HEALTH SERVICES REVIEW REPORT

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FOREWORD

Community health services are rarely to the forefront when the NHS is being considered or discussed, and often seem to be low on the list of NHS priorities. Yet these services are vital to the care of patients, particularly the growing number who have longer-term health problems, and they are essential to the proper functioning of hospital, general practice and mental health services. They deserve more attention.

This report of a Review of widespread failings surrounding community health services based in Liverpool shows in stark terms what can happen if these services are taken for granted, and if warning signs are overlooked because of the distraction of higher-profile NHS services. A large new NHS Trust was established from scratch with an inexperienced Board and senior staff, and received inadequate scrutiny because it was regarded as low risk, in part due to of the nature of the services provided. The end result was unnecessary harm to patients over a period of several years, and unnecessary stress for staff who were, in some cases, bullied and harassed when they tried to raise concerns about deterioration in patient services. These failures were replicated in the health services the Trust provided to HM Prison Liverpool (HMP Liverpool), and contributed in part to the wider problems afflicting the prison that have received recent attention.

Although significant steps have been taken since these events to rectify the problems, starting with the appointment of a new interim senior management team, it is important that a full account is set out for the record, and that lessons are learned to minimise the risk of recurrence. That is the purpose of this report.

My heartfelt thanks go to Rosie Cooper MP, who was instrumental in establishing the Review and without whose unstinting efforts the full truth would not have emerged. I apologise to her, and to all of the other relatives affected, for the avoidable harm that occurred before problems were effectively addressed.

I am grateful to all of the staff, at all levels in the former organisation and other organisations who cooperated with the Review, provided written information, and answered our questions at interview, for the most part with patience and in full. In contrast, I was disappointed that a small minority of individuals refused to cooperate. While I am aware of the sensitivity of actual or potential professional regulatory proceedings in this context, it remains the duty of all NHS staff to assist as fully as they are able with investigations and reviews that are directed toward improving future services.

Finally, I would like to express my thanks to my two excellent and expert panel members, Susan Marshall and Julian Brookes, and Review Secretariat member Oonagh McIntosh. Without their wise advice and tireless efforts, this Review would not have been possible.

Bill Kirkup

SECTION 1: REVIEW FINDINGS

1.1. Liverpool Community Health NHS Trust (LCH) was a dysfunctional organisation from the outset. The Trust acted inappropriately in pursuit of Foundation Trust (FT) status, setting infeasible financial targets that damaged patient services. The Trust managed services that it was ill-equipped to deal with, particularly prison healthcare in HMP Liverpool. Senior leadership and the Board failed to realise that the Trust was out of its depth, and did not take heed of the effects. Staff were overstretched, demoralised and, in some instances, bullied. Significant unnecessary harm occurred to patients. External NHS bodies failed to pick up the problems for four years.

1.2. The Trust was created as a new organisation in 2010 with a new and inexperienced management team. Their leadership was inadequate from the outset. The Chair and non-Executive Directors were also relatively inexperienced and offered insufficient challenge to the management team.

1.3. The Trust Board's principal objective was to become a FT, though frontline staff did not share this view. This objective dominated the time and attention of the management team, and they and the Board became blind to the real concerns that began to arise throughout the organisation.

1.4. The Trust had sufficient contract income at least to continue with its previous level of services when established. It was asked by its commissioners to achieve a very significant cost saving over the next four years, and appears to have offered little or no challenge to the feasibility of achieving this while sustaining existing service levels. Services were commissioned by two Clinical Commissioning Groups (CCGs) and NHS England (NHSE), and it is not clear that any had an overall view on the cumulative impact. This naivety on the part of the Trust tipped it into a position of major cost pressures.

1.5. In addition to their acceptance of an unsustainable revenue position, the Trust undertook to generate a significant cash surplus over the same period. This appears to have been generated by a desire to demonstrate a robust financial position in pursuit of their application to become a FT, but the cumulative impact of this with the revenue reduction was not adequately considered.

1.6. In order to address the external and self-imposed cost pressures, the management team embarked on a series of drastic cost-improvement measures. Unless there are exceptional circumstances, an annual cost improvement programme of 4% is generally regarded as the upper end of achievability; the Trust undertook to achieve 15% in a year. There is no evidence that the management team or the Trust Board recognised the substantial risk that this posed.

1.7. Proposed cost improvements mainly involved reducing staff numbers, as they were bound to, given the nature of community services. Proposals were subject to quality impact assessment (QIA), a process that should have identified the adverse effects on services so that they could be mitigated and, if necessary, the proposal abandoned. However, these assessments were grossly deficient in the Trust, and failed to identify the obvious adverse consequences of most of the proposals that were implemented. On the occasions that QIAs were undertaken, they were not actively managed nor robustly reviewed.

1.8. The Trust should have had clear and effective systems to manage risk, including the clinical risk arising from over-ambitious and ill-considered cost improvement measures, as well as clinical governance systems to monitor the quality of clinical services. Both should have informed the QIAs but, in practice, systems were unclear and ineffective. At one point, the Executive Director responsible for clinical quality was the Finance Director, who had set the cost improvement targets, and the Medical Director had no clear responsibility for clinical quality.

1.9. This placed significant responsibility for clinical quality on the Nurse Director, but she was, for at least part of the period, the Trust's Chief Operating Officer, and therefore also responsible for achieving the cost improvement programme.

1.10. The result of this confused and conflicted arrangement was that Trust management neither identified properly the serious risks inherent in the cost improvement programme nor picked up the significant adverse consequences for services as they began to emerge. They remained focused predominantly on becoming a FT.

1.11. The adverse consequences were significant. First, many staff soon became demoralised. They had not felt involved in planning for the impact of staff reductions, and when they reported difficulty in maintaining safe and effective services, they did not feel listened to; certainly there was no evident change in the approach taken. Sickness absence levels rose, worsening staffing levels further.

1.12. Second, although it is clear that most staff tried hard to compensate for staff reductions, it is equally clear that services began to suffer despite their efforts. The incidence of patient harm incidents subject to mandatory reporting nationally rose, including pressure ulcers and falls. Other incidents, some serious, should also have been reported and investigated, but we heard repeated accounts that reporting was discouraged, investigation was poor, incidents were regularly downgraded in importance, and action planning for improvement was absent or invisible.

1.13. Third, it is clear to us that the reaction of the Trust Board to this gathering crisis in services was based on denial. The management team was still focused predominantly on becoming a FT, and reports of service problems were not only a

distraction, they would adversely affect the assessment of the Trust's capability of achieving their goal.

1.14. The initial impact fell predominantly on the middle managers, positioned between the Trust Board's insistence on pushing through the cost reductions regardless and the staff's difficulty in maintaining safe and effective care and their consequent unhappiness. Unfortunately, faced with this undoubtedly challenging position, it is clear that their response was inadequate and inappropriate and, in too many cases, included extreme action against more junior staff, amounting to bullying. Whatever its origin in the pressure they were under themselves, this behaviour was inexcusable.

1.15. When some staff attempted to raise concerns, or in some cases grievances as a result of being bullied, the response was seriously deficient. We heard repeated accounts that staff would be suspended without being told why, or what the next steps would be. In some cases, these suspensions lasted for many months without any apparent process for resolution. We heard specific examples of very poor practice in nursing management and human resources (HR). There were serious shortcomings in the leadership of both departments.

1.16. We heard that this caused significant distress to those so treated, and affected their long-term wellbeing. We have no doubt that the reports of these occurrences spread to other staff, and contributed significantly to a climate of fear and insecurity among Trust staff generally that made them understandably very reluctant to speak out about both service failures and working conditions.

1.17. There were additional problems. The Trust adopted an approach of expanding its provision. It took on responsibility for an additional geographical area – Sefton – while still struggling to manage an entirely different type of service – prison healthcare in HMP Liverpool. The acquisition of community services for Sefton caused immediate difficulties in integrating staff with a different organisational culture. Attempts to redeploy staff between localities caused friction, further worsening staff morale.

1.18. The management of prison health services proved even more problematic, with serious concerns about service delivery and some stark incidents that were not reported and investigated properly. The Trust should have recognised that it had neither the experience nor the capability to manage this service area. Their failure to realise that they were out of their depth caused significant harm to patients.

1.19. It is clear in light of all of these failings that the Trust was seriously dysfunctional. There was a lack of leadership at senior and middle levels. The Trust Board lacked the capability to see beyond its goal of becoming a FT, and failed to recognise the significant harm that its programme of cost reduction was inflicting. Demoralised staff were badly treated and sometimes bullied, and there was a failure of nursing management and HR procedures. Serious incidents causing patient harm were not reported, not investigated and lessons not learned. The result was unnecessary harm to patients.

1.20. Service commissioners did not take adequate steps to identify problems with the services delivered by the Trust. Initially, Primary Care Trust (PCT) commissioners assessed the Trust as low risk, based on their view of initial contract income. When commissioning transferred to CCGs, a reduction in contract income was proposed that was infeasible at the same level of service. When this was accepted, no concern was raised over the potential effects. The challenge of a very different service, healthcare in HMP Liverpool, also failed to generate concern among commissioners. When NHSE assumed responsibility, their monitoring was no more effective, and was marred by an undeclared potential personal conflict of interest.

1.21. External overview also failed to identify the service problems for at least four years. The Strategic Health Authority (SHA) regarded the Trust as low risk, despite its newness and the inexperience of its senior staff, and provided inadequate briefing when it was abolished and the responsibility transferred to the NHS Trust Development Authority (TDA). The NHS TDA did identify concerns but subsequently reversed its assessment for reasons we were unable to determine. The Care Quality Commission (CQC) failed to identify the extent and nature of the problems until they were alerted by Rosie Cooper MP. In part, these failures were because reconfigured organisations were coming to terms with new roles and did not communicate effectively, but this is insufficient alone to account for the missed opportunity.

1.22. Any of these external organisations could have identified the problems afflicting the Trust earlier had they looked critically at the information available to them. The primary responsibility, however, lay with the organisation statutorily accountable for the service, Liverpool Community Health NHS Trust. The Trust not only failed in its duty to provide safe and effective services, it concealed this from external bodies. Both patients and staff suffered harm for too long as a result.

SECTION 2: BACKGROUND

Background to the Review

2.1. The findings of an inspection of Liverpool Community Health NHS Trust (the Trust) carried out by the Care Quality Commission (CQC) in late November and early December 2013 identified a range of serious issues at the Trust that required an immediate response to systemic failings identified. In part, the inspection had been undertaken following a number of whistleblowing concerns raised directly with the CQC by staff at the Trust.

2.2. Whistleblowing concerns by staff at the Liverpool Community Health NHS Trust had also been raised with Rosie Cooper MP, whose father had recently been a patient in an intermediate care ward run by the Trust and she had witnessed staff under significant pressure trying to provide appropriate levels of patient care. In February 2014 she raised questions about the management of the Trust with the Prime Minister and the Secretary of State for Health.

2.3. Following publication of the CQC report and increased local media interest, NHS Improvement oversaw a number of changes to executive directors at the Trust, culminating in the appointment of an interim executive management team to turn the failing Trust around. The Trust Board sought to address issues raised in the CQC report by commissioning a quality, safety and management assurance review, carried out by Capsticks Solicitors LLP. Their report *Quality, safety and management assurance review at Liverpool Community Health NHS Trust* was published on 22 March 2016.

2.4. The publication of the Capsticks report generated a sustained level of concern about the management culture of the Trust and practices demonstrated by senior managers. It raised questions about the quality of the healthcare being provided by the Trust to patients in the community and in HMP Liverpool. As a result, NHS Improvement made the decision to establish an Independent Review of the Trust, and I was commissioned by the then Chief Executive, Jim Mackey, to carry it out.

Terms of reference

2.5. I considered that the Review's terms of reference should be designed to address the concerns raised by members of the local community and staff at the Trust as well as the issues raised in the various reports into the Trust and by Rosie Cooper MP. It was also important for the terms of reference to provide the opportunity for the Review Team to follow the evidence as necessary and appropriate, and not be unduly constrained.

2.6. The terms of reference for the Review were:

(1) To review the outcomes for patients cared for by the Liverpool Community Health NHS Trust (the Trust) and its predecessor organisation from November 2010 to December 2014, with particular reference to serious incidents reported during the period, including pressure ulcers, and the provision of offender health services at HMP Liverpool.

(2) To review the oversight of the Trust by NHS Trust Development Authority, NHS England, other regulators and commissioners, including Liverpool CCG, South Sefton CCG, Southport and Formby CCG and their predecessor organisations.

(3) To review the response of NHS Trust Development Authority, NHS England, other regulators and commissioners, including Liverpool CCG, South Sefton CCG, Southport and Formby CCG and their predecessor organisations to concerns arising from the operation of the Trust.

(4) To make findings on the actions taken by and in relation to the Trust and their adequacy in safeguarding patient care.

(5) To make recommendations on the lessons to be learned for the wider NHS.

Appointment of the Review Panel

2.7. It was important to appoint a small team of expert advisors to ensure that we could fully address the terms of reference. It was also important that any experts I invited to work on the Review were entirely independent of the provision or management of community health services in Liverpool. I was fortunate in being able to appoint Julian Brookes, currently the Deputy Chief Operating Officer of Public Health England, and Susan Marshall, Executive Chief Nurse at Sussex Community NHS Foundation Trust, to join the Review Team. Julian has considerable experience of undertaking independent reviews in the NHS as well as extensive knowledge of implementing and overseeing robust and effective governance and quality systems in the health service, and Susan is an experienced Director of Nursing at a community trust with considerable experience of managing community nursing services and clinical governance and regulatory requirements and professional expertise in nursing and healthcare in a community setting. Oonagh McIntosh, a former Department of Health civil servant, with extensive experience of establishing and managing public inquiries and independent investigations, was engaged to provide support to the Review.

Initial steps

2.8. At the outset, I met Rosie Cooper MP to learn more about her experience with the Trust and gain from her a greater insight into the concerns that staff at the Trust had raised directly with her.

2.9. I also had an early meeting with the then Chairman of the Trust, Trevor Lake, and some of the interim Executive Team at the Trust. The purpose of this meeting was to introduce myself and discuss procedural matters. We agreed how we would communicate effectively with the Trust to keep affected staff, and the Board, informed of progress. I also discussed with them what evidence they should provide to the Review and the mechanisms for achieving the swift and secure transfer of material. We agreed that we should be provided with all the material that the Trust had made available to Capsticks Solicitors and we would make further requests as necessary for any additional material from the Trust that we considered would enable us to address the terms of reference.

2.10. As a starting position, I asked the Trust to provide the names and job titles of Trust staff who could assist the Review to establish a more detailed picture of events at the Trust from 2010 to 2014. We agreed that any other staff at the Trust who considered that they had been affected by the events we were reviewing should be able to speak to the Review Team during the interview programme, and that staff should be reassured that we were receptive to staff who wished to share their experiences.

2.11. To establish contact with other organisations relevant to the terms of reference, we asked NHS Improvement to advise organisations of the establishment of the Independent Review and its terms of reference. The Chief Executive wrote, asking for their cooperation and nominated an individual who would be the main point of contact for Oonagh McIntosh, to the Department of Health (DH), NHSE, the CQC, former officials from the NHS TDA and Monitor (organisations that now form NHS Improvement), Liverpool CCG, South Sefton CCG and Southport and Formby CCG. A copy of the template letter is attached at **Appendix A**.

2.12. All of the organisations contacted were swift to respond, and we were able to have initial discussions regarding the material the Review required from each of the organisations. Material was provided electronically by a number of interested organisations and individuals, and further hard copy material was also provided at interviews.

2.13. All of the material submitted to the Review was provided to all of the members of the Review Team to help inform our understanding of processes at the Trust. This also ensured that we could cross-reference information through the interview programme.

2.14. The time period the Review was considering straddled the significant organisational and managerial changes brought about by the passing of the Health and Social Care Act 2012. Via NHSE's Chief Nurse for Cheshire and Mersey, we therefore also made contact with staff in the former relevant PCTs responsible for commissioning health services from the Trust and the North West SHA to identify which of its staff had regular engagement with the Trust in a professional oversight and/or governance capacity.

2.15. Helpful discussions with CCG colleagues highlighted the need to also make contact with colleagues in the Directorate of Public Health at Liverpool City Council regarding the commissioning of public health nursing services from the Trust prior to the transfer of functions to Local Authorities in 2013.

2.16. Following the decision by the interim Trust Executive Board that the Trust should no longer provide a prison healthcare service at HMP Liverpool, we also made contact with officials at Lancashire Care NHS Foundation Trust. Lancashire Care NHS Foundation Trust is currently providing the healthcare services at HMP Liverpool, having taken over responsibility for these functions from Liverpool Community Health NHS Trust in January 2015.

2.17. Once key contacts were identified in all of the partner organisations, they provided on request the names and job titles of those individuals whose responsibility it was, or had been, to work with Liverpool Community Health NHS Trust on the areas included in our terms of reference.

The interview programme

2.18. The Review Team considered the list of names of individuals provided from all of the interested organisations. In addition, we identified the names of other significant individuals from the volumes of documentary material provided by the Trust and other organisations.

2.19. On making initial contact with potential interviewees, it was apparent that some staff at the Trust, who had been deeply affected by the events that the Review was considering, were already suffering some distress. This reaction guided us to invite to interview only those staff we genuinely anticipated would have relevant information to share, while at the same time maintaining an 'open door' approach for any individual to discuss their experiences with the Review Team if that individual considered it would be helpful for them to do so.

2.20. We sought to reduce the personal impact on interviewees by inviting individuals to bring a companion with them to their interview for support if they wanted to do so. We also offered to conduct interviews at a neutral venue if that would be less distressing for interviewees, particularly former Trust staff. We arranged some group

interviews for professional groupings that we hoped would create an environment more conducive to an open discussion.

2.21. On occasions, discussions with interviewees identified gaps in the Review's documentary records, and individual interviewees were very helpful in subsequently providing the supplementary information to assist us to address the terms of reference.

2.22. In addition, following some interviews, the Review also sought additional material from interested organisations. This process continued throughout the entire interview programme.

2.23. Individual interviewees were sent an invitation letter via e-mail to their employer, or former employer. A copy of the template letter is attached at **Appendix B**.

2.24. A copy of the Review's interview guidance notes were also sent to all interviewees. These were designed to answer any questions interviewees may have had regarding the practical arrangements for their interview attendance, to help them understand the nature of the Review and the approach that I would adopt. A copy of the guidance notes are attached at **Appendix C**.

2.25. The majority of interviewees responded positively to the request for an interview. On occasion, a reminder letter was sent to interviewees. A copy of the template reminder letter is attached at **Appendix D**.

2.26. We interviewed 63 individuals. Interviews took place at the Liverpool Community Health NHS Trust Headquarters in Liverpool Innovation Park, at NHS Improvement's offices in London and Newcastle, at Manchester University NHS Foundation Trust, HMP Liverpool and at the Friends Meeting Houses in Liverpool and York.

2.27. A small number of interviewees failed to respond to the request for an interview and NHS Improvement's help was sought in locating those individuals and seeking their cooperation to attend an interview with the Review Team. In addition, one individual who was affected by the events at the Trust but who had not been identified as an interviewee, voluntarily provided the Review Team with a personal statement setting out her experiences.

2.28. A list of those who were interviewed is attached at **Appendix E**.

Addressing concerns and criticisms identified during the work of the Review

2.29. During the evidence-gathering process, a number of concerns and criticisms were identified. Towards the end of the interview programme, when the Review Team were also drafting the Report, we wrote to everyone who had been interviewed during the work of the Review to explain to them how the interviews would be dealt with, and the timetable for that phase of the Review's work. Interviewees were already aware of issues of concern as these were discussed at interviews.

2.30. I notified individuals by means of a 'warning letter' of the detail of any criticism regarding their action that we had identified from the evidence we had considered. I explained how I intended to refer to this in the Report. Individuals were given the opportunity to comment and provide any additional evidence that they considered should be taken into account. To enable the Report to be concluded, interviewees were given a fixed time to respond to the notification of any criticism or adverse comment. A copy of the template warning letter is at **Appendix F**.

SECTION 3: PATIENT HARM

3.1. Prevention of patient harm is central to the quality of health services, including their safety, and depends on some essential elements. First, clinical care must be provided to evidence-based standards, by sufficiently competent and capable staff working together in effective teams. Second, there must be an organisational culture that promotes openness and learning, with effective professional and managerial leadership and supervision. Third, there must be effective clinical governance, to enable timely identification of any deviation from the necessary standards, so that the causes are identified and corrective measures implemented promptly. We examined how each of these areas operated in the Trust, and looked for direct evidence of the effects on patient outcomes.

3.2. At the outset, we wish to highlight that we heard many accounts of staff who, when faced with significant and often overwhelming difficulties from the circumstances they were working in, responded to the challenges by putting in additional time, not taking days off, and striving to manage excessive caseloads. Staff were doing what they could to maintain patient safety and ensure that patients were treated with compassion and dignity, regardless of the difficulties.

3.3. Despite these efforts, we found the care delivered during the period of the Review to be unsafe in significant areas, that staff should not have been placed in this position, and that avoidable harm resulted to patients. The services most affected were district nursing, intermediate care, community dentistry and healthcare in HMP Liverpool.

3.4. The following sections set out our detailed findings on clinical care capability, organisational culture, leadership and clinical governance.

Clinical care capability

3.5. Based on both the written evidence and what we heard from staff, we formed a clear view that clinical capability to deliver the patient care required was compromised by inadequate staffing levels, training, supervision and skills mix. We found that staff worked in a reactive environment, and prevention work was not introduced in a timely manner. Clinical competence and training were lacking in some staff; evidence-based standards were not uniformly applied; learning from incidents and serious incidents was not shared for wider learning; and staff had little time to undertake clinical and management supervision, preventing reflective practice and learning.

3.6. The Board's Serious Incident Report paper (January 2013) identified numerous safety concerns and some key themes. These were the same issues reported to the Trust Board two years later on 12 March 2015.

Themes included:

- documentation and record-keeping;
- lack of equipment;
- poor competency, training and expertise;
- effective communication; and
- supervision of staff.

3.7. These issues were common to numerous serious incidents that we reviewed. Over the period 2011 to 2014, there were 103 serious untoward incidents (SUIs) declared, and we believe that the real total should have been higher based on what we heard. There was some evidence that actions had been identified to improve these problems, but there was no evidence that effective action had actually taken place to improve practice. We found that action plans were significantly hampered through a combination of:

- lack of identification of actual root causes;
- lack of time-trend analysis and thematic analysis;
- plans based on process actions unrelated to patient outcome;
- failure to review whether actions had been undertaken and completed; and
- lack of evaluation to ascertain whether actions had been successful.

We consider how this affected patient outcomes in the specific areas of pressure damage and falls, as these were subject to mandatory reporting nationally, improving the reliability of information.

Pressure damage

3.8. In February 2013, the Director of Nursing, Helen Lockett, presented information to the Trust Board in a private session outlining the occurrence of 26 grade 3 pressure damage incidents over the year to date. She identified that record-keeping, documentation, assessment, wound care, supervision, equipment, training and communication had all been contributory factors and should be addressed. She also suggested that staffing problems within the District Nursing North Team had prevented senior review of a patient's care, leading to preventable pressure damage over the course of a whole year the patient had been receiving care.

3.9. These manifest failures of care and their underlying causes, including inadequate staffing levels and lack of senior review, should have been investigated as a matter of priority by the Trust and highlighted as a significant risk to the Board, but they were not. The same issues were identified again in the Board papers in November 2013, January 2014 and between March 2014 and March 2015, without prompting any definitive analysis or corrective action. It was not until March 2015 that a new, Interim Director of Nursing, Amanda Pye, produced some thematic and trend

analysis that identified explicitly that the same problems had been recurring, uncorrected, for more than two years.

3.10. The number of significant and repeated identified root causes related to incidents alone should have alerted the management team, Director of Nursing and Trust Board to the serious failings that were taking place over this period. The underlying problems were not addressed in any of the actions. Instead, the word "reinforce" was regularly used in Trust Board papers, as in:

- reinforce the need to undertake assessment;
- reinforce the need to complete documentation;
- reinforce the need to undertake wound assessment;
- reinforce the importance of timely referrals;
- reinforce the need for staff to have Personal Development Plans; and
- reinforce the need for good communication.

All of these actions were to be disseminated to staff in front of colleagues at "share and learn" sessions.

3.11. It appears that at no point was it reported to the Board or to commissioners that there may be an underlying cause related to staffing levels, competency, training, supervision and skills mix. Appraisals and supervision had been highlighted as a shortcoming of staff undertaking them, but not in relation to the time allotted to do them. The information we received indicated that District Nursing teams had not been undertaking timely risk assessments nor using a preventative framework for pressure damage. As a result, pressure ulcers developed that could have been prevented, and had to be managed reactively.

Conclusion

3.12. On reviewing Serious Incident Reports in 2012/13, we found numerous additional concerns over the care of established pressure sores. These included a lack of follow-up risk assessments, delayed equipment deliveries resulting in patients waiting too long for pressure-relieving mattresses and cushions and a lack of timely visits by the skin specialist team as the service was struggling to meet demand. We also saw evidence of failure to recognise wound concerns such as hypergranulation (a relatively common phenomenon which can affect healing time), a serious lack of care plan record-keeping, lack of competence in wound care management resulting in moisture lesions deteriorating into pressure damage, and failure to escalate concerns promptly.

3.13. The cumulative impact of all of these factors caused further deterioration in pressure ulcers that was unnecessary and avoidable.

Falls

3.14. We found that, although significant work had been undertaken to reduce the numbers of falls, falls risk assessments were not being undertaken as often as they should, associated with poor care planning in bed-based services.

3.14. In December 2012, the results of a falls audit were presented to a meeting of the Integrated Governance and Quality Committee **(IG&QC, 18th December 2012),** a sub-committee of the Board chaired by Sue Ryrie, a non-Executive Director. This was reported as identifying:

- a lack of care planning – 37% of staff reported not writing a care plan after an assessment;
- a lack of knowledge within the workforce; and
- a lack of staff who had heard of required key elements after training.

3.15. The same themes were identified six months later **(IG&QC, 4th June 2013)** when high-risk incidents highlighted:

- poor record-keeping;
- lack of clinical records and content;
- staff not applying training on key themes; and
- failure to investigate incidents due to incomplete records.

3.16. The committee expressed its concern regarding this and Sue Ryrie (Chair/NED) commented on the failure to apply training in practice. The Director of Nursing, Helen Lockett, is recorded as responding that the Trust was due to commence peer review systems and that a peer review plan would be completed and submitted to the IG&QC in October 2013. We found no evidence that this report was ever presented.

3.17. A 'deep-dive' review into falls (April 2012 – March 2013) identified that 15% to 20% of patients who had fallen had no care plan in place to proactively manage their falls risk or improve their confidence and mobility status. It also identified four patients who had fractured their hips – incidents that had not been reported appropriately and categorised as a serious incident by the Intermediate Care Service. A lack of appropriate reporting as well as care planning are serious patient safety markers that should have prompted immediate action and a review of the reporting culture in the Trust. We found a note in the committee minutes that work was ongoing to ensure accurate reporting, but we failed to find any evidence that even this inadequate response was followed through. Improvement work to address falls was apparently under way though, as in April 2014, the Board received a report indicating that 98% of inpatients had falls care plans in place. The figure for community patients, however, remained at only 37%, calling into question the timeliness of intervention into question.

Other evidence of harm

3.18. We found additional evidence of harm in other areas, albeit less direct. Meeting records in June 2013 refer to "*the increase in complaints in relation to staff attitude and communication"*. Work on this was said to be "ongoing", but it is difficult to see what assurance the non-Executives were able to take from this statement. At the same meeting, Bernie Cuthel (Chief Executive) stated that: "*it is not an improving picture".*

3.19. Similar themes were highlighted in relation to other serious incidents, including medicines management, where there was a weakness in control, inappropriate storage, staff administration errors, staff awareness and failure of staff to comply with Trust policies.

3.20. In 2013/14 the records indicate that there had also been an increase in compensation claims against the Trust. The Trust identified that it was unable to defend these claims due to incomplete actions by managers, a lack of robust control and monitoring of action plans and a need to integrate governance and quality.

Conclusion

3.21. There was evidence of unnecessary patient harm, and overall levels of harm-free care within the organisation should have been higher. Although staff were attempting to implement strategies of improvement, they lacked the pace and effectiveness required.

Organisational culture and leadership

3.22. We found serious shortcomings in organisational culture and leadership, including failures of communication and teamworking, intolerance and a culture of blame. Poor leadership, combined with a Human Resources (HR) department that was not fit for purpose and a lack of management training resulted in staff working in a climate of fear, to their significant detriment.

3.23. During complex care management, clear goals should be in place and agreed with the patient, which all team members should be aware of and able to communicate. As part of a team, all staff should know the part they play in improving the outcome for the patient and for the optimum delivery of care. This requires regular assessments, reviews, handovers, briefing and feedback among team members to encourage strong professional relationships and trust, seamless care delivery and an environment of transparency, especially to prevent delays in care. Good communication requires active listening, comprehensive conveyance of all information required, good multi-disciplinary working and appropriate use of technology.

3.24. We found significant failures of multi-disciplinary teamworking, with poor communication leading to inconsistent and flawed handovers, both within teams, across different agencies and across management and leadership at all levels. Clinicians were not actively engaged in decision-making processes and opportunities for active treatment in a timely fashion were lost due to a lack of cohesive working.

3.25. We found that staff had insufficient expertise and time for adequate handovers, and lacked training and time to ensure good record-keeping and documentation. They also lacked time to reflect and learn and implement a sustainable system of individual performance review to allow clarity on both organisational targets and their own objectives and performance. Teams had inconsistent training, supervision and appraisal processes in place, and little time for senior clinical review of work and skills mix. The ability to put in place improvement plans was severely constrained by the lack of suitably trained staff and the imposition of cost improvement plans (CIPs) that had a direct impact on the quality of services provided.

3.26. A 'just' culture is one where openness and transparency is an essential ingredient to identify the root cause if care falls below standards, or when care doesn't go according to plan. This requires staff to work in an open and transparent environment, where staff disclose incidents and are able to identify near-miss events to prevent adverse events on care. It also requires staff to pursue a duty of candour process with patients and relatives when a patient safety event occurs, and to instil public confidence.

3.27. We heard repeatedly that rather than a 'just culture', staff worked in a culture of intolerance, disbelief and fear, with a clear lack of care for the workforce. This hampered their ability to provide services to the standard required and impaired their willingness to declare incidents and learn from them.

3.28. We also heard repeatedly that the HR Department in the Trust was chaotic. HR managers failed to follow the Trust's own procedures and were inadequate in communicating with those staff subject to apparently arbitrary disciplinary processes. As a result of this, we heard and saw documentary evidence of some appalling instances of staff treatment, including individuals who were suspended for prolonged periods with no apparent rationale or process for resolution.

3.29. The evidence we saw and heard confirmed that management of the organisation was excessively top-down, with a punitive and blame culture that spread throughout the organisation. Management and senior leaders in the organisation were aware of the poor training figures and appraisal rates and, in the Advisory, Conciliation and Arbitration Service (ACAS) Report of June 2014, staff reported *"They were just told to fix it".*

3.30. This culture was reflected in the approach to the safety incidents that continued to occur. Staff were exhorted over and over that taking the correct action must be reinforced, regardless of the poor understanding of root causes and the constraining factors such as lack of adequate staff time, training and expertise.

3.31. A particular feature of the Trust's approach to safety incidents was "scoping meetings". These were described in numerous interviews as the meetings at which incidents were discussed and reviewed and actions agreed. This environment was described as "*an interrogation and a frightening experience, where staff felt blamed for incidents that occurred, leading to feelings of stress and anxiety".* We heard of staff having sleepless nights prior to the meeting and feeling physically sick before attending the meeting. Middle managers told us that *"…you certainly approached the meeting with trepidation".*

3.32. This was replicated elsewhere in the Trust's management processes. One regular senior meeting, the Transformation Board, was described by one interviewee as *"an awful experience, hideous. I had to prepare for a week beforehand as I had the highest Cost Improvement Programme in my services at 20%, which was impossible to achieve, due to small teams and economies of scale".* Addressing staff inappropriately by shouting or finger pointing had been the norm within the Trust, according to the experiences of many interviewees, and this kind of behaviour was replicated down the organisation.

3.33. The evidence that we heard and saw amply confirmed the existence of a bullying culture within the Trust, focused almost entirely on achieving Foundation Trust (FT) status. Inadequate staffing levels, poor staff morale and appalling HR practice went unheeded. This was the end result of inexperienced leadership that was not capable of rising to the challenges presented by the Trust.

3.34. At the same time, staff were struggling to cope with the effects of the draconian cost improvement programmes imposed by the Trust. In February 2013, the HR Director, Michelle Porteus, presented the workforce plans for the next two years to the Board in a closed session. Significant staff reductions were required in district nursing, dental services, medicines management and dietetics. Three of these areas were already being highlighted as a cause for concern, partly as a result of staffing shortfalls. There was no apparent recognition of the irony inherent in this being taken to the same Board meeting that had earlier considered the implications of the Francis Report into failings at Mid Staffordshire NHS Foundation Trust.

3.35. District Nursing posts were to reduce by 24.3 whole time equivalents (WTE) in 2013/14 and another 24.3 WTE in 2014/15. This was to be achieved by freezing all vacancy recruitment as well as introducing voluntary redundancy and retirement. Dental staffing was also to reduce by 21 WTE in 2013/14 and 15.5 in 2014/15.

These were significant reductions, particularly in District Nursing, which was already overstretched, and had highlighted their difficulties in maintaining quality and safety due to vacancies.

3.36. The justification for these reductions was apparently a comparison with national workload figures. No heed was given, however, to whether a "like-for-like" comparison was being undertaken (for example, the Trust's use of a comparator based on high-street dentistry, despite community dental services dealing with a different patient group), and blanket reductions were imposed with no apparent clinician engagement in the planning.

3.37. Recruitment at the Trust had been outsourced to Capita, and we heard numerous accounts of delays in recruitment, sometimes more than three months for a single post. Clinicians were not involved in the vacancy review panel process that had been introduced and we heard of District Nurse Team Leaders having to repeat vacancy requests and, on occasions, waste valuable time "lobbying" senior managers to attend the vacancy review panel to plead their case for them. Service managers described merely receiving an email advising whether or not a vacancy had been approved for recruitment.

3.38. This process compounded the problems of short-staffing and increased the pressure on services. Although some concerns were voiced at Board meetings about the effect on patient services and staff morale, there was no discernible impact on the policy of staff reduction. We found no evidence that staffing levels or recruitment plans were being reviewed, or that the impact of staffing reductions on service quality was being evaluated or monitored.

3.39. The impact on staff was clear. In interviews we heard from staff who had worked long hours with insufficient breaks, and staff who had been actively told not to report incidents. We also heard that sickness absence from work-related stress was a regular occurrence, but that many staff had a "heads-down" mentality because of the blame culture they were in and their fear of recriminations.

3.40. According to Board minutes in 2013, a whistleblowing policy had been in place since 2010, allowing staff to raise concerns in an open and transparent way. This was not the reality on the ground for many staff. We heard consistent accounts that whistleblowing or raising concerns was discouraged and that staff who raised concerns were ostracised by their manager/leader and later let down by HR. Others were fearful of losing their job.

3.41. The difficulties for staff were compounded further by a HR function that was not fit for purpose. The effects were sometimes extremely serious in nature, with no proper investigative processes being put in place for staff suspended for prolonged periods.

As a result, a backlog built up of outstanding HR cases that the department was unable to cope with. In 2014 this amounted to 332 employee-related cases including *"… 26 grievances, 11 disciplinaries and 100 sickness-related cases… Many of these were not reported to the Board."* (Jill Byrne, Interim Director of Nursing, April – October 2014)

Conclusion

3.42. The combined effect of crudely applied workforce reductions, a heedless, bullying organisational culture, and a HR function not fit for purpose was devastating for staff and patients. We heard harrowing accounts from staff who clearly still bore emotional scars from the events, and the impact on patient care was evident from the nature of repeated safety incidents. We are in no doubt that the underlying cause behind all this was the inexperience and unsuitability of the senior leadership of the Trust, and their inability to recognise that they were unable to cope with the challenge.

Clinical governance

3.43. Effective clinical governance is a requirement of all NHS providers, to ensure that patient safety and clinical effectiveness are monitored and improved, and that any lapse in standards of care is identified and rectified promptly. It depends on good information, systems to monitor and analyse, and leadership to ensure that signals are not only identified but are also acted upon. Good clinical governance depends on proactive intervention, particularly to ensure that risks are identified and that learning from safety incidents leads to improvement.

3.44. We found clinical governance systems in the Trust to be poorly developed, with a lack of coherent communication from the frontline of service delivery through to the Trust Board. There was sufficient data on safety incidents to be able to identify and act on trends and recurrent themes, but analysis was poor. Important root causes were missed and staff were blamed instead. Action plans that were identified were not followed through and there was little knowledge of which actions had been completed and which had not. As a result, serious incidents recurred again and again, causing unnecessary harm to patients, when lessons should have been learned from the outset.

3.45. A 'never event' is described by the NHS Policy and Framework (October 2012) as a serious, largely preventable patient safety incident that has the potential to cause serious patient harm and should not occur. It is particularly important that never events that may occur are treated very seriously and investigated thoroughly to prevent recurrence. We were dismayed to find that six never events of a similar nature had occurred in the Trust, and that the Trust had failed in its duty to learn from the first occurrence to the last. We found a similar pattern of failure to find the

underlying causes in the investigation of other patient safety incidents, and failure to implement improvements.

3.46. We found that risk assessments of clinical services were delayed or left incomplete, ostensibly because staff were under-resourced for the work required of them and, not surprisingly, chose to prioritise patient care. Staff training, clinical supervision and appraisal processes were inconsistently applied and oversight of the unregistered workforce was not as robust as it should have been, leading to delays in review of care or inappropriately applied care delivery.

3.47. Clinical leadership, particularly at a senior and executive level, was poorly developed and showed clear signs of inexperience at that level. At executive director level, clinical leadership was inconsistent and subject to change. The Medical Director, Craig Gradden, who took up the post in February 2012, lacked experience of the role and had only limited knowledge of community healthcare having practised previously in a specialist field. Both the Medical Director and the Director of Nursing, Helen Lockett presented papers to the Board that lacked assurance that clinical incidents were being dealt with appropriately. It appeared that the non-Executive Board members lacked the expertise to challenge or seek further assurance.

3.48. The Board's inexperience was replicated throughout the organisation, resulting in failure to get a grip on governance and quality improvement. It was clear from those interviewed that the main area of focus for the organisation was on achieving FT status, and quality and staffing levels were secondary to financial stability. This led, in our view, to clinical governance being significantly under-emphasised in the organisation, partly because it was seen as of lesser importance and partly because any messages concerning unsafe care and staffing levels would jeopardise the FT application.

3.49. Clinicians were not routinely party to discussions about quality of care and quality impact assessments (QIAs). Staff told us that they felt unheeded when raising concerns and were blamed when incidents occurred. This led to a lack of openness and transparency in working practice, breakdowns in multi-disciplinary working and an "us and them" attitude between clinicians and others. All of this prevented any constructive approach to learning from safety incidents and reducing risks.

3.50. We did see evidence that the Trust's corporate governance team did attempt to assess risk and develop plans for improvement – for example, to reduce the incidence of pressure damage and patient falls – but the information was not used effectively or routinely shared appropriately across the organisation, and action plans were not implemented or monitored. Consequently, learning was lost, adverse trends in services were not identified and the same type of incidents were allowed to happen repeatedly.

3.51. The Head of Clinical Quality at the time highlighted: *"Root cause analysis action plans were not signed off or reviewed to ensure action had taken place. A lack of scrutiny had been in place and it was felt that numerous layers between corporate and frontline teams may have added to the difficulty in communication".*

3.52. There had also been some attempt to benchmark data through the National Reporting and Learning System with other organisations, but information was not used effectively to make improvements. Examples of incidents highlighted that happened repeatedly included:

- falls with fracture in the intermediate care wards;
- deaths in custody at HMP Liverpool;
- pressure damage; and
- never events in dentistry.

3.53. We were told during an interview that, "*you* d*on't know what you don't know".* This was certainly true of the Trust then, but there were ample opportunities for the Trust to have recognised their lack of knowledge at the time.

3.54. Prime responsibility lay with the IG&QC of the Board, but our Review revealed that the minutes of these Committee meetings were of poor quality, with confusion over issues raised and responsibilities for action. It was difficult to track progress on any matter without constant reference to previous minutes, and this must have created difficulty for those dealing with them. We could find no evidence of the monitoring of minutes and actions by the Committee Chair, and there was no action log within the papers.

3.55. The IG&QC records revealed numerous additional problems:

- lack of attendance at meetings, highlighted on numerous occasions, resulting in frequent absence of updates;
- meeting papers not produced;
- insufficient time available to discuss items, also highlighted numerous times by Committee members;
- concerns raised that the governance team downgraded some incidents without a clear rationale;
- lack of ownership of actions and lack of direction;
- concerns raised about continuing serious staffing issues not being addressed;
- updates not produced on continuing actions, despite service leads being asked repeatedly for them;
- risk registers remained incomplete and not updated;
- SUIs remained unresolved for months;
- unresolved training issues, including mandatory/SUI/customer care training;

- action plans not produced to time and not implemented; and
- a lack of communication concerning processes and governance.

3.56. We were very concerned to note from repeated minutes the poor attendance at this Committee by key personnel, particularly including the Nursing and Medical Directors. The two most senior clinicians in the Trust should have shown leadership in engaging visibly with these issues, however hard-pressed they may have been.

3.57. On those occasions that clinical quality (including patient safety) was discussed at the Trust Board, similar problems were evident. Patient safety incidents were reported in Part Two of Board Meetings, when the Board met in private session. Scrutiny of the papers did not demonstrate an open approach to learning nor any appreciation that there were important underlying causes in the pattern of repeated incidents. No link was made with repeated incidents and complaints or with staffing levels. The minutes indicate that there was little meaningful questioning over repeated incidents of the same type, and little challenge to suggested actions that were inadequate. In our view, this was due to the inexperience of the Board members.

3.58. On paper, a committee structure was in place that should have informed the Trust Board. A divisional, corporate and executive quality group and committee structure was designed and introduced to enable two-way communication of quality information. However, clear escalation between these groups did not always happen; the organisation used multiple names for the same committee, causing confusion; attendance was inconsistent; some agenda items were not escalated and those that were escalated were not always acted upon; and, again, actions were not undertaken or reviewed. In our view, the Committee structure was ineffective and failed to relay information from the frontline of service delivery.

3.59. We found no evidence that anyone was held to account for delivery of actions arising from safety incidents or risk assessments, and many remained incomplete.

3.60. A critical review of clinical audit was carried out by the Trust's internal auditors, and presented to the IG&QC in April 2013 by the Medical Director, Craig Gradden. The review identified two problems: failure to make improvements in practice identified from clinical audit; and failure to monitor plans to report on the state of implementation. The review recommended changes to improve both aspects, but these were not adopted, as they were argued not to be the responsibility of the management team, and because existing meeting agendas were already oversubscribed. This failure to respond to the findings of the internal auditors entirely misses the point that opportunities would not be taken to improve those services with significant problems, including, for example, pressure damage and falls.

Conclusion

3.61. It is clear to us that there were abundant warnings of the developing service problems, and these alarm bells should not have been ignored by the Trust Board. However, the Trust's clinical governance systems failed. This does not reflect well on those responsible for operating the systems, including clinical leaders, nor on the Trust Board that was responsible for ensuring that clinical governance was fit for purpose.

3.62. The lack of effective clinical governance was belatedly recognised by the former Chief Executive of the Trust, Bernie Cuthel, when we interviewed her. She said that *"governance systems were not strong enough, unions didn't come to me often enough, the formal governance structure didn't pull out themes and actions and the integrated governance and quality committee was not functioning as well as it could."* While this is all true, in our view, it overlooks the fact that the CEO, as Accountable Officer for the Trust, was responsible for ensuring effective clinical governance.

Patient outcomes

3.63. In setting out our findings on clinical care capability, organisational culture and leadership, we have already identified many examples of avoidable patient harm. We are in no doubt that, not only were patients harmed, the same type of incidents recurred unnecessarily because of repeated failure to learn.

3.64. Due to the poor standard of incident reporting and investigation, it was not possible to quantify how many patients were affected. We asked those staff we interviewed whether they considered that patients had come to harm as a result of the events over the Review period. We heard repeated answers from staff that they were either aware of instances of harm, or they were of the view that patients had been subject to delays (or hurried interventions) that increased the risk of harm.

3.65. It was clear to us that staff were greatly affected by the memory of these events and the effects of their actions on patients, and that this was also part of the harm that had been caused.

3.66. We had particular concerns about two specific areas – dental services and prison healthcare – and these are considered in further detail below.

Dental services

3.67. There were five never events in dental services over the review period: all of these were "wrong site tooth extractions". Every never event must be reported, thoroughly investigated and measures put in place to prevent its recurrence. Five never events in one service over less than three years is an extremely serious failure.

3.68. Reporting of wrong site tooth extraction nationally has been mandatory since 2014/15 as, prior to this, some NHS organisations were not reporting, despite guidance issued in 2011 that any treatment that deviated from the "consent to treatment" process, should be reported and treated as a never event.

3.69. Five never events occurred in dentistry between 2012 and 2015, two of which were reported by the Trust's former Risk and Governance Manager. Three, however, were not. Opportunities to prevent recurrence were missed in all cases, regardless of whether they had been reported as they should have been. Investigations were not robust enough to identify underlying causes or preventive measures. Those measures that were identified were not communicated effectively, and suggested improvements were ineffective and not properly followed through. There was a lack of openness with patients and relatives.

3.70. A retrospective review of the three never events that had not previously been reported was undertaken by the Trust in 2015, too late for the Trust to have learned lessons and prevent other never events of a similar nature, resulting in avoidable harm to the patients affected.

3.71. We were able to identify in interviews that meetings with clinical leads about the never events had been held at the time, but minutes of those meetings were not tied into a wider reporting structure and there were no clear objectives for the meetings. Investigation terms of reference were only formalised subsequently. We also identified that not all dental staff would fill out an incident form on the Trust's Datix[1] system, as they felt nervous about the consequences for themselves. Instead, they would create a local clinical improvement notice to flag the issue to other dental clinicians. It is clear from the repeated never events that this was ineffective, but it also forfeited the chance of wider learning across the organisation, particularly in relation to governance management.

"We did our own reporting – sometimes through Datix" (Nicola Marshall, Clinical Director).

3.72. This sharing method in dentistry was not recognised wider by the Trust as part of the governance arrangements and, on review, the Assistant Clinical Director reported, *"To sign these as having been read may be a step too far"* (December 2014).

3.73. The dangers of running two systems in parallel, or not being clear which system was used for what, was not recognised and may have prevented staff from accessing the Trust Risk Management System to report incidents or near misses. This prevented a true picture emerging that would have enabled trend analysis.

[1] A commercial software system in common use across the NHS to report safety incidents.

3.74. The harm to patients caused by wrong tooth extraction should be clear to all and, at the very least, it constitutes a procedure for which the patient has not given consent. We were taken aback to hear from some of those interviewed that they thought that no harm had been caused as there had been no complaint or legal action and, in some cases, the clinical problem had been resolved by extracting the wrong tooth. One of these interviewees was one of the clinical directors for the service, which may have influenced the inconsistent reporting and action taken.

3.75. A tooth extraction protocol and verification process has since been put in place based on the World Health Organisation's checklist; it would have been more beneficial to patients if this had happened after the first never event, as it certainly should have been.

3.76. None of this is to deny that dental staff were working under difficult circumstances, with significant workload pressure and poor working relationships. The largest cost improvement programme in the Trust in proportionate terms had been imposed on dental services, and the effect on staffing and workload was significant. We heard that there had been little or no engagement with dentists on the design or implementation of the programme, and no clinical input into the QIA. We heard that members of staff had been suspended for questioning its feasibility.

3.77. The cost improvement for dentistry was identified as being almost half their current budget at the time (44%) based on a high-street dentistry model. There appeared to be little focus on quality impact; rather, the concerns highlighted were that the current model was costly, the dental division was overspending and commissioners were formally challenging the high costs. The drive for FT status and cost improvement was reiterated as the main driver by interviewees, who identified that the pressure to deliver the CIP was enormous and the tension in Transformation Board was palpable.

Conclusion

3.78. Governance in dentistry was internally focused to the service and operated outside of mainstream governance within the organisation, without escalation procedures or understanding of governance requirements. As a result of this, learning and improvements to practice did not take place to prevent reoccurrence.

Prison healthcare

3.79. Prison healthcare in HMP Liverpool was, in some ways, our biggest area of concern based on what we heard. All of the problems of governance, leadership and organisational culture that are set out above were replicated in the prison healthcare services. In addition, they operated at a distance, with significant hindrances to access for Trust headquarters' staff by the nature of a prison, and were dealing with a patient group that is both challenging and vulnerable.

3.80. Based on what we heard, it seems to us that the Trust was responsible for prison healthcare with no understanding of its requirements or how to manage it in a safe and effective manner. It became an "add on" to the organisation, seemingly motivated by a desire to expand the Trust to head off perceived challenges to its viability. We found no evidence that the senior management team took any steps to gain a detailed understanding of the nature and particular requirements of prison healthcare. There was a lack of regular senior and executive presence in the prison – in fact prison passes had not been issued, meaning that the senior management team would not have been able to visit regularly. There was no systematic clinical governance within the service, and no attempt to integrate its clinical governance with the Trust's other systems (however flawed). Serious clinical concerns were not identified or managed appropriately.

3.81. One staff member reported: *"The paperwork was sent six to seven times to senior clinical, specialist and management leads to allow them to visit the prison, which were never completed and returned."* This point was also raised by another senior staff member.

3.82. Considering the risks associated with prison healthcare, the vulnerability of the client group, and the assurances that the Board should want to see due to their own inexperience of offender healthcare, we would have expected the service to feature regularly in Board discussions. In fact, we found little evidence in comparison to the rest of the organisation that this was discussed other than very occasionally, either at the Board or at the Integrated Governance and Quality Committee.

Clinical governance arrangements

3.83. There was little prison governance at the Trust, meaning that healthcare staff at the prison were largely working in isolation. This was the same theme that occurred in dentistry but the situation in HMP Liverpool caused us more serious concern because the governance within the prison and the ability of the staff involved were seriously lacking. Organisational staff said they lacked the capacity to attend governance meetings; there had been little apparent thought given to the monitoring and management of prison healthcare by Liverpool Community Health NHS Trust and there was no regular monitoring and reporting back into the main governance framework of the organisation.

3.84. Risks that were identified and raised regarding prison healthcare appeared to stop at management level and many were never raised to Board level. There seemed to be a lack of support for the team to lead service development and a lack of relationship-building from senior leaders of the organisation with the prison Governor to address challenges and concerns. One interviewee reported that *"LCH staff were not involved enough to know what was going on"* (Debbie Moore). Another reported that *"although the Datix system was always in place, it was not used".*

3.85. Prison healthcare managers lacked governance expertise and were reported to either decline logging incidents on the Datix system, or else incidents reported were not reviewed by the Trust governance team.

3.86. In other cases, incidents were accepted but downgraded, resulting in a loss of ability to effectively analyse trends or themes. This was coupled with a lack of divisional management oversight, an absence of governance and escalation by committees, and a general culture of not reporting SUIs. It seems to us that, as a result, the Trust Board was not as aware of the risks inherent in the service as they should have been. Given the unique and novel nature of the service for the Trust Board and staff alike, we believe that the Board should have taken the trouble to assure itself of the safety and adequacy of the service; they did not.

3.87. We heard from a former Interim Director of Performance that

"Prison Serious Untoward Incidents (SUI) were not reported or not interpreted as SUIs, with the culture in the governance team being to play down the incidents, which provided another barrier and then executives would also downgrade risks before going to the Board so the Board were not being sighted on incidents, so they only saw a summary and were not aware of all the issues."

3.88. On reviewing the evidence, it seems to us that there was also a lack of professional responsibility displayed at a senior level, insufficient expertise and an inadequate infrastructure to manage the service. We had numerous concerns about the operation of the prison healthcare service, which included: lack of risk assessment of offenders, including areas such as their nutrition and hydration; mental capacity; infection control; falls and pressure damage management; management of long-term conditions such as asthma; pain management; cancer management; end of life care; and dental management.

3.89. Patients who were provided with an NHS appointment but failed to arrive were recorded as 'Did Not Attend' (DNA) and DNA rates within HMP Liverpool were unacceptable. These had a detrimental effect on patient experience and patient outcome – for example: failure to administer eye drops to relieve pain and inflammation while a patient waited for surgery; lack of management of prisoners with existing long-term conditions; and a lack of management of people with a high risk of suicide, including lack of proper documentation at handover.

3.90. Levels of concern about this were raised by the CQC following their unannounced visit. This came as a surprise to PCT staff as we had heard that previous visits by commissioners had raised no concerns.

3.91. For part of the period, the Prison Partnership Board was established as a multi-disciplinary meeting to include colleagues from all partner organisations (Adult Social Care, Liverpool City Council, the Trust providers and the Prison Governor), where participants could raise issues of concern and consider death in custody reviews. We heard, however, that mainly operational rather than quality issues were discussed and the prison healthcare Risk Register was not reviewed routinely at these meetings. Managers reported that they struggled to make sense of unfamiliar data and that key monitoring processes were not in place, including the review, monitoring and maintenance of equipment. This resulted in staff using equipment that was not fit for purpose.

3.92. Despite the poor processes and lack of integration of prison healthcare, some of the problems did, belatedly, come to the attention of the Trust, including staffing concerns, poor knowledge of governance arrangements in the service, and a high level of stress in prison healthcare staff. However, we could find no evidence that this prompted any specific action.

Medicines management

3.93. This was of significant concern at HMP Liverpool and the reviews of medicines management within the prison were extensive. The interim Executive Team established that there had been no safe and proper processes in place for the management of controlled drugs; there was no double-checking and no double-signatory when medicines were dispensed.

3.94. A review of past Controlled Drug incidents was conducted on balance checks at HMP Liverpool by Lucie Michaelson, Pharmacist in March 2015. This review highlighted that controlled drugs policies and procedures were not adhered to, and as a result, three patients' controlled drugs were unaccounted for. There was a lack of staff training identified and undertaken and also a failure to undertake regular controlled drug register audits and weekly balance checks at the time the incidents occurred.

3.95. Medicines management by staff showed a complete lack of understanding of the drugs they were dealing with, and no proper administration procedures. *"If a member of staff hadn't got the right dosage of drug, [they] snapped a bit off a tablet,"* (Debbie Moore interview).

3.96. The exit report by Amanda Pye, Interim Director of Nursing, identified concerns in May 2015 that Nursing & Midwifery Council (NMC) professional standards had been contravened within the prison and the NMC were duly informed. Due to the organisational culture in HMP Liverpool, unsafe practice had become accepted as normal.

3.97. Drugs were stored inappropriately and storage temperatures were not checked so the efficacy of the drugs being administered was unknown. A lack of staff competence and training updates compounded this culture still further.

3.98. In September 2014, an external review of an incident had already identified poor administration of drugs, equipment not being maintained and policies and procedures not being followed.

3.99. The minutes of an IG&QC Meeting (December 2014) identified an incident where a patient had not been given prescribed epilepsy medication, resulting in the patient having a seizure the following day. There had also been a "near miss" when another patient had not been administered their medication for four weeks.

3.100. A peer review into clinical risk, quality and governance of the integrated primary healthcare delivered by Liverpool Community Health NHS Trust to HMP Liverpool (January 2015), was unable to visit prison wings to sample and audit prescription record sheets due to lack of available escorting staff. Staff stated that they often worked on minimum staffing levels and that this impacted directly on patient care. Examples were given of patients needing to be locked in their cells while nursing staff assisted with the administration of medicines in other areas of the prison. Morale was clearly very low, with staff openly expressing concerns that they were under scrutiny, "*exhausted*" and "*about to be slaughtered*".

3.101. There were no policies and no standard operating procedure in place, although the January 2015 report identified pharmacy staff who were trying to address these issues.

3.102. The review of potential serious incidents in HMP Liverpool undertaken by Liz Craig (Former Director of Nursing at Liverpool Women's Hospital and later an Independent Nursing Consultant) in 2015 raised serious concerns regarding the management of medicines with incidents highlighted as *"A missed dose of Fragmin being reported; on review Warfarin was the drug listed on the system not Fragmin".*

3.103. In another case, *"a patient found with codeine in his blood sample when DF118 was the prescribed drug. If this patient was substituted one drug for another, it is a serious incident".* Review of this incident identified that staff were giving substitute medications if there was a shortage of the prescribed medication.[2]

3.104. It was also identified that there was pressure to administer medication to large numbers of patients within a limited time, resulting in staff finding ways to save time. Staff confirmed these as bulk signing of prescription charts to show that medication

[2] Strategic Executive Information System records, 2014.

had been administered, administering stock medication without recording it on the relevant prescription chart and administering medication to one person that had been prescribed for another.

3.105. In a review of another patient's care, the patient did not receive his prescribed dose of hydrocortisone post-operatively and did not receive his medication again on another day. It also identified that limited wound care and limited nursing care were given.

3.106. In an investigation undertaken by Ann Ryan, Business Development Manager, Primary Care and Public Health at the Trust in February 2015 into a patient who had attempted suicide, medication errors were identified again:

"There was no medication sheet for the patient and requests for medicines' reconciliation by medicines management. It was also identified from documentation that the patient had not received his daily dose of Sertraline 50mg one tablet daily. The patient was not seen regularly by the GP either."

3.107. This review also highlighted the lack of care planning, which is a common theme throughout our review.

Assessment and screening

3.109. We were concerned at failures in the assessment of prisoners, and routine initial and secondary screening was not carried out effectively or consistently. Of particular concern to us was the lack of secondary screening for prisoners with long-term conditions or chronic illness. There may have been some retrospective screening in place but this was not undertaken in a sufficiently timely manner for it to be effective.

3.110. One interviewee with close knowledge of healthcare in HMP Liverpool told us of the difficulties:

"Secondary screening – used to have good attendance, then the core day changed and prison officers refused to bring prisoners over, so the percentage of prisoners screened dropped off. Local governance arrangements identified this and it was escalated via emails but, due to a lack of coherent governance arrangements in the organisation, this wasn't addressed in a timely manner".

3.111. Minutes of the IG&QC Meeting (April 2014) identified that Offender Health was unable to meet CQC requirements for secondary screening. *"We provide the appointment but it is up to the prison staff to ensure the appointment is kept."*

3.112. Due to a lack of multi-disciplinary working when patients were screened, a combination of poor care planning, record keeping and communication, resulted in messages not being received and acted upon.

3.113. In one incident that we reviewed, a prisoner admitted with complex needs did not see a GP on admission. He eventually saw a GP seven days later, causing a significant delay in receiving appropriate medication. The same inpatient missed out on patient appointments due to poor communication between healthcare and prison staff. This lack of communication then carried over to the main prison where there was no handover or concerns raised, so no plan of care was put in place.

3.114. Following a Safeguarding Audit in August 2014, instigated by the interim Executive Team, concerns were raised by the Trust regarding 10 clinical incidents reported at HMP Liverpool which potentially could be classified as SUIs. An independent reviewer with executive governance and patient safety experience was assigned to undertake a review of the 10 incidents. This identified the lack of thorough risk assessments and recommended a full systematic review of assessments.

3.115. Patient notes had been stored in numerical order by prison number which was a barrier to cross-referencing. Many historic records were paper-based and no older records had been scanned. This all added to the difficulties in effectively managing patient records.

Deaths in custody

3.116. We are aware that there has been a high number of deaths in custody in HMP Liverpool during the period covered by our Review and afterwards.[3] We have seen Serious Incident Reports covering 19 deaths in custody, but many of these were done retrospectively and may include an element of double counting. Between April 2013 and December 2014 there were six suicides, five by hanging. National guidance on deaths in custody[4] emphasises the need to learn from trends and themes, and highlights risk areas such as medicines management, record-keeping and management of long-term conditions. All of these factors were prominent among the concerns we found relating to HMP Liverpool. However, these themes do not seem to have been reviewed nor had any bearing on reviews and management of the healthcare system within the prison. Actions continued to be divided between prison and health teams, with a lack of coordinated working.

3.117. We were surprised to find that deaths in custody did not feature on the performance reporting dashboard to the Trust Board, and there was no mention on the high-level risk register being presented to the Board. Some deaths in custody were not even

[3] HM Inspectorate of Prisons, Inspection Reports, HMP Liverpool, 2013, 2015, 2017
[4] Independent Advisory Panel on Deaths in Custody

reported as serious incidents, and we found a lack of information being reported through the governance committees, together with a lack of assurance to the IG&QC.

3.118. An example of one of the reports made to the Board in April 2014 stated that the person was alcohol-dependent or had a history of alcohol and/or drug usage. The only risk control in place for one of these incidents described to the Board is that the patient was being treated by the GP for depression. There was no mention of risk assessments, management of medication or care planning. Another patient had team-level assurance as they had been in previous establishments prior to admission to HMP Kennet and they were a smoker. It is difficult to see how the Board took assurance from the Serious Incident Reports as there was little relevant information presented in them. There is no evidence that the Board challenged or even questioned the information that was provided to them.

3.119. On the basis of the evidence that we have seen and heard, it is clear that there were serious clinical governance deficiencies in the service delivered in HMP Liverpool, and serious deficiencies in the way that incidents, including deaths, were investigated afterwards. As a result, opportunities were missed to put in place measures to reduce the unwarranted incidence of future deaths in custody. These conclusions have already been drawn, including in the Prisons and Probation Ombudsman reports in 2011 and 2013. Problems were manifest in relation to medicines management, care planning, audit activity, DNA rates, and there was a complete lack of Board oversight and a lack of assurance in the Serious Incident Report papers presented by the Medical and Nurse Directors to both the IG&QC and the Trust Board.

3.120. Following a CQC visit to HMP Liverpool, areas for action were highlighted, particularly in relation to medicines management and secondary screening, especially for those patients who were mentally unstable and/or at risk of suicide attempt. On review of the Board minutes, we could find no evidence that these action areas had been considered by the Board, nor had an improvement plan been developed.

3.121. We can come to no other conclusion than that the Trust let these patients down very badly and, as a result, lives were likely to have been lost unnecessarily.

Records and record-keeping

3.122. There was insufficient governance in relation to records and a lack of systematic management of records. There were failures to sign records at handover and vital records went missing or took too long to be filed appropriately, leaving patients vulnerable, and the true state of their condition uncertain. In addition, due to the failure to reconcile and effectively manage records, previous medical interventions were unknown. There was no handover checklist in place for new arrivals to the prison, and healthcare staff were not aware of missing documents.

3.123. Following actions initiated by the interim Executive Team, eight years of prescription charts and five years of patient electrocardiograms (ECGs) had been found in a cupboard on the Healthcare Unit. We were told that it had been suspected that these records had been stored and not scanned to any patient records, potentially resulting in incomplete records being forwarded on to other prisons or HM Coroner.

3.124. A lack of robust tracking and tracing of paper documentation within the healthcare unit was also identified, as well as:

- inadequate storage space for paper documentation;
- poor records management;
- prescriptions and ECG records retained on paper;
- the service did not have appropriate means to scan paper documents back into the records system, resulting in hybrid paper/electronic clinical records; and
- lack of available storage space for paper prescriptions within the HMP Liverpool Healthcare Centre, resulting in prescriptions filed separately in boxes labelled by surname and year.

3.125. These were breaches of the Records Management Code of Practice retention periods. These actions also presented a fire hazard, as patient records were housed in a wooden filing cabinet in an environment containing flammable liquids. This required immediate action to resolve. The environment was identified as cluttered, messy with a lack of coordinated processes in place to ensure confidentiality and safety of records.

3.126. We heard that *"staff reported ECG results found which, when sent to a cardiologist, revealed some ECGs with abnormalities that had not been identified".*

Culture, people and environment

3.127. The culture was described as regimented and one member of staff described it as "bullying" in nature. Meetings were conducted in an aggressive environment, a practice that appeared to be demonstrated in the Trust at Board level, through middle management to frontline delivery.

3.128. Culture has been considered elsewhere in the Report but was identified as a particularly significant issue within offender healthcare. We heard from interviewees that staff were not allowed to walk along certain corridors and could not enter a manager's office if they were graded below Band 6 – conversations were conducted with junior staff standing outside their manager's office. We heard accounts of nursing staff bickering in front of others about decisions that were being made, showing a lack of senior leadership and management.

3.129. Any staff who "*in the eyes of the prison were becoming militant*", were reported, felt scrutinised, and were, we were told, ultimately moved out.

3.130. Healthcare staff were told that they should not report incidents on the risk management system (Datix) and that, if they did, they would be disciplined.

3.131. One previous manager reported: *"I was called to a meeting regarding cost improvement and vacancies were removed, which was the equivalent of 8 to 9 people, for example, a whole time equivalent GP was removed and funding ring-fenced for prison healthcare was removed"*.

3.132. Another interviewee was asked if they felt patients had been harmed in HMP Liverpool. *"Definitely – physically and psychologically",* was the response.

Staff training and competence

3.133. As a result of some ignorance of policies and procedures, staff did not always know what to do and some of their practice was extremely poor. They may have wanted to do the right thing, but the lack of training and development, and poor focus on values for staff and on the way they should behave and conduct themselves all contributed to a consistent failure to meet adequate standards within the unit.

3.134. Registered clinicians should have led by example and upheld their professional standards, particularly as stipulated under the National Medical Council Code of Professional Standards of Practice and Behaviour (revised 2016) for all registered nurse and midwives. Within this Code, nurses commit to delivering the fundamentals of care, maintaining their own professional competence and making sure that people's physical, social and psychological needs are assessed and responded to, and that they act within the best interests of people at all time, regardless of setting. These professionals failed to comply with the Code and let their patients down.

3.135. Only between 45% and 55% of offender healthcare staff were up to date with mandatory and statutory training requirements, including basic life support training which, in a high-risk environment, is of concern. Staff repeatedly identified that the reason for non-attendance of training was due to a lack of staffing levels. Staffing levels were insufficient and recruitment into the prison was difficult.

3.136. The Trust Chief Executive, Bernie Cuthel, felt that she saw nothing that impacted on patient safety, other than incidents that were reported to the Board as a result of failure, so she saw no significant difference from other areas where she had previously worked. On reflection, she considered that the Board was "*blind*" to the issues.

3.137. She also considered that the Head of Prison Healthcare was not showing sufficient leadership and that "*the team was institutionalised*". There appeared to us to be a lack of ownership of the issues, with everyone blaming somebody else. The truth of the matter is that there was a lack of governance systems, leadership, accountability, a lack of effective HR management, and a failure of management and oversight at all levels of the organisation.

Human Resources procedures

3.138. Some prison healthcare staff had been suspended from duty at HMP Liverpool pending investigation. These investigations failed to be undertaken in accordance with HR policies and procedures, resulting in staff being suspended for many months. This impacted on staff morale and on the efficiency and effectiveness of healthcare due to staff shortages.

3.139. "*It had been reported that a prisoner had climbed into a tumble dryer which had been turned on by a prison officer for one turn of the dryer."* This was reported to the Director of Nursing, Helen Lockett, and Medical Director, Craig Gradden. An investigation was eventually triggered by the interim Executive Team to establish why it had not been reported and investigated at the time. This proved inconclusive due to a difference in recollection by those involved and the inability to understand how the incident was communicated. This incident was never reported appropriately or shared within the organisation, to the Trust Board or to the prison Governor at the time. This practice was, regrettably, a common theme in both the Trust and within offender healthcare.

3.140. One interviewee described being suspended from their post alongside two other managers pending a review of risks in the prison, which had not been investigated at the time. Staff opted to resign rather than be subject to the Trust's procedures as they feared becoming a scapegoat for management and organisational failings. They told us that they would still be working within the organisation if they had been treated appropriately.

3.141. One of this group of affected staff was referred to the NMC; they told us that they were not advised who made the referral and expressed their distress that their case was only just being investigated in 2017. This raises a concern over the length of time taken for the process to reach a resolution.

Conclusion

3.142. The Trust failed to provide adequate healthcare in HMP Liverpool. Organisational culture was poor, there was no systematic clinical governance, and clinical competence was variable. There was little appreciation of the seriousness of incidents, including deaths in custody, and investigations, when undertaken, did not lead to improvements to reduce the risk for future prisoners. All of this

demonstrates a basic lack of understanding of the prerequisites for a safe and effective service. While it is clear that there have been more general problems in HMP Liverpool,[5] we have no doubt that the extremely poor state of healthcare within the prison contributed significantly.

[5] HM Inspectorate of Prisons, Inspection Report, HMP Liverpool, 2017

SECTION 4: INTERNAL GOVERNANCE AND EXTERNAL SCRUTINY

The Trust

4.1. Liverpool Community Health NHS Trust came into being in November 2010, driven in part by the government's initiative, Transforming Community Services. In April 2011, it acquired the majority of NHS Sefton's community services. It also acquired community dentistry for Knowsley.

4.2. In 2011/12 the Trust employed around 2,500 WTE permanent staff, 80% of which were clinicians. Revenue for the same period was £143 million with a surplus of £3.5 million. In April 2014, the revenue had reduced to £135.7 million and staffing was approximately the same.[6]

4.3. Services included adult care, child and adolescent care, community dentistry, prison healthcare and public health.

4.4. The Trust was overseen by its Board, made up of both Executive and non-Executive Directors.

The Board

4.5. The Board and its operation are fundamental to an effective Trust. It shapes the vision of the organisation and the strategy designed to deliver that vision. It has responsibilities for and to the population it serves. It has responsibility to those who work for the organisation, ensuring that they are treated fairly and that they operate in a safe environment.[7]

4.6. The Board has two distinct groups of members – non-Executive Directors and Executive Directors – and their combined experience, strategic knowledge and professionalism contribute to the organisation's ability to build confidence within its stakeholders and with its staff. Key responsibilities are:

- the quality and safety of its services;
- proper use of its resources to deliver optimal outcomes;
- ensuring access to its services; and
- effective engagement with stakeholders to enable them to help shape services.

[6] Liverpool Community Health NHS Trust Annual Reports
[7] The Healthy NHS Board 2013: Principles for Good Governance

4.7. A Board needs to deliver all of its responsibilities, ensuring a balanced approach that enables best outcomes for its users and stakeholders. This is often challenging and requires strong leadership and experience.

4.8. In reviewing the contribution of the Board, we scrutinised written evidence and evidence from interviews. All non-Executives on the Board at the time covered by the Terms of Reference were invited to be interviewed. It is extremely disappointing to note that, with the exception of Trevor Lake (Interim Chair from 2015) and Jack Stopforth (non-Executive), none of the non-Executives responded to direct requests to be interviewed. Our conclusions have therefore been made on the basis of the information from written evidence and through other interviews.

4.9. Executive directors were more forthcoming. However, some key figures were not able to be interviewed, notably the Director of Nursing and Operations, Helen Lockett, and the Director of HR, Michelle Porteus.

Trust Board and Management

4.10. Having identified clear failures in the Trust's services and the difficult working conditions and staff shortages that led to them, we reviewed the leadership and management of the Trust. We sought to understand the factors that had led to the difficult context in which services had to operate and the reasons why the problems went undetected.

4.11. Board Leadership: The Board was created initially in shadow form. Its non-Executives were prominent local members of the community; however, their experience in managing within the public sector and community health services was limited. The executives were drawn from community health management within the existing services, from other community healthcare services and from external organisations, including the private sector. Executive directors had little experience at Board level. Leadership was focused through a strong partnership between the Chair and the Chief Executive. We heard that this partnership dominated the management of the Trust. It seems to have focused heavily on the external profile of the Trust, in which both the Chair and the Chief Executive were active. Given the state of the Trust, we question whether this external focus was at the detriment of the operational management of the Trust and the care of patients.

4.12. We had expected to find external support in place to provide advice to the new Board, both in terms of its development as a new organisation and at individual level – providing professional and managerial support. The natural sources for this would have been the PCT, the SHA, NHS TDA and subsequently NHS Improvement. Partnering of the new executives with a more developed trust is not unusual, and support around a new chief executive and directors is common. While such support

may have been given, it was not apparent to us. Certainly interviewees expressed the lack of support from outside the organisation.

4.13. The reasons for this may relate to the transition and reorganisation of the NHS that were underway at the time. The roles of new organisations were still developing, community health trusts were new entities and were few and far between, and the scrutiny and identification of areas where support was needed may have been missed.

4.14. There are lessons here that need to be learned. LCH was newly created; it had come from a very different organisational model within a PCT. It had an inexperienced Board, a chief executive in their first chief executive post, and external appointments to director posts with little or no experience of both the NHS and community services. And this was happening amidst a national organisational redesign. We believe that these factors indicated a sufficient level of risk to warrant special attention being given to the Trust. This does not seem to have happened.

Strategic vision, financial plans and cost improvement

4.15. In its Annual Report 2011/12, the Trust sets out its strategic vision. It states that the strategic vision was to:

"*improve the health and well-being of the communities we serve by providing high-quality care*[8]*."*

4.16. Four strategic objectives were set to enable the Trust to meet its strategic vision. They were to:

- provide high-quality services;
- become the first choice provider;
- reduce inequalities and improve health; and
- be employer of choice.

4.17. The vision was underpinned by the following values:

- Care for patients, their families, each other and the community;
- A community of professionals dedicated to providing best quality healthcare for the community;
- Collaboration across disciplines, with patients and the community to ensure best possible health outcomes;
- Courage to provide healthcare to challenging groups; and
- Commitment in our work, taking personal responsibility for our actions.

[8] Liverpool Community Health NHS Trust Annual Report 2011/12

4.18. Choices made by the Trust are hard to reconcile with these objectives and values. The quality of many services was undermined by the financial strategy. CCGs expressed concerns about the provider, and the consequential break up and redistribution of services underlines the lack of confidence in the trust. Objectives to reduce inequalities and improve health were also undermined by the cost-cutting within the organisation, and staff have certainly indicated a culture of bullying and harassment that cannot have made them an employer of choice. The level of denial by the leadership of the Trust that there were problems does not align with the commitment to take personal responsibility for their actions.

4.19. As further investigations were undertaken, we formed the view that the stated vision was not the prime driver of the Trust. The real driver was to reach FT status. This was confirmed in interview with a previous non-Executive of the Trust. Plans were focused on this key driver. Critical to success was a financial plan that met the Trust's assessment of the criteria set out by Monitor. The financial plan became paramount and the achievement of the plan began to impact on the delivery of services.

4.20. Delivery of a financial plan relied on two strategic drivers: reducing cost; and acquiring new assets so that they could then be used to improve the financial viability of the Trust.

4.21. This had consequences. The trust undertook an aggressive CIP, targeting a £30 million reduction over five years. This represented a cut in resources of approximately 22%.[9] We were surprised that such an ambitious financial reduction was not scrutinised more closely – by both commissioners and regulators. Cuts of that magnitude require a significant step change in services and would rely on both redesign and, potentially, reductions in services. We would have expected both commissioners and regulators to have been alerted to financial plans requiring savings of this magnitude and would have wanted to understand the quality impact of the plans. We believe scrutiny was inadequate.

4.22. With the most significant costs within the organisation associated with staffing, the CIPs would have an inevitable knock-on impact on frontline staffing levels. The decision to reduce costs in services seems to us to be counter to stated strategic aims and certainly not properly explored with the clinicians providing the services. We heard of a management culture where meeting your savings targets was the prime measure of performance. Regular meetings were held which resembled star chambers, at which the manager was expected to justify any slippage in their cost reduction plans. We believe that the approach was used in a way counter to delivery of a quality service.

[9] Delivering Financial Sustainability: Assessment and next steps: Presentation from Programme Management Office to the Executive.

4.23. When acquiring services, there is a need to focus on those that offer a strategic fit to the organisation and enable efficiencies to be achieved, or at least costs contained. We do not believe that the Trust was equipped to manage prison health services, and certainly the organisation did not give the prison service the support and attention it required. Community dentistry was a more sensible strategic fit but the CIP assessment that nearly 45% of costs could be removed from the service is highly questionable. We were told in an interview that the benchmarking of the community dentistry service was made against high-street dentistry. This is not a viable comparison. Despite an alternative proposal being made by the clinical team to make savings of £1.5 million, the Trust seems to have moved ahead with its initial CIP. The clinical leadership was then suspended, for, justifiably in our view, questioning the viability of the proposed plans.

4.24. CIPs during this period were intended to be looked at together with QIAs. QIAs came into being following the findings of the Mid Staffordshire NHS Foundation Trust report by Sir Robert Francis. They underpinned a key principle – that NHS Boards should not be approving CIPs without receiving assurances that the impact of the proposed changes are, at worst, neutral but should be aimed at improving quality. These became a good indicator of an organisation's ability to manage change and to focus on quality improvement above simple cost reduction.

4.25. We heard during interviews that, while there was an expectation by NHS TDA and subsequently by NHS Improvement, that CIPs were done in conjunction with QIAs, other than checking to see if they had been undertaken (receipt of confirmation by the Trust that they had been completed) no scrutiny of the Trust's plans was actually undertaken in the first year of NHS TDA's existence. We heard again that this was due to the transition caused by NHS reorganisation, but we believe that even a superficial review could have identified potential flaws in the QIA's and the CIP's viability. This could have provided an early indication that there were potential problems in the Trust's plans.

4.26. NHS TDA also questioned the level of scrutiny local commissioners gave to the Trust's plans. We heard from CCGs about the difficulties they encountered in getting information from the Trust, who seem to have been reluctant to cooperate with their commissioners. Without crucial information, it may have been impossible to spot specific concerns. However, lessons learned elsewhere in the NHS, would indicate that organisations that are not open and able or willing to provide information may be hiding risks that more open organisations are not. Again the timing in terms of organisational restructuring will not have helped, and the CCGs did not have reasons to believe there were problems, due to the lack of concerns raised by predecessor organisations. But the signs were there if looked for, of an organisation unwilling to allow close scrutiny by external parties.

Conclusion

4.27. An inexperienced Board was appointed to a new Trust with insufficient support. The Board became fixated on becoming a FT. The resulting need to make a cash surplus, coupled with the Trust's unchallenging acceptance of future income reductions imposed by commissioners that were infeasible without reducing services, led the Trust to set aggressive cost improvement targets. CIPs were poorly designed, with significant impacts on services and staff, and implemented with rudimentary QIAs. Staff were expected to press on with CIPs amidst a climate of fear. At the same time, the Trust adopted an expansionist approach to service provision, while already struggling with prison health services, where inexperienced staff and poor design of supervision led to further significant service problems.

Staffing and management of staff

4.28. Within any organisation, success or failure is linked to its staff. In patient care, staff are the essential element of the service. In LCH, as in most community services, around 75% of expenditure was on staffing. This creates a number of challenges – the output of staff is essential to success, but it is also the single greatest element of cost. A successful organisation needs to balance the investment in frontline staff with utilisation of its resources. LCH did not. Instead, frontline vacancies were not recruited to, experienced staff were replaced by more junior and less-experienced staff and the expectations placed on the remaining staff continued to be raised. The impact, in our view, was slipping standards of care and mounting pressure on staff to deliver increasingly challenging portfolios.

4.29. A key indicator of staff attitudes and feelings is the staff survey. Even a cursory look at the surveys throughout the Review period indicates significant areas of concern among its employees. Staff felt pressured to come to work, even when unwell. Staff indicated high levels of stress, low responsiveness from managers to problems raised, little involvement in important decisions, bullying and harassment by managers and, separately, by members of the public. All these issues were raised by staff in the survey and showed higher levels of concern than national comparators. To any organisation, this should be concerning, particularly when trends from year to year showed a worsening position.

4.30. We heard from numerous members of staff that they were not listened to, that they were frightened to report issues, including bullying and harassment, and that they did not feel part of the decisions being made that shaped their area of service. These are consistent with the findings of the staff surveys at the time and should have been very worrying for the organisation and, in particular, for its Board.

4.31. The concerns do not seem to have been addressed or even acknowledged by the Board and the leadership of the Trust. NHS Boards should take steps to ensure

that they are aware of staff survey findings, as well as using other less formal means to assure themselves of staff wellbeing. They should also keep close scrutiny on work to improve any shortcomings. We found little evidence of close scrutiny. There was sufficient evidence of concern that the leadership should have been well aware of the problems, but there is no evidence that the Board reacted in any meaningful way.

4.32. The Trust ran with significant vacancies, particularly in services such as district nursing. When the interim leadership team took over, we were told that the Trust was carrying 150 WTE vacancies, of which 78 were WTE District Nurse vacancies. We were told repeatedly of the difficulties this created and the major problems faced by frontline staff in relation to recruitment and staff retention. Despite this, frontline staff tried to provide the best services they could, often working long hours in difficult circumstances. We wish to acknowledge the hard work and dedication of staff.

4.33. We were very impressed with the commitment and dedication of many of the frontline staff we interviewed, and we saw the emotional and physical toll that this had placed on them. Vacancy levels were most acute in services such as District Nursing and were worsened by a growing gap between the numbers of skilled and experienced staff and newly qualified staff. Mechanisms for recruitment were bureaucratic and appointments were made, in many cases, without the involvement of the staff they would be working alongside. There was a clear picture of an organisation controlling cost through vacancies without due regard to the impact on frontline staff.

4.34. The HR function within the Trust was led by the Director of HR, Michelle Porteus. Despite strenuous attempts to contact and interview her, we were unable to do so. This is regrettable, but we were able to gain a consistent picture of how the function operated in the Trust from those who did speak to us.

4.35. Human resources within the organisation appeared disorganised and its actions poorly documented. There was a clear pattern of repeated interventions to suspend staff for reasons that were not documented or, apparently, not communicated to those concerned. In some cases, these remained in force for prolonged periods without explanation or any process for resolution. It is clear that the Trust's own policies and procedures were not followed, leading to grievances not being properly investigated and staff being pressured to accept sub-optimal roles or outcomes from flawed processes. Recruitment and the management of vacancies seems to have been designed to reduce cost rather than meet the needs of the organisation in delivery of care.

4.36. We found evidence that senior members of the organisation were closely involved in these poor processes and deficient handling of staff. We heard that these events, not surprisingly, impacted on the health and wellbeing of staff. When Sue Page arrived as the Interim Chief Executive with a largely new executive team, senior staff had to deal with unresolved staffing issues that should have been resolved many months before. This can never be acceptable.

4.37. HR support to staff was at best inconsistent, and sometimes much worse. We heard a first-hand account of an incident that occurred to a lone worker in a patient's home that involved a real threat to her life as well as actual harm to her physical and mental wellbeing. The grossly deficient handling of the response to this incident was appalling, dismissive and uncaring.

Conclusion

4.38. NHS Human Resources functions need, at a minimum, to follow the policies and procedures of the organisation. We found a repeated pattern of significant departures from policy and procedure, particularly in the handling of grievances, conduct and serious incidents. We believe that the misuse of policies and failure to follow procedures placed vulnerable staff in difficult and, in some cases, almost impossible positions. We believe that, on some occasions, this led to unnecessary stress and, in a few cases, harm to individuals.

The culture of the organisation

4.39. The culture of an organisation is based on shared values and beliefs. These values and beliefs inform the way staff behave within the organisation and strongly influence people in how they interact with others and perform their jobs.

4.40. The culture is established by the leadership of an organisation – from the top and throughout the tiers of management to those working on the frontline. Every organisation develops and maintains a unique culture, providing guidelines and boundaries for the behaviour of the members of the organisation.

4.41. The development of a culture is particularly important when new organisations come into existence and can take time to establish, particularly where the new organisation is created from different organisations coming together.

4.42. Culture is based on trust, particularly trust in the leadership and trust in the goals of the organisation. Where trust is undermined, the confidence in the organisation can quickly disappear and the culture can become toxic.

4.43. We spoke to more than 30 staff members of Liverpool Community Health NHS Trust. We heard repeated accounts of a bullying culture, where staff were afraid to speak out in case they were victimised. When some staff did speak out, they

were harassed and, in some cases, subject to disciplinary action, including suspension. Genuine fear was expressed in a series of emotionally charged interviews and we were left with no doubt that the culture of the organisation was detrimental to its operation and, in some cases, to the health and wellbeing of staff. In a number of interviews, reference was made to staff coming into work in the morning and seeing colleagues crying in the car park outside the Trust headquarters. This was described as "not an unusual sight".

4.44. Staff approached Trust patient safety and incident reviews with trepidation. They were often blamed for incidents where the lack of qualified workers, proper supervision or expertise was the root cause. Error was not approached in an open and proportionate way. Mechanisms for managing patient safety and poor quality were based on blaming individuals, while organisational shortcomings were ignored or glossed over. Reporting of errors was seen as a slight on the external image of the Trust. This led to under-reporting of problems. Where problems were identified, they were either not escalated or risk-rated lower that they should have been and often ignored. The problems at the prison came to light when the new management team placed prison healthcare at the highest level within its risk rating – despite internal opposition.

4.45. We have been presented with evidence that shows the Trust as an organisation where problems were not tackled and where staff were blamed for problems they did not directly cause. As a consequence, patients received sub-optimal care and staff became stressed and unable to work effectively.

4.46. The main driver and measure of success within the Trust was the achievement of financial targets. Managers were set savings targets, often without consultation, and expected to deliver. The impact of the savings on frontline services and patient care seems to have been secondary to meeting the financial targets required. Strict measurement of the progress of financial delivery was in place and an aggressive enforcement of delivery undertaken. This led to a culture based on fiscal delivery rather than patient care and consequentially managers were driven to reduce cost, irrespective of whether it was in the best interest of patients and staff. This, in turn, led to a conflict between frontline staff's desire to provide the best care possible with a need to reduce cost.

4.47. A good example is the Community Dentistry Directorate where an assessment by an external consultant indicated that costs in the service could be reduced by nearly 44%.[10] The findings were not discussed with the service but a CIP was introduced. When the service leaders baulked at the cost reduction proposals, they were ultimately suspended – without proper reasons given or a proper

[10] CIP Board Information Pack

investigation undertaken. We subsequently heard that the cost reduction had been based on a comparison with high-street dentistry costs – if true, a wholly inappropriate measure due to the differences in complexity of the patients being treated, and one that could have been easily discounted if there had been proper engagement with the staff delivering the service.

4.48. The culture was one of not reporting failure and one where fiscal targets were seen as the primary measure of success. The goal was to place the Trust in a financial position where it could obtain FT status. Consideration of the impact on patients and staff was secondary.

4.49. In some services, the culture of the organisation was more problematic than others. The prison healthcare system ran with a level of autonomy that surprised and concerned us. The service was left in isolation and adopted a concerning hierarchical structure, with little regard to acceptable quality standards. Board minutes show little reference to the prison healthcare service. While it is fair to say that the Board was not formally made aware of all issues, this was clearly because it was not applying the level of scrutiny necessary to discharge its duties properly.

Conclusion

4.50. The organisational culture of the Trust was poor, reflecting the Trust leadership. Bullying of staff was prevalent, and staff worked in a climate of fear that discouraged them from speaking out about the problems they experienced and that was detrimental to their wellbeing. Incident reporting was discouraged and incidents downgraded. Staff were wrongly blamed for errors instead of incidents being learned from, to the detriment of staff and patient care.

External organisations

4.51. As required by our terms of reference, we also reviewed the role of external bodies in overseeing the organisation. Given the serious nature of the Trust failures we identified, we were particularly concerned to understand why there had not been earlier identification of the problems and intervention to ensure that they were corrected.

External organisations: summary of responsibilities

4.52. The external management and regulatory framework was, and remains, complex. During the period covered by the Review, organisational structures changed radically and responsibilities moved to new organisations. The responsibilities are summarised below.

4.53. PCTs were the commissioning bodies for NHS services in England between 2001 and 2013. PCTs were responsible for commissioning primary, community and secondary health services from providers. Until 31 May 2011, they also provided

community health services directly, at which time community health services were separated from the PCTs. In this case, the hived-off services formed the Community Trust. In addition to the commissioning of services, the PCT was responsible for ensuring effective use of resources and quality of care for the services they contracted. They worked in conjunction with the SHAs to oversee NHS Trusts who had not as yet become NHS Foundation Trusts.

4.54. In 2013, the SHAs responsibility for non-foundation NHS Trusts and PCTs transferred to the NHS TDA. The NHS TDA became responsible for overseeing the performance management and governance of NHS Trusts, including clinical quality, and managing their progress towards FT status.

4.55. In 2013, CCGs took on responsibility for the commissioning of services from PCTs. CCGs were also responsible for the performance management of the Trust, both in terms of delivery against their contracts and service provision.

4.56. Monitor was established in 2004 under the Health and Social Care (Community Health and Standards) Act 2003, which made it responsible for authorising, monitoring and regulating NHS Foundation Trusts. Together with NHS TDA and some services provided by other organisations, Monitor became part of NHS Improvement in 2016. NHS Improvement took on the assessment of NHS Trusts as they applied to become NHS Foundation Trusts.

4.57. NHS Improvement remains responsible for overseeing NHS Foundation Trusts and NHS Trusts, as well as independent providers that offer NHS-funded care. NHS Improvement supports providers in giving patients consistently safe, high-quality, compassionate care within local health systems that are financially sustainable.

4.58. The CQC, an independent regulator, is responsible for the registration of health and adult social care service providers in England and they inspect organisations to assess whether they are meeting the required standards or not.

4.59. NHSE leads the NHS in England. It sets the priorities and direction of the NHS and encourages and informs the national debate to improve health and care. In 2013, it became responsible for commissioning Prison Health.

4.60. All these organisations interacted with LCH during the Review period or subsequently. We reviewed documents and interviewed relevant staff of these external organisations to understand their interaction and to investigate whether they were aware of any concerns about the Trust prior to the whistleblowing that led to the CQC investigation.

4.61. PCTs: Following the publication of the *NHS Next Stage Review* in 2008, it became clear that transforming community services would be a crucial element of the planned way forward to PCTs becoming purely commissioning organisations. Key milestones were put in place which included a review of current structures and a further look at organisational options for community services – with one option being the creation of a Community NHS Trust. The expectation was that such organisations would join the FT pipeline in the same way as other NHS Trusts. In the case of Liverpool, the route chosen was for the creation of an NHS Trust. This was achieved in November 2010.

4.62. From the creation of the Trust until the creation of CCGs, the PCT was responsible for the commissioning of services for the newly formed Trust. The SHA was responsible for performance, and had responsibilities in overseeing quality and patient safety alongside CQC.

4.63. We heard that the relationship between the PCT and the Trust was characterised by tension and reluctance by the Trust to share information, both on performance against contract and on adverse incidents. While this is not unusual for a newly formed organisation, it does underline the immaturity of the new Trust. A more experienced leadership would have worked with the commissioners constructively, helping shape the future strategic direction of services.

4.64. The PCT was also winding up business and preparing to be disestablished. Attention on a newly formed Trust may not have been a priority, particularly given the perceived generous financial settlement under which it was established. However, closer scrutiny by the PCT would have revealed early warning of the nature of the Trust's plans and may have led to earlier challenge. We accept that the scrutiny of the Trust was not the sole responsibility of one PCT, but a lead commissioner should be expected to take a lead in such areas.

4.65. We accept that, in the early stages of the Trust's existence, there were few signs that would have given concern. However, two factors stand out: one, the disruption to normal practice caused by the reorganisation of the NHS; and second, the lack of performance data on which to assess community trusts. When this is added to reluctance by the Trust to share information, an inexperienced board and leadership, and an agenda based on FT status, a pattern emerges. The lack of information coming from the Trust should have led to a higher level of scrutiny, particularly when coupled with the knowledge that this was a new and inexperienced leadership team – but it did not. There may be mitigating factors but, in our view, more should have been done to investigate the signs.

4.66. SHA: SHAs provided strategic leadership, ensuring the delivery of improvements in health and health services locally by PCTs and NHS Trusts. They led the

development and empowerment of innovative and uniformly excellent frontline NHS organisations. As part of this role, SHAs oversaw the leadership of local organisations and were directly involved with the appointment of new boards.

4.67. The North West SHA had responsibility for oversight of the Trust from its creation in 2011 until the SHA's dissolution in 2013. It worked under the management of NHS North of England in the transition up to the dissolution of SHAs in 2013.

4.68. Despite our efforts, we have not been able to speak with senior former SHA officials about their involvement with the Trust. This is a matter of regret, as we had a number of lines of inquiry we would have liked to explore. Our views have been based on our assessment on documentary evidence, together with other interviewees' statements.

4.69. With the dissolution of the SHAs in 2013, transfer of responsibilities was supported by briefings on organisations and functions. A *Quality Overview Report* was produced by NHS North (North West) in January 2013 as part of the handover and process for supporting Liverpool Community Health NHS Trust's application to progress to become a FT. This was supplied to its successor organisation, NHS TDA.

4.70. The Executive Summary states:

"*The Medical Director and Chief Nurse at NHS North of England support the Trust's application. The Quality team in the North West have regularly monitored and reviewed the Trust and have no significant concerns regarding the Trust's quality processes, procedures and outcomes.*"[11]

4.71. The document is quite extensive, detailing the assurance process, including CQC input, Board Vision, Commissioning for Quality and Innovation (CQUIN), patient staff experience, performance against the *NHS North West Quality Report Card*, and evidence submitted by the Trust. From these various sources, no major concerns were raised within the report. The report highlights the importance of QIAs and says the Trust was carrying these out and reporting to its Board. There is no assessment by the SHA of the quality and accuracy of the QIAs, on the grounds that it was too soon to judge their effectiveness.

4.72. It is likely that, given this lack of concern, the newly responsible organisations (CCGs and NHS TDA) would not have regarded the Trust as needing particular attention as they came to terms with their new roles.

[11] Quality Overview Report of Liverpool Community Health NHS Trust, January 2013

4.73. We were surprised that the potential risks of a newly formed organisation with such inexperienced leadership were not raised by the SHA in its handover material. This was particularly important given the transition to newly created organisations to take on the functions of the SHA. Although the assessment by the SHA looks comprehensive at first sight, we are concerned that, on greater scrutiny, it lacks any real insight into the Trust, consisting largely of a re-statement of the Trust's own views rather than an assessment by the SHA.

4.74. Based on what we heard, it seems to us that the Trust was seen as low-risk from the outset, and received little attention in comparison to perceived higher risks, especially in acute Trusts. There were sufficient signs at the time that should have prompted concern.

4.75. NHSE: The main interaction between NHSE and the Trust was over prison healthcare. In 2013 NHSE took on responsibility for commissioning prison healthcare from PCTs. Within their new responsibilities in the North West were services at Liverpool prison. We heard from NHSE of difficulties in getting basic performance information from the Trust. We also heard that the information provided by the outgoing PCT was limited.

4.76. In the first year, 2013/14 NHSE focused on renegotiating the prison healthcare contracts. In the case of HMP Liverpool, apart from financial data, they were provided with very little information. This was despite the best endeavours of NHSE to obtain further information. Consequently, NHSE had little information on which to establish the contract and little evidence of any particular concerns.

4.77. We heard from the former Governor of the prison that there had been some scrutiny by commissioners prior to the transfer of responsibilities to NHSE. There were joint meetings between the prison and commissioners, and commissioners were visible on site. After the transfer, it was noted that the capacity to oversee the contract was significantly reduced, with NHSE staff taking on responsibility for more prisons.

4.78. The picture presented to us has been one of limited scrutiny by commissioners, deteriorating further following the transfer of responsibility in 2013 to NHSE. Performance information was sparse, and what was available was hard to obtain from the Trust. In our view, the level of scrutiny was inadequate and this enabled the Trust to provide inadequate standards of care without this being identified and rectified by the commissioners.

4.79. We were also told that, once problems had come to light, a close personal relationship was identified between one of the commissioning staff and a member of LCH staff managing the service. NHSE was sufficiently concerned about the

potential conflict of interest that they moved the staff member away from the contract as they sought to establish how problems in the delivery of prison healthcare had arisen. This raises further concerns in our view as to why problems in the service were not identified and acted upon.

4.80. Monitor: This organisation was established in 2004 under the Health and Social Care (Community Health and Standards) Act 2003, which made it responsible for authorising, monitoring and regulating NHS Foundation Trusts. It has other functions, but this was its key responsibility in relation to LCH and the Review.

4.81. We were informed by a number of interviewees that LCH had been part of a pilot scheme for community health NHS trusts that were considered capable of rapid progression to become FTs. This scheme placed a focus on early assessment of the clinical quality of services in trusts, rather than initial assessment based mainly on financial robustness, only to find later that clinical standards had not been maintained. This early assessment of LCH gave the Trust a low rating for clinical quality, such that it was judged unsuitable to proceed to FT status. This is consistent with the clinical quality issues that were subsequently identified.

4.82. Given that Monitor had assessed the Trust as not ready to become a FT, we asked interviewees whether any of the concerns had been shared with NHS TDA or the commissioners. Interviewees were unable to confirm that concerns had been shared, and it appears to us more likely that they were not.

4.83. We believe that Monitor undertook its assessments well and highlighted key problems within the Trust's plans, governance, clinical quality and board. This is commendable. However, the vital intelligence they had gained from their assessment work as part of the FT process was either not shared or, if shared, was not acted upon. This was a missed opportunity that could have provided a chance for earlier identification of the Trust's problems.

4.84. NHS TDA: The NHS TDA was responsible for overseeing the performance management and governance of NHS Trusts, including clinical quality, and managing their progress towards FT status. Its formation came as a result of reorganisation of the NHS in England outlined in the Health and Social Care Act 2012. It is now part of NHS Improvement.

4.85. From the abolition of the SHAs to the creation of NHS Improvement, the NHS TDA was responsible for the performance management and overseeing of the Trust's journey to FT. As such, it would have been responsible for assessing the quality of clinical services within the Trust.

4.86. We discussed Liverpool Community Health NHS Trust with both representatives from the regional team and from the national team.

4.87. We interviewed staff who had previously been part of the TDA. We heard repeated reference to elements of the picture being the responsibility of another part of the organisation. We gained a clear impression of silo working and poor sharing of concerns and critical information, including between regional teams and the centre. Part of this can be attributed to the newness of the organisation, but it is disappointing to see that, by keeping information in different parts of the organisation, opportunities were clearly missed.

4.88. The regional team reported that the Board-to-Board scrutiny had raised concerns about the operation of the Trust Board. NHS TDA officials confirmed to us that NHS TDA was aware of the financial plans of the Trust. It had also asked for confirmation that CIPs were supported by QIAs and that this had been received. Sign-off by Medical and Nursing Directors at the Trust had been confirmed, as had presentation to the Board. However, due to the newness of the NHS TDA organisation and the resulting sparseness of staff, the detail of the plans had not been scrutinised. The Trust was not seen as requiring special attention and its assurances were taken on face value.

4.89. Closer scrutiny of the CIPs and QIAs would, in our view, have raised serious questions about their validity. The level of CIPs and the expectations for delivery were substantial and, while some QIAs had been done, they had not been done well and had, in some cases, been signed-off without the knowledge or participation of clinicians delivering the services.

4.90. We heard that, in its first year of existence, there was limited capacity within NHS TDA to undertake detailed assessments – particularly of trusts where no indication of serious concerns had been raised. As a result, the confirmation by the Trust that all was in place with regard to QIAs was taken at face value and further investigation was not undertaken.

4.91. Had further scrutiny been undertaken, we believe that significant issues would have been uncovered about the validity of the QIAs and of the deliverability of the CIPs. At the very least this should have led to greater challenge and scrutiny of the plans and working of the Trust. If this had happened we believe that earlier serious problems would have been identified and intervention could have happened earlier.

4.92. We spoke to both the Medical Director and Nurse Director of the NHS TDA at the time. The Medical Director described her functions as including joint overall responsibility with the Nurse Director, Peter Blythin, for patient safety/quality. For

practical reasons, Peter Blythin had line management responsibility for the TDA's regional non-medical clinical quality team. Oversight of quality and safety remained a joint responsibility.

4.93. Peter Blythin, described a comprehensive process by which trusts were assessed in preparation for moving to FT status. We were impressed with the detail of the process the TDA had used to assess trusts. We heard how, in November/December 2012, he raised questions about their workforce plans, seeking further information through the Deaneries and from the Trust via the SHA. These questions were still live in January 2013. Mr Blythin was concerned about the predicted reduction of more than 500 staff within the Trust that were mainly clinical and wanted to understand what the reasons for this were and how services would be delivered. His concerns led to the Trust's assessment by the technical committee at the TDA being postponed.

4.94. We heard that this was followed up by multiple organisations, partly due to the transitional arrangements and the transfer of responsibilities consequent upon reorganisation. The SHA undertook a quality assessment and further assessment was carried out with the commissioning organisations. This apparently led to the NHS TDA being satisfied about their concerns, and the Board-to-Board meeting was rescheduled.

4.95. We were not able to ascertain what precisely had changed the view of the NHS TDA, but something did, turning a red flag to green. With the benefit of hindsight, however, it is very clear that something was missed by NHS TDA: they believed the quality issues were resolved. This was a missed opportunity to identify the serious underlying problems in the Trust and its services.

4.96. When we asked why this opportunity was missed, we received no convincing answer, although there was a clear acceptance by NHS TDA officials that they had missed something. We heard of the confusion of transition over roles and who was doing what, and that there were "too many players on the pitch", with SHAs, NHS TDA, CQC, and NHSE, all either finding their places in the new arrangements or relinquishing responsibilities prior to abolition. In the interim, it would seem that organisations were reliant on others to provide information and 'soft intelligence', and this was not always shared or reached the right part of the new organisations. We heard that there was an element of each organisation taking others' lack of concern as reassurance that all was well, and that, given limited capacity, priority was given to known problems. Over time these difficulties led to an expansion in resources available to the NHS TDA in response to the problems coming to light in the organisations they were overseeing.

4.97. We believe that there were sufficient issues to alert NHS TDA to potential problems within the Trust. Some were identified, such as workforce, challenging CIPs and the need for robust QIAs. However, somewhere in the churn of a new organisation being developed, and for reasons we have not been able to ascertain, the concerns were deemed insufficient to intervene or to halt progress was allowed to continue towards FT status.

4.98. We can understand how, at the beginning of the NHS TDA's life, this could have happened, with more than 100 organisations required scrutiny by the TDA and limited capacity at the beginning. However, we note that, even after the CQC investigations and the introduction of the new management team under Sue Page, the FT application continued to be progressed. It was eventually pulled when Sue Page advised the Trust Board that it should withdraw from the process.

4.99. CQC: The role of the CQC as an independent regulator is to register health and adult social care service providers in England and to inspect whether or not standards are being met. Since October 2014, a new inspection model has been used by the CQC.

4.100. In assessing the interactions between CQC and the Trust, we have been provided with documentation, including a timeline sequencing CQC interactions with the Trust in general and with Intermediate Care and with HMP Liverpool healthcare services. We have also spoken with members of CQC and other regulators. We have found some differences with the timeline described by Capsticks, although these differences do not materially change the events. We have based our understanding of the sequence of events on the information provided by CQC as a primary source of evidence.[12]

4.101. The first interaction between CQC and Liverpool Community Health NHS Trust was in 2010 when the Trust was registered by CQC.

4.102. On 31 May 2013, an inspection was carried out of Ward 35A at Aintree University Hospital NHS Foundation Trust under the compliance methodology. The service was found to be compliant. A further inspection against compliance was carried out into the Trust's intermediate care services at the Alexandra Wing at Broadgreen Hospital on 28 August 2013, following the Trust alerting CQC to concerns on bed base. This led to an assessment of non-compliance in two outcomes: management of medicines; and supporting workers.

[12] Liverpool Community Health NHS Trust Timeline: CQC documents bundle

4.103. In 2013, CQC were contacted by Rosie Cooper MP, who passed on her concerns over the number and nature of reports of staff bullying and harassment that she had received. Staff at the Trust were contacted by CQC on 29 October 2013, and reported significant concerns, regarding not only bullying and harassment, but also Trust leaders' approach to management and leadership.

4.104. CQC instituted a responsive inspection of two locations: the Trust HQ; and Ward 35A intermediate care service at Aintree. This took place on 28 and 29 November 2013 and 2 December 2013. As a result, the CQC identified a series of problems within the Trust:

- an overarching oppressive culture with reports of intimidation and bullying;
- increased acuity of patients and the lack of clear admission criteria in Intensive Care Units;
- high sickness absence and turnover in Intensive Care Units;
- poor staff survey results in community services;
- medicine management concerns on Ward 35A;
- lack of effective clinical supervision and appraisals;
- poor quality of support to district nursing service;
- community equipment not accessible in a timely manner; and
- poor governance.

4.105. The report also led to significant regulatory action. Four items required action on Ward 35A, two of which led to warning notices being served. Five required action Trust-wide, including two where warning notices were served.

4.106. A comprehensive Inspection took place in May 2014 against the five domains introduced by CQC that required services to be safe, effective, caring, responsive and well led. The report, published in August 2014, assessed services against four of these as "requires improvement", with only caring being assessed as "good". In addition, the Trust was still bound by two previous required improvement actions relating to staffing levels and support to staff.

4.107. In February 2013, a document internal to the Trust, entitled *Intermediate Care Incident Report*, had highlighted serious concerns within intermediate care, warranting a systematic review of the service. Although it was not shared with the CQC, it is hard to reconcile the inspection results 14 months later with the picture set out in this report. We believe that this inconsistency illustrates significant flaws in the process being used at the time by CQC, which appears to have relied heavily on prior notification of a problem before being able to identify major concerns.

4.108. Alongside CQC's involvement with the main community trust services, there was also regulatory scrutiny of the prison health service at HMP Liverpool. Between 14 and 25 October 2013, HM Inspectorate of Prisons undertook an inspection of HMP Liverpool. The report covers all aspects of prison service, but makes specific reference to healthcare provision:

"The majority of prisoners received appropriate healthcare support prior to release. Discharge planning was subject to clinical audit and the care programme approach (mental health services for individuals diagnosed with a mental illness) was being used for 50 to 60 patients at any one time, which was significant. Case management and communication with community services were good.

The gold standard framework in end-of-life care, promoted by the National Gold Standards Framework Centre, a training and coordinating centre, had been adopted and planning was underway to create a palliative care suite within the inpatient unit."[13]

4.109. This conclusion is at variance with the CQC inspection under its compliance methodology. CQC found the healthcare non-compliant with four regulations. The impact of non-compliance was deemed moderate and compliance actions were set.

4.110. A follow-up inspection was undertaken to review progress in March 2014, which found the service to be fully compliant with regulations.

4.111. When the interim Chief Executive commenced at the Trust, however, further information was forwarded to CQC about the operation of the service, and a CQC responsive inspection was undertaken in November 2014. This found the service non-compliant with four regulations, one of which, management of medicines, was described as having "major impact".

4.112. We found it impossible to understand how such different conclusions could be reached about the same service over such a short period. It is clear from subsequent events that there were significant shortcomings in the prison healthcare service that should have been consistently evident. Such inconsistency and variation damages confidence in the inspection regime and, we believe, raise significant questions over the effectiveness of the inspection regimes at the time.

[13] Report on an Unannounced Inspection of HMP Liverpool by HM Chief Inspector of Prisons: May 2015.

4.113. Of equal concern is the lack of alignment between the HM Inspectorate of Prisons findings on healthcare and those of the CQC. Again in the light of subsequent events, it is clear that the favourable assessment of healthcare made by HM Inspectorate of Prisons was inaccurate. It seems to us that there is considerable benefit in coordinating inspections, as is now preferred practice, not only to avoid misalignment between findings but also so that each inspectorate can bring its own expertise and perspective to bear in a single assessment.

4.114. We do, however, recognise the work undertaken by the CQC once they had identified the serious issues in the Trust. The work with the new executive team was described as "positive and constructive" by both sides and illustrates that support following intervention can be effective when parties fully commit to improvement. The work across agencies, through Risk Summits, routine performance management and direct discussions and help by Sue Page and her team was, we believe, good and demonstrated the changes that have taken place in the CQC.

Conclusion

4.115. During the period covered by our terms of reference, there was significant change underway in the NHS and in regulatory systems. This impacted significantly on the ability to detect developing problems in the Trust and its service provision through external scrutiny. Reconfigured organisations were busy coming to terms with new roles, and had to prioritise their time and attention to established evident problem areas. Lines of communication took time to establish, and handovers were not necessarily seen as important. We conclude that this contributed to the delay in identifying that Liverpool Community Health was an NHS Trust in difficulty.

4.116. Nevertheless, there were warning signs that should have prompted further investigation, but scrutiny by commissioners was limited, including PCTs, CCGs and NHSE (for prison healthcare), and the opportunity was missed. The SHA did not identify the Trust as a priority for attention, and its assessments were lacklustre.

4.117. The NHS TDA was a new part of the changing landscape of NHS oversight, initially reliant on limited local assessments by others, but it was nevertheless able to pick up signs of concern. For reasons that we have been unable to determine, however, its assessment subsequently changed and another opportunity was lost.

4.118. Prior to the intervention by Rosie Cooper MP, it seems clear that the CQC had failed to reach a conclusion that there were systemic problems at the Trust, despite finding some elements of concern and the serious nature of the underlying problems. Although regulatory infractions were found, actions required and then

assessed, we do not believe there was any recognition of the true extent and nature of the problems.

4.119. During 2013, the CQC re-examined its approach to regulation and concluded that significant change needed to be made, moving from compliance and registration to a "*new, strong, independent, expert inspectorate whose evidence based, professional judgements are welcomed and instructive."*[14] We believe that the CQC are now in a much better position to find and challenge unsafe care and poor standards.

4.120. All of these organisations, whether commissioners, regulators or oversight bodies, had sufficient indication of the problems in the Trust to prompt a more complete examination of its services. Had this happened, we now know that they would have found ample evidence to intervene to correct the serious problems that had developed. Earlier intervention would have reduced the avoidable harm that occurred to patients, and to staff, across the Trust's services.

[14] A New Start: Consultation on the way CQC regulates, inspects and monitors care. July 2013

SECTION 5: SUBSEQUENT EVENTS AT THE TRUST

5.1. Our terms of reference covered the period from November 2010 to December 2014. While the subsequent events that have affected the Trust are therefore not covered by our terms of reference, it would be remiss of me not to refer to them and I have explained to NHS Improvement why I consider this is necessary.

5.2. Publication of the CQC report following its inspection of the Trust in late 2013 generated a significant reaction across partner organisations. NHS Improvement introduced a number of changes, initially aimed at providing immediate short-term stability and improving leadership within the Trust. This commenced with the removal, initially on secondment but subsequently permanently, of the Trust Chief Executive Bernie Cuthel. An interim Chief Executive, Sue Page, was appointed with a small Executive Team. Alongside this, a longer-term reconfiguration of services was initiated that would culminate in the abolition of Liverpool Community Health NHS Trust and the distribution of its services between other providers.

5.3. The great majority of staff told us that they had welcomed the change in management of the Trust. They felt that their concerns were listened to by the interim leadership team, and their views on stabilising the deterioration of services sought. This feeling of optimism did not, however, extend to the break-up of community services among other providers, and we heard repeated concerns that service fragmentation would jeopardise the hard-won recent reversal in declining standards and threaten continuity of care. Fragmentation is a risk of any service reconfiguration of this nature, but is particularly significant here, given the damage that has been caused by previous events. Consequently. it is important that steps be taken to mitigate the risk.

5.4. An additional element of concern was strongly expressed by a number of staff. As we have set out, one of the particular features of the events at the Trust was the extent of a bullying culture among some senior Trust staff and middle managers. This was addressed by bringing in new leadership but, as is very often the case, those managers who had been the subject of complaint often moved to other posts. In the case of middle managers, these were often in nearby trusts providing similar services. By their nature, these are the very organisations assuming responsibility for the broken-up services and their staff, raising the deeply unappealing prospect of staff whose allegations of bullying had been upheld finding themselves working once again for the managers concerned but now in a new organisation.

5.5. During the response to the 2013 CQC report, changes were initially made piecemeal. Although Mrs Page was able to bring in some new individuals to work as part of the executive team, the previous Chair, Frances Molloy, and her non-Executives were left in situ. We were consistently told, however, that there had been a strong working relationship between Frances Molloy and Bernie Cuthel, and that the decision to retain all of the Trust's non-Executive Directors until their terms of office expired created an additional layer of challenge for the interim executive Team and sent mixed messages to Trust staff about where responsibility for the Trust's failings lay.

5.6. The interim management team faced great difficulty in assessing the situation at the Trust and in establishing new and more appropriate ways of working. As well as the difficult task of establishing baselines, obtaining accurate reports and data, evaluating risks, engaging staff, representatives and stakeholders, introducing best practice and persuading the Trust Board to investigate incidents and take corrective action, they were operating in a hostile and unreceptive environment with the existing Chair and non-Executive Directors. This situation did not get any better until the appointment of Trevor Lake, an experienced non-Executive Director, as interim Chair when Frances Molloy's period in office ended.

5.7. As a result of the protracted negotiations to reallocate the Trust's services through contractual discussions – including the delays caused by the initial decision to transfer some services to Bridgewater Community Healthcare NHS Foundation Trust that was subsequently deemed an unsuitable provider for the LCH functions – the interim Executive Team was in situ for significantly longer than initially anticipated and, during its tenure, the Trust had four consecutive Acting Directors of Nursing. This can only have increased uncertainty for the nursing professionals in the Trust as well as for those in partner organisations responsible for developing effective working relationships with the Trust's Executive Team.

5.8. While the Board's decision to extricate the Trust from the delivery of prison healthcare was based on a sound rationale – notably its inability to deliver the standard of healthcare prisoners required – we heard from the senior leadership team at HMP Liverpool that the frequency of change of provider and continued difficulties in meeting contractual requirements, were matters of concern that it had raised with NHSE, the commissioners of prison healthcare.

5.9. Liverpool Community Health NHS Trust endured a turbulent short life and we were not persuaded that it had been provided with sufficient leadership support, by the former North West SHA, the former NHS TDA and later NHS Improvement to enable it to develop and deliver a strategic and clinical plan to deliver effective and efficient community health services over a sustained period. When new and more effective leadership was put in place in the Trust, the decision appears to have already been taken that the Trust would be dissolved.

SECTION 6: RECOMMENDATIONS

6.1. In approving Trust Board appointments, NHS Improvement should take note of the level of experience of appointees and level of risk in the Trust, and should ensure a system of support and mentorship for Board members where indicated. Action: NHS Improvement.

6.2. In assessing the level of risk facing a Trust, regulators and oversight organisations should take into account the cumulative impact of relevant factors, including a newly established organisation, inexperienced Board, cost improvement targets and service acquisitions. Action: Care Quality Commission, NHS Improvement, NHS England.

6.3. Regulators and oversight organisations should review how they work together jointly at regional and national level, and implement mechanisms to improve the use of information and soft intelligence more effectively. Action: Care Quality Commission, NHS Improvement, NHS England.

6.4. Regulators and oversight organisations should ensure that, during both local and national reorganisations and reconfigurations, performance and other service information is properly recorded and communicated to successor organisations. Action: Care Quality Commission, NHS Improvement, NHS England.

6.5. The Department of Health should review the working of the Care Quality Commission fit and proper person's test, to ensure that concerns over the capability and conduct of NHS executive and non-Executive Directors are definitively resolved and the outcome reflected in future appointments. Action: Department of Health.

6.6. Organisations taking on former Liverpool Community Health NHS Trust (LCH) services should review the handling of previous serious incidents to ensure they have been properly investigated and lessons learned. Action: Trusts providing former LCH services.

6.7. Organisations taking on former LCH staff as part of service transfers should review the handling of disciplinary and whistleblowing cases urgently to ensure that they have been properly and appropriately resolved. These organisations should ensure that staff are not placed back into working relationships previously the subject of bullying and harassment. Action: Trusts providing former LCH services.

6.8. Reconfigured LCH services should be reviewed after a year to ensure that the services are now safe and effective. Action: NHS Improvement, NHS England.

6.9. Health services in HMP Liverpool should be subject to urgent review to ensure that future arrangements are fit for purpose and will be effectively monitored. Action: NHS England.

6.10. NHS England should review the arrangements for commissioning prison health services nationally to ensure that these are safe and effective. Action: NHS England.

APPENDIX A: TEMPLATE LETTER TO PARTNER ORGANISATIONS

FROM JIM MACKEY, CHIEF EXECUTIVE OF NHS IMPROVEMENT

Dear [insert name],

As you may be aware, NHS Improvement has invited Dr Bill Kirkup to undertake an independent review of Liverpool Community Health NHS Trust.

The decision to undertake the independent review follows a series of reports about the Trust identifying areas of concern.

The terms of reference for the independent review are set out below for information.

Dr Kirkup is leading a small team and their work is already underway. He will submit his report at the earliest opportunity.

Naturally NHS Improvement is working with the Review Team to support the process and will look to learn and embed any lessons to strengthen patient care and experience.

I would therefore be grateful if your organisation will similarly support the work of the Review Team. You will be contacted directly by Dr Kirkup's Team and I trust that you will be able to identify a lead contact in your organisation to liaise with them and coordinate any requests they make for documents and for assistance in establishing the facts.

Should you have any queries about this please contact [insert name] in my office.

Yours sincerely,

Jim Mackey

Chief Executive, NHS Improvement

APPENDIX B: TEMPLATE LETTER

LIVERPOOL COMMUNITY HEALTH – INDEPENDENT REVIEW

CHAIR – DR BILL KIRKUP CBE

VIA E-MAIL FAO [INSERT NAME OF INTERVIEWEE]

Dear [insert name of interviewee],

As you may be aware, NHS Improvement has invited Dr Bill Kirkup to undertake an independent review of Liverpool Community Health NHS Trust.

The decision to undertake the independent review followed a series of reports about the Trust identifying areas of concern.

The terms of reference for the independent review are set out below for information.

Dr Kirkup is leading a small team and the work is already underway. He will submit his report to NHS Improvement at the earliest opportunity.

Having considered a significant volume of background material, the Review is currently undertaking interviews and has established that you were formerly a [insert job title] at the [insert name of organisation\former organisation]. It is regarding those responsibilities that the Review Team may want to interview you.

I am writing to you to help me make the practical arrangements should an interview take place.

The Review will conduct the majority of its interviews in Liverpool but will also undertake some interviews in London – if interviewees are based there – to reduce unnecessary travel and lessen the impact on business. The Review is working to a tight timetable and I am therefore seeking your cooperation to make the necessary arrangements.

I have enclosed a copy of the Review's interview guidance notes that I hope you will find informative and will, I trust, answer any questions you may have regarding the practical arrangements for your attendance, help you understand the nature of the Review and the approach that the Chairman will adopt.

It would be helpful if you would confirm the e-mail (or postal) address you are content for me to communicate with you via. It would be helpful to have these details by return, please.

It would also be extremely helpful if you could advise me, by return, of any dates you will be unavailable for an interview – for example, if you are holiday or have a hospital appointment.

Should you have any queries regarding this letter, please do not hesitate to e-mail me [insert e-mail address] or contact me on [insert contact number].

I look forward to hearing from you very shortly and to meeting you.

Yours sincerely,

OONAGH McINTOSH (Mrs)

LIVERPOOL COMMUNITY HEALTH, INDEPENDENT REVIEW

LIVERPOOL COMMUNITY HEALTH: INDEPENDENT REVIEW

Terms of reference

(6) To review the outcomes for patients cared for by the Liverpool Community Health NHS Trust (the Trust) and its predecessor organisation from November 2010 to December 2014, with particular reference to serious incidents reported during the period, including pressure ulcers, and the provision of offender health services at HMP Liverpool.

(7) To review the oversight of the Trust by NHS Trust Development Authority, NHS England, other regulators and commissioners including Liverpool CCG, South Sefton CCG, Southport and Formby CCG and their predecessor organisations.

(8) To review the response of NHS Trust Development Authority, NHS England, other regulators and commissioners including Liverpool CCG, South Sefton CCG, Southport and Formby CCG and their predecessor organisations to concerns arising from the operation of the Trust.

(9) To make findings on the actions taken by, and in relation to, the Trust and their adequacy in safeguarding patient care.

(10) To make recommendations on the lessons to be learned for the wider NHS.

APPENDIX C: LIVERPOOL COMMUNITY HEALTH – INDEPENDENT REVIEW – INTERVIEW GUIDANCE NOTES

Background

NHS Improvement has invited Dr Bill Kirkup to undertake an independent review of Liverpool Community Health NHS Trust.

The decision to undertake the independent review follows a series of reports about the Trust identifying areas of concern.

The terms of reference for the independent review are set out below for information.

Dr Kirkup is leading a small team – Julian Brookes is the Deputy Chief Operating Officer at Public Health England and Susan Marshall is the Executive Chief Nurse at Sussex Community NHS Foundation Trust and their work is already underway. Oonagh McIntosh is the Review Manager.

Who will the Review Team interview?

NHS Improvement's Chief Executive, Jim Mackey, has already communicated with partner organisations to seek the help and cooperation of colleagues. The Review Team is aware that a number of earlier reviews have taken place and will therefore only interview those individuals it considers have pertinent and relevant information that will prove helpful in addressing its terms of reference. It will seek to interview current and previous staff from the Trust and partner organisations.

Interviewees will be invited to attend the Review to give their own account and respond to questions from the Review Team. The Review needs as much information as possible to establish the facts and those invited to an interview should be able to help that process.

The Review Team has adopted a collaborative approach with the Trust and partner organisations to reflect the nature of the process which is to establish facts and make recommendations to improve care locally and more widely. This will only be possible if interviewees can give the necessary cooperation.

How will the Review make initial contact with those it wishes to interview?

The Review has already asked a number of interested organisations to advise if any of its staff (serving and former) may be able to help establish the facts and, whenever possible, Oonagh McIntosh will liaise with contacts in partner organisations to make direct contact with individuals. If individuals have left the organisation, the Review will ask their former employer, or, if appropriate, legacy organisation to make the initial contact.

The storage of interviewee details

Once responses are received from interviewees, their contact details will be held by the Review Team. The details will only be used to schedule interviews and to undertake the necessary administrative work that will be required to achieve this.

Contact details of individual witnesses will be retained by the Review for the duration of its work and for four weeks after the Report has been submitted to NHS Improvement in case there are any queries or questions that the Review Team might need to liaise with an interviewee about.

Contact details will then be destroyed by the Review in accordance with Data Protection requirements.

Invitation to interview

Oonagh McIntosh will liaise directly with individual interviewees whose employer has provided contact details. Otherwise Oonagh will ask employers\former employers to forward correspondence to individuals.

Interviewees will be advised that they are welcome to bring a relative, friend or colleague with them to the Review who will be able to remain with the interviewee but not to comment on the proceedings or to ask any questions during the interview.

The Review recognises that some individuals may wish to be accompanied by a Trade Union official or a legal representative. It will be made clear that that individual is free to accompany them to the Investigation but is attending as their colleague or friend and not in a representative capacity as the Review is adopting a collaborative fact-finding approach.

Obviously, if any specific case, individual, or any personal sensitive data, for example, regarding an individual patient, employee, or colleague needs to be discussed during an interview it will be appropriate, and necessary, for any observers to leave the room during this part of an interview to ensure that confidentiality is maintained.

It is the expectation that interviewees will have any reasonable expenses they incur as a direct result of attending an interview at the Review, met by their employer.

Once dates are confirmed for attendance at the Investigation, interviewees will be advised what principal subjects or terms of reference they will be asked about by the Review Team to enable them to undertake any necessary preparation.

Recognising that many interviewees may be operational NHS staff and have limited time or opportunity to prepare for their attendance, and because the Review is working to a tight timetable, Oonagh McIntosh will endeavour to give as much notice as possible of their interview by the Review Team. A minimum of one week’s notice will be provided to confirm the arrangements for an interview.

Interviewees will be asked to confirm, preferably by e-mail or telephone, that they will attend the Investigation on an agreed dates to ensure that everybody's time is used as effectively and efficiently as possible. They will also be advised what arrangements will be put in place should their interview over run. Interviewees may be required to return either the next day or on another date to conclude their interview although EVERY effort will be made to avoid this happening.

Attendance at the Review

While the Review Team will make a recording of the interview, this will simply be to help them with their Report writing – the recording will be deleted when the Report is finalised and submitted to NHS Improvement, all those attending (including the Review Team) will be asked to switch off their mobile telephone, laptop computer, tablet, camera and\or any recording device they may have with them to avoid unnecessary interruption.

This request will be made of everyone and is also to ensure that what is said in the interview is not shared more widely until the Review Team has had the opportunity to consider all of the material and produce a Report that sets all of the information fairly and in context.

Interviews will take place at the former Trust Headquarters or, if attendance there is not feasible, at an alternative venue in Liverpool city centre. Some interviews will take place, as a matter of convenience for interviewees, at NHS Improvement's offices in Waterloo in London.

The Chairman will give a brief introduction to each interviewee, introducing any of his colleagues who are present and explaining how the interview will proceed, and of the responsibility of all present to respect confidentiality. It is not anticipated that all of the Review Team will be present at each interview.

When the evidence-gathering process has concluded

The Chairman will consider all of the evidence the Review has gathered and he will submit his report to NHS Improvement at the earliest opportunity.

Naturally NHS Improvement is working with the Review Team to support the process and will look to learn and embed any lessons learned to strengthen patient care and experience. Your help to achieve this will be much appreciated.

APPENDIX D: TEMPLATE REMINDER LETTER

LIVERPOOL COMMUNITY HEALTH – INDEPENDENT REVIEW

CHAIR – DR BILL KIRKUP CBE

VIA E-MAIL [INSERT NAME OF INTERVIEWEE]

Dear [insert name of interviewee],

You will recall that I wrote to you some time ago regarding the independent review of Liverpool Community Health NHS Trust established by NHS Improvement – I have attached a copy of my letter for ease of reference.

The Review Team has undertaken a significant number of interviews and is now concluding this phase of the evidence-gathering process. The Chairman, Dr Kirkup, has asked me to contact you again to give you a further opportunity to participate in the Review and contribute, particularly as you were [insert job title] at [insert name of organisation].

You will appreciate that the Review Team are concluding their work and that the time remaining to arrange an interview is brief. However, I hope you will contact me regarding your participation in the work of the independent Review and take the opportunity to contribute.

I can be contacted via e-mail [insert e-mail address] or, if it would be helpful to have a conversation about any queries or concerns you may have regarding the work of the Review Team, please do not hesitate to contact me on [insert contact number].

I look forward to hearing from you very shortly and to meeting you.

Yours sincerely,

OONAGH McINTOSH (Mrs)

LIVERPOOL COMMUNITY HEALTH, INDEPENDENT REVIEW

APPENDIX E: LIST OF INTERVIEWEES

Moira Angel	former Acting Director of Nursing, LCH
Maxine Avery	District Nurse Team Leader, LCH
Trish Bennett	former Director of Service Improvement and Executive Nurse, Liverpool PCT
Peter Blythin	former Director of Nursing, NHS TDA
Jill Byrne	former interim Director of Nursing, LCH,
Sylvia Carney	Head of Clinical Quality, LCH
Kim Catton	District Nurse Team Leader, LCH
Ian Christiansen	former Divisional Manager for Primary Care and Public Health, including, Offender Health, LCH
Kellie Connor	former Clinical Quality & Performance Manager, Liverpool CCG
Michelle Creed	former Deputy Director of Nursing at NHS England Cheshire & Merseyside
Bernie Cuthel	former Chief Executive, LCH
Jenny Doherty	District Nurse Team Leader, LCH
Debbie Fagan	Chief Nurse and Quality Officer, South Sefton CCG and Southport & Formby CCG
Ros Fallon	former interim Director of Performance and Improvement, LCH
Michelle Fanning	Intermediate Care Matron, LCH
John Foley	former Intermediate Care Manager at LCH
Ann Ford	former Head of Hospital Inspection for the North West, CQC
Craig Gillespie	Clinical Vice Chair, South Sefton CCG and Southport & Formby CCG
Craig Gradden	former Medical Director, LCH
Christine Griffith Evans	Deputy Director of Nursing, NHS England Cheshire & Mersey
Gina Halstead	GP Clinical Quality Lead, South Sefton CCG and Southport & Formby CCG
Ann Hoskins	former interim Medical Director, LCH
Denise Howley	District Nurse Team Leader, LCH
Jane Hulme	District Nurse Team Leader, LCH
John Illingsworth	former Governor, HMP Liverpool

Dave Jones	Locality Clinical Lead, LCH
Matthew Joyes	Associate Director of Safety and Governance, Lancashire Care NHS Trust
Hana Katic	Monitor
Tom Knight	former Head of Offender Health and Substance Misuse, Liverpool PCT
Trevor Lake	former Chairman, LCH
Debbie Lee	former Specialist Safeguarding Adult Nurse, LCH
Cathy Long	Intermediate Care Advanced Nurse Practitioner, LCH
Helen Lund	Deputy Governor, HMP Liverpool
Jane Lunt	Head of Quality and Chief Nurse, Liverpool CCG
Nicola Marshall	Dental Clinical Director, LCH
Iain McInnes	former Portfolio Director (North Region), NHS TDA
Kathy McLean	former Medical Director, NHS TDA
John McNeill	current Head of Prison Healthcare at HMP Liverpool, Lancashire Care NHS FT
Andrew Mimnagh	Chair, South Sefton CCG and Southport & Formby CCG
Debbie Moore	former Offender Healthcare Service Manager, LCH
Richard Moore	Dental Services Team, LCH
Susan O'Looney	Commissioning Manager in Public Health, Liverpool City Council
Sue Page	former interim Chief Executive, LCH
Carole Panteli	former interim Director of Nursing, LCH
Brendan Prescott	Deputy Chief Nurse, South Sefton CCG and Southport & Formby CCG
Amanda Pye	former interim Director of Nursing, LCH
Johanna Reilly	Director of Operations, LCH
Hazel Richards	Chief Nurse, NHS England Cheshire & Mersey
Denise Roberts	Clinical Quality & Safety Manager, Liverpool CCG
Deborah Robson	former District Nurse, LCH
Carol Rogers	former Programme Lead for Safer Care, LCH
Helen Sayer	Dental Clinical Director
Lyn Simpson	former Director of Delivery and Development (North), NHS TDA

Martin Smith	Consultant in Public Health, Liverpool City Council
Dean Spencer	former Portfolio Director (North Region), NHS TDA
Jack Stopforth	former non-Executive Director, LCH
Louisa Swift	former NHS England commissioner of healthcare at HMP Liverpool
Fiona Taylor	Chief Officer, South Sefton CCG and Southport & Formby CCG
Phil Wadeson	former Director of Finance at Liverpool PCT
Martin Wakeley	independent Consultant
Laura Walsh	former Head of Prison Healthcare at LCH
Leigh Wilkinson	current HMP Liverpool Healthcare Team, Lancashire Care NHS FT
John Young	former Risk and Governance Manager, LCH

APPENDIX F: TEMPLATE WARNING LETTER

CONFIDENTIAL

Insert name

Insert e-mail address

Insert date

Dear [**INSERT NAME**],

THE LCH INDEPENDENT REVIEW – WARNING LETTER

Oonagh McIntosh recently explained to you how the Independent Review would deal with any concerns or criticisms identified in respect of an individual's actions, or omissions, and that, if appropriate, warning letters would be issued.

I have now written the LCH Independent Review Report and I consider that you should receive a warning letter.

Extracts from the draft Report are included in this letter. Some of the extracts relate to factual matters within your knowledge and\or to your conduct and contain some comments that might be regarded as critical of you.

I have not included extracts from the Report's Executive Summary. The Executive Summary will be finalised later and will contain no new information but simply reflect the body of the Report.

The extracts are:

[**INSERT SENTENCES\PARAGRAPHS\REFERENCES]**

If you would like to respond to the contents of these extracts, I would be grateful to receive your comments referring to each numbered extract no later than [**INSERT DATE**].

Comments can be returned to Oonagh McIntosh via e-mail (**INSERT E-MAIL ADDRESS**) and she will ensure they are forwarded to me.

Your comments and any additional material you provide will be considered by me before the Report is published. Unfortunately, I am not in a position to offer you any extension, if one is requested, to receive your comments. I hope you will understand that, while the investigation is pleased that you have chosen to participate in this process, I am already giving you the maximum time possible.

To meet the Report publication deadline, any response received from you after [**INSERT DATE**] cannot be considered as part of the final review of the Report.

To avoid doubt, no responses will be annexed by the Review or disclosed.

If you have any queries, please do not hesitate to contact Oonagh McIntosh on [**INSERT CONTACT NUMBER**].

Yours sincerely,

BILL KIRKUP CBE

Report to:	Governing Body	**Agenda Item:**	4.3
Date of Meeting:	12 June 2018		
Title of Report:	Revised Operating Budget 2018-19		
Author:	[redacted], Financial Planning Accountant		
Governing Body Sponsor:	[redacted] Chief Finance Officer		

Action Required:	Approval x	Decision	Discussion/ Assurance	Information
Conflict of Interest:	N	For Part 1		
Involvement of patients, carers, staff and stakeholders	Commissioning and contracting staff			

Situation:

The Governing Body has a statutory duty to set a budget before the start of the financial year. This paper sets out how the proposed budget for 2018/19 has been adjusted since March.

Background:

The CCG has received its allocation for 2018/19 and NHS England has set the national planning guidance. The CCG has received allocation growth below the expected growth in demand. As a result it is important to have a firm grip on our financial position in the coming year and not let our financial position deteriorate.

Assessment:

The CCG has had challenging targets set by NHS England for the coming year. The CCG has created a financial plan which balances this with our commissioning intentions. If we do not meet this plan then we will be in breach of our statutory duties.

Recommendation:

The Committee is asked to review and approve the planned revenue budget as set out in this paper.

Risk description:

Lead Committee	Date Added	Risk Description Including Cause and Impact to CCG	Original Risk Rate	Actions Completed to Reduce Risks	Action Planned and Progress	Date By When All Actions will Be Completed	Owner / Risk Register
			0				

Supporting Paper/Appendices:

Thanet CCG Revised Budget

Revised Annual Budget 2018-19

1. Introduction

At the March meeting of the Governing Body a balanced budget was presented. At that time contracts had not been formally agreed with key providers and the outcome of the expert determination was unknown. The outcome of the expert determination has had a significant financial impact on the CCG and as a result our plans for 2018-19 have changed.

When it was clear that our financial position would worsen following the expert determination process we raised the issue with NHS England. This was after the submission of the first draft plan and a discussion took place about the impact on 2018-19 plans. Throughout April we have been working with NHS England to produce a plan that would satisfy their needs but also allow the CCG to carry out the transformation that needs to occur to create a sustainable health care system. As a result there have been four different resubmissions to NHS England each building on the submission before.

The first resubmission that NHS England set out our position with only growth and investments as set out in the planning guidance. Uncontracted QIPP and uncommitted investments included to give a plan that met the business rules except for the maintenance of Referral to Treatment activity (RTT) for planned care. This gave Thanet a deficit of £1.5m.

After discussion with NHS England a second submission was made. This plan met all of the business rules including maintenance of the RTT backlog. We did this and along with some adjustments to come out of the contract negotiations with EKHUFT we arrived at a deficit of £6.6m. This position represents our worst case and was a do nothing approach.

The third submission took out the RTT backlog as it was agreed that it was unlikely that the current providers in east Kent could provide this activity. This took the CCG back to a planned deficit of £3m.

After further discussion between the NHS England local team, central team and ourselves it was agreed that the CCG should show nationally identified QIPP against Right Care and Procedures of Limited Clinical Effectiveness, and the benefit to prescribing due to generic drugs being in stock. This final fourth submission gave a deficit of £0.4m.

This submission was accepted by NHS England. Commissioner Support Funding (CSF) was then given by NHS England to cover the planned deficit and make possible a breakeven plan.

It is this last version of the plan that is set out in this paper for agreement by the CCG.

2. Revised Budgets

The summary of the revised budgets are shown in Appendix 1. Detailed budgets are shown in Appendix 2.

The budget for the CCG shows a breakeven position as per the last budget. To do this though we have a deficit of £0.4m against our original allocation, an deterioration on 2017/18, balanced by £0.4m of commissioning support funding from NHS England. These funds will only be released if the CCG do not exceed their planned expenditure. The CCG is holding a contingency of 0.5% of £1.2m and has met all of the other planning requirements set out by NHS England.

3. Overview of Year

This budget sets out the objectives of the organisation in financial terms. In reading the budget the key points to consider are:

a. The figures in the budget show the affordable budget for the main three contracts. In some cases this is not the signed value and it is imperative that the CCG works to bring these contracts to an affordable level.
b. Prescribing and placement budgets have not increased between 2017/18 and 2018/19.

4. East Kent Hospitals University Foundation Trust Contract

In most years a cost per case contract with the hospital (EKHUFT) is set together with a significant contingency. In 2018-19 due to cost pressures on the healthcare system we have set a contingency at 0.5%.

In late March 2018 the CCG received the result of the expert determination. While there were findings in the CCG's favour we cannot apply them for two years. As a result our position deteriorated by £2.7m. This also has an impact going forward as the EKHUFT baseline has increased and caused a substantial increase in the budget for 2018/19.

5. Contingency

The CCG has a contingency of just 0.5%. This is less than on any other year of operation for the CCG.

6. Risk

Within the submitted plan there is unmitigated risk of £4.0m. This is due to the CCG including savings in the plan against EKHUFT for Procedures of Limited Clinical Effectiveness (£0.2) and Right Care (£1.2m) and savings in prescribing due to NCSO drugs being in stock (£1.1m) as required by NHS England. We have also had to remove acute growth (£1.3m) required to meet our RTT targets as it was above that recognised by NHS England.

7. Main Differences with March Budget

One of the main changes in our plans since March was that the CCG ended last year with a larger in year deficit than originally thought. This was due to the result of the expert determination as shown in the acute line of the table below.

	March Final Budget for 2018/19	Difference	April Final Budget for 2018/19
Acute	112,603,908	4,294,367	116,898,275
Community	26,161,547	944,705	27,106,253
Continuing Health Care	15,746,756	82,312	15,829,068
Mental Health	19,949,914	969,732	20,919,647
Primary Care	32,921,556	(1,710,439)	31,211,117
Other	5,492,720	(2,219,002)	3,273,718
Primary Care Co-Commissioning	21,793,986	14	21,794,000
Corporate	3,095,000	-	3,095,000
Reserves	3,065,132	(1,860,977)	1,204,155
TOTAL EXPENDITURE	**240,830,520**	**500,713**	**241,331,233**
Resource Limit	**(240,897,000)**	-	**(240,897,000)**
Commissioing Support Funds		(434,233)	**(434,233)**
TOTAL RESOURCE	**(240,897,000)**	**(434,233)**	**(241,331,233)**
SURPLUS / (DEFICIT)	**66,480**	**(66,480)**	**0**

8. Investment in Local Care

Due to the worsening financial position the CCG has not been able to set aside all of the funds for Local Care that were in the draft plan. We have allocated £500,000 to invest in Local Care to support primary care.

9. Investment in Mental Health

A summary of the CCG's budgeted spend in all mental health services is set out below. Spend is projected to grow by 2.9% the same as the CCG's allocation growth of 2.9%. The main areas of growth are IAPT services and the full year effect of the new CAMHs contract, both of which have seen growth of around 4%. All other areas of mental health except placements have increased by a lower percentage.

Thanet Mental Health Expenditure 2017/18 to 2018/19				
	2017/18 Outturn	Remove NR Allocations	Final Budget for 2018/19	Growth Percentage
KMPT Main Block Contract	15,221,232	-	15,216,221	100.0%
MH Local care fund	-	-	777,689	100.0%
Street Triage	128,208	-	128,208	100.0%
KMPT PMHW	116,701	-	-	0.0%
Placements- (to be changed to M/H NCA)	163,582	-	163,582	100.0%
CAMHs Transformational Funding	966,825	-	426,966	44.2%
Sussex Partnership Trust CAMHS	725,958	-	-	0.0%
camhs new contract	1,099,134	-	1,886,052	171.6%
KMPT Rape crisis	10,000	-	10,000	100.0%
CYPT IAPT Funding	137,000	- 137,000	-	0.0%
Perinatal Transformation Funding	1,071,972	- 1,072,000	-	0.0%
KCC Ogden Wing	181,191	-	249,656	137.8%
IAPT	1,148,760		1,148,760	100.0%
MH Act Assessment Fees	91,138	-	91,929	100.9%
KCC - MH Voluntary Sector Contributions	73,989	-	73,989	100.0%
Placements	3,545,624	-	3,541,113	99.9%
ADHD Adult Satellite Clinic	255,238	-	255,238	100.0%
LD service	88,000	- 191,000	317,000	-307.8%
Eating Disorder Service	174,357	-	174,357	100.0%
Urgent and Emergency Liaison Mental Health	483,000	- 483,000	-	0.0%
CYP IAPT trainee staff support costs	85,000	- 85,000	-	0.0%
Mental Health Prescribing	1,810	-	1,975	109.1%
Mental Health in CHC	2,890	-	2,890	100.0%
Total	25,771,608	- 1,968,000	24,465,625	102.9%

10. QIPP/Savings

Savings required during the year are set out in the table below.

		£'000	£'000
	EKHUFT:		
i)	RightCare	(1,223)	
ii)	Full impact of upcoding challenge	(1,238)	
iii)	POLCE	(243)	
			(2,705)
	Flat Growth:		
iv)	Prescribing	(1,247)	
v)	CHC Placements	(412)	
vi)	Mental Health Placements	(142)	
			(1,801)
			(4,506)

i) According to the Right Care work the CCG has opportunities totalling £1.2m. Detailed plans for delivery of these savings are in development.

ii) This is the estimated full impact of the up-coding challenge which was part of the expert determination.

iii) According to the Procedures of Limited Clinical Effectiveness work the CCG has opportunities totalling £0.2m. There are no specific plans as to how these savings will be realised but these are in development.

iv) In 2017/18 our prescribing expenditure was badly impacted by a national shortage of generic drugs. This has now been resolved and it is expected to lead to savings in prescribing.

v) Savings opportunities have been identified within our placements budgets by an external consultancy firm. These along with managing growth are expected to deliver the savings above.

vi) Savings opportunities have been identified within our mental health placements budgets by an external consultancy firm. These along with managing growth are expected to deliver the savings above.

11. Detailed Budgets

Detailed budgets for commissioning spend are shown in Appendix 2. These detailed figures show all of our budget lines.

12. Recommendation

The Governing Body is asked to agree the revised budget for the CCG.

Jonathan Bates
Chief Finance Officer
May 2018

Appendix 1 Budget by Board Line

	Summary Board Line	Budget 17/18	Forecast 2017/18 Spend	Variance	Recurrent QIPP	Non-Recurrent QIPP	Reported FOT	NR Spend	Remove NR Resource	Remove NR QIPP	FYE	2018/19 Run rate budget	Change in Recurrent Resource	Additional NR Resource	2018/19 Opening Budget	Funded Developments	Funded Growth	2018 Tariff Adjustment	Adjustments	QIPP	Final Budget for 2018/19
Acute																					
	Local Acute Contracts	86,681,596	93,100,239	(6,418,643)	-	(1,921,315)	91,178,924	(1,215,671)	289,000	1,921,315	-	92,173,568	-	-	92,173,568	-	2,842,600	92,174	150,066	(1,238,411)	94,019,997
	Other Acute Contracts	5,294,808	5,345,315	(50,507)	-	-	5,345,315	-	-	-	-	5,345,315	-	-	5,345,315	-	148,460	4,814	-	-	5,498,589
	High Cost Drugs	39,996	40,564	(568)	-	-	40,564	-	-	-	-	40,564	-	-	40,564	-	352	-	-	-	40,916
	Ambulance Services	7,342,656	7,286,880	55,776	-	-	7,286,880	-	(90,000)	-	-	7,196,880	-	118,000	7,314,880	511,800	66,986	7,709	(27,923)	-	7,873,452
	Winter Pressures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Independent Sector	5,470,656	5,781,793	(311,138)	-	-	5,781,793	-	-	-	-	5,781,793	-	-	5,781,793	-	20,879	425	-	(1,466,706)	4,336,392
	Urgent Care	1,268,478	1,375,324	(106,845)	-	-	1,375,324	-	(130,000)	-	150,000	1,395,324	-	-	1,395,324	-	-	-	-	-	1,395,324
	Non-contract	3,321,212	3,173,606	147,606	-	-	3,173,606	-	445,000	-	-	3,618,606	-	-	3,618,606	-	111,389	3,612	-	-	3,733,606
Acute Total		**109,419,402**	**116,103,721**	**(6,684,319)**	**-**	**(1,921,315)**	**114,182,406**	**(1,215,671)**	**514,000**	**1,921,315**	**150,000**	**115,552,050**	**-**	**118,000**	**115,670,050**	**511,800**	**3,190,666**	**108,733**	**122,143**	**(2,705,117)**	**116,898,275**
Community																					
	KCHFT Contract	14,892,624	15,483,239	(1,590,614)	-	(749,575)	15,733,663	(350,000)	-	749,575	-	16,133,239	-	-	16,133,239	-	140,192	16,133	322,301	-	16,611,865
	LTC and End of Life	6,154,032	5,733,878	420,154	-	-	5,733,878	(232,303)	(1,545,000)	-	-	3,956,575	-	-	3,956,575	-	6,471	-	(22,743)	-	3,940,303
	Other Community	5,223,432	5,958,678	(735,246)	-	-	5,958,678	-	-	-	-	5,958,678	-	-	5,958,678	500,000	24,424	982	70,000	-	6,554,084
Community Total		**26,270,088**	**28,175,795**	**(1,905,706)**	**-**	**(749,575)**	**27,426,219**	**(582,303)**	**(1,545,000)**	**749,575**	**-**	**26,048,492**	**-**	**-**	**26,048,492**	**500,000**	**171,088**	**17,115**	**369,558**	**-**	**27,106,253**
Placements																					
	Continuing Health Care	10,946,202	11,902,754	(956,552)	(527,630)	-	11,375,124	-	-	-	-	11,375,124	-	-	11,375,124	-	410,307	-	-	(412,376)	11,373,055
	Mental Health	2,890,284	3,676,797	(786,513)	(131,173)	-	3,545,624	-	-	-	-	3,545,624	-	-	3,545,624	-	137,179	-	-	(141,690)	3,541,113
	Children's Placements	905,004	899,060	5,944	-	-	899,060	-	-	-	-	899,060	-	-	899,060	-	15,840	-	-	-	914,900
Placements Total		**14,741,490**	**16,478,611**	**(1,737,121)**	**(658,803)**	**-**	**15,819,808**	**-**	**-**	**-**	**-**	**15,819,808**	**-**	**-**	**15,819,808**	**-**	**563,327**	**-**	**-**	**(554,066)**	**15,829,068**
Mental Health																					
	KMPT Contract	15,239,700	15,239,700	(0)	-	(18,469)	15,221,232	(92,512)	-	18,469	-	15,147,188	-	-	15,147,188	-	-	-	69,033	-	15,216,221
	IAPT	1,246,128	1,148,760	97,368	-	-	1,148,760	-	-	-	-	1,148,760	-	-	1,148,760	-	-	-	-	-	1,148,760
	Other Mental Health	2,347,719	1,574,212	773,508	-	-	1,574,212	(116,701)	(674,000)	-	-	783,511	-	-	783,511	777,689	792	-	420,000	-	1,981,992
	Learning Difficulties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Children Mental Health	3,516,640	4,197,989	(681,349)	-	(102,100)	4,095,889	170,238	(1,294,000)	102,100	-	3,074,227	-	-	3,074,227	-	-	2,293	(753,503)	-	2,323,018
	Dementia	282,000	181,191	100,809	-	-	181,191	-	-	-	68,465	249,656	-	-	249,656	-	-	-	-	-	249,656
Mental Health Total		**22,632,186**	**22,341,852**	**290,334**	**-**	**(120,569)**	**22,221,283**	**(38,975)**	**(1,968,000)**	**120,569**	**68,465**	**20,403,342**	**-**	**-**	**20,403,342**	**777,689**	**792**	**2,293**	**(264,470)**	**-**	**20,919,647**
Primary Care																					
	Out Of Hours	1,752,060	2,506,228	(754,168)	-	-	2,506,228	-	-	-	-	2,506,228	-	-	2,506,228	-	-	-	(325,902)	-	2,180,326
	Local Enhanced Service	2,701,479	2,596,519	104,959	-	-	2,596,519	-	-	-	-	2,596,519	-	-	2,596,519	-	16,335	-	-	-	2,612,854
	Prescribing	27,042,480	27,053,849	(11,369)	(238,000)	-	26,815,849	(1,118,095)	-	-	-	25,697,754	-	-	25,697,754	-	1,246,813	-	-	(1,246,813)	25,697,754
	Oxygen	278,004	263,958	14,045	-	-	263,958	-	-	-	-	263,958	-	-	263,958	-	2,265	-	-	-	266,224
	GP IT	433,056	433,056	-	-	-	433,056	-	-	-	-	433,056	-	-	433,056	-	-	-	-	-	433,056
	Other Primary Care	1,599,004	1,573,902	25,102	-	-	1,573,902	-	(1,579,000)	-	-	(5,098)	-	26,000	20,902	-	-	-	-	-	20,902
Primary Care Total		**33,806,083**	**34,427,513**	**(621,430)**	**(238,000)**	**-**	**34,189,513**	**(1,118,095)**	**(1,579,000)**	**-**	**-**	**31,492,418**	**-**	**26,000**	**31,518,418**	**-**	**1,265,414**	**-**	**(325,902)**	**(1,246,813)**	**31,211,117**
Other																					
	Patient Transport	1,445,352	1,500,531	(55,179)	-	-	1,500,531	-	-	-	-	1,500,531	-	-	1,500,531	-	734	-	-	-	1,501,265
	Children's Commissioning	268,056	214,945	53,110	-	-	214,945	(61,813)	-	-	-	153,132	-	-	153,132	-	-	-	-	-	153,132
	Prop Co Recharge	890,668	455,675	434,993	-	-	455,675	139,000	(304,000)	-	-	290,675	-	-	290,675	304,000	-	-	-	-	594,675
	Better Care Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	IACO	60,996	801,761	(740,765)	-	-	801,761	-	-	-	-	801,761	-	-	801,761	-	-	-	-	-	801,761
	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Safeguarding	224,458	222,885	1,573	-	-	222,885	-	-	-	-	222,885	-	-	222,885	-	-	-	-	-	222,885
	NHS 111	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Total		**2,889,529**	**3,195,797**	**(306,268)**	**-**	**-**	**3,195,797**	**77,187**	**(304,000)**	**-**	**-**	**2,968,984**	**-**	**-**	**2,968,984**	**304,000**	**734**	**-**	**-**	**-**	**3,273,718**
Primary Care Co-Commissioning																					
	Primary Care Co-Commissioning	20,934,370	18,811,282	2,123,088	-	-	18,811,282	-	-	-	-	18,811,282	-	-	18,811,282	-	146	-	2,982,572	-	21,794,000
Primary Care Co-Commissioning Total		**20,934,370**	**18,811,282**	**2,123,088**	**-**	**-**	**18,811,282**	**-**	**-**	**-**	**-**	**18,811,282**	**-**	**-**	**18,811,282**	**-**	**146**	**-**	**2,982,572**	**-**	**21,794,000**
Corporate																					
	Corporate	3,092,000	3,092,000	-	-	-	3,092,000	-	(2,000)	-	-	3,090,000	-	5,000	3,095,000	-	-	-	-	-	3,095,000
Corporate Total		**3,092,000**	**3,092,000**	**-**	**-**	**-**	**3,092,000**	**-**	**(2,000)**	**-**	**-**	**3,090,000**	**-**	**5,000**	**3,095,000**	**-**	**-**	**-**	**-**	**-**	**3,095,000**
Reserves																					
	Contingency	3,202,880	-	3,202,880	-	-	-	-	-	-	-	-	304,970	-	304,970	899,185	-	-	-	-	1,204,155
	Top Slice	1,979,945	-	1,979,945	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserves Total		**5,182,825**	**-**	**5,182,825**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**304,970**	**-**	**304,970**	**899,185**	**-**	**-**	**-**	**-**	**1,204,155**
TOTAL EXPENDITURE		**238,967,974**	**242,626,570**	**(3,658,596)**	**(896,803)**	**(2,791,459)**	**238,938,308**	**(2,877,857)**	**(4,884,000)**	**2,791,459**	**218,465**	**234,186,375**	**304,970**	**149,000**	**234,640,345**	**2,992,674**	**5,192,166**	**128,142**	**2,883,902**	**(4,505,997)**	**241,331,233**
Resource Limit		**238,984,000**	**238,984,000**				**238,984,000**		**(4,884,000)**			**234,100,000**	**6,648,000**	**149,000**	**240,897,000**						**240,897,000**
Commisioning Support Fund																					**434,233**
TOTAL RESOURCE		**238,984,000**	**238,984,000**	**-**	**-**	**-**	**238,984,000**	**-**	**(4,884,000)**	**-**	**-**	**234,100,000**	**6,648,000**	**149,000**	**240,897,000**	**-**	**-**	**-**	**-**	**-**	**241,331,233**
Change in retained surplus		**16,026**	**(3,642,570)**	**3,658,596**	**896,803**	**2,791,459**	**45,692**	**2,877,857**	**-**	**(2,791,459)**	**(218,465)**	**(86,375)**	**6,343,030**	**-**	**6,256,655**	**(2,992,674)**	**(5,192,166)**	**(128,142)**	**(2,883,902)**	**4,505,997**	**0**

Appendix 2 Budget by Budget Line

Budget Line	Board Mapping	Expenditure 2017/18	Final Budget for 2018/19
CAMHs Transformational Fund	Children Mental Health	966,825	426,966
NELFT SLA	Children Mental Health	1,099,134	1,886,052
KMPT Rape crisis	Children Mental Health	10,000	10,000
CYPT IAPT Funding	Children Mental Health	137,000	-
CYP IAPT trainee staff support costs	Children Mental Health	85,000	-
Sussex Partnership Trust CAMHS	Children Mental Health	725,958	-
Perinatal Transformation Funding	Children Mental Health	1,071,972	-
Ogden Wing	Dementia	181,191	249,656
PCPTS IAPT UMC	IAPT	12,564	12,564
PCPTS IAPT Dover Counselling	IAPT	449,491	449,491
PCPTS IAPT Insight	IAPT	70,595	70,595
PCPTS IAPT Adaction	IAPT	616,110	616,110
KMPT SLA	KMPT Contract	15,221,232	15,216,221
Placements	Mental Health	3,545,624	3,541,113
Street Triage	Other Mental Health	128,208	128,208
MH - NCA	Other Mental Health	163,582	163,582
KMPT PMHW	Other Mental Health	116,701	-
LD service	Other Mental Health	88,000	1,024,172
MH Act Assessment Fees	Other Mental Health	91,138	91,929
KCC - MH Voluntary Sector Contributions	Other Mental Health	73,989	73,989
Integrated Autism Post	Other Mental Health		6,000
Eating Disorder Service	Other Mental Health	174,357	238,875
Urgent and Emergency Liaison Mental Health	Other Mental Health	483,000	-
ADHD Adult Satellite Clinic	Other Mental Health	255,238	269,735
Mental Health Total		25,766,907	24,475,257
SECAmb	Ambulance Services	7,196,880	7,755,452
Management of 999 Service	Ambulance Services		11,000
Paramedic Rebanding Funding	Ambulance Services	90,000	118,000
HIGH COST DRUGS	High Cost Drugs	40,564	40,916
Other Planned care	Independent Sector	-	- 1,466,706
BMI - Chaucer Hospital SLA	Independent Sector	349,077	360,191
East Kent Medical Services (Spencer Wing) SLA	Independent Sector	3,236,119	3,236,119
Community Cataract New Hayes Bank	Independent Sector	5,677	5,677
Community Cataract Ribchester	Independent Sector	115,397	115,397
Community Cataract St Annes	Independent Sector	612,863	612,863
Weight Management	Independent Sector	56,239	56,239
Glaucoma Clinic	Independent Sector		8,000
Ophthalmic Enhanced Services	Independent Sector	5,041	4,000
Repeat Pressures - PEKM	Independent Sector		5,000
Audiology - Hearbase	Independent Sector	66,893	65,000
Practice Based Audiology East Cliff	Independent Sector	173,153	175,000
Practice Based Audiology Westgate	Independent Sector	216,443	220,000
Audiology Hi Kent	Independent Sector	7,175	7,175
ENT Primary Care ENT	Independent Sector	48,640	47,000
South East Fertility Clinic IVF	Independent Sector	75,525	-
IVF	Independent Sector	28,029	104,454
Where to Refer Directory	Independent Sector	5,940	5,992
Diagnostics & Imaging The Grange	Independent Sector	155,145	160,000
Diagnostics & Imaging Sydenham House	Independent Sector	192,106	192,106
Practice Based Ophthalmology St Annes	Independent Sector	45,736	40,000
Practice Based Ophthalmology Bethesda	Independent Sector	81,512	82,000
Practice Based Headache Service	Independent Sector	189,218	190,000
EKMS (Spencer Wing) Wet AMD	Independent Sector	40,000	40,000
Additional Planned Care	Independent Sector	75,866	230,000

EKHUFT	Local Acute Contracts	90,889,924	94,019,997
M11 IR Changes	Local Acute Contracts	289,000	-
Operation Willow	Non-contract	6,737	6,737
NCA	Non-contract	3,166,869	4,047,749
Acute local care fund	Other Acute Contracts	531,390	531,390
Royal National Orthopaedic Contract	Other Acute Contracts	285,022	258,481
Guys & St Thomas Contract	Other Acute Contracts	1,961,797	1,854,968
Kings Healthcare Contract	Other Acute Contracts	1,538,761	1,751,313
Queen Victoria Hospital Contract	Other Acute Contracts	374,928	403,884
University College Hospital Contract	Other Acute Contracts	653,417	718,326
Minor Injury Units	URGENT CARE	224,042	300,500
Winter resilience	URGENT CARE	1,151,281	866,614
Acute Total		114,182,406	117,180,833
GP IT	GP IT	433,056	433,056
Frailty Scheme	Local Enhanced Service	795,115	843,524
£3 per head	Local Enhanced Service	220,000	220,000
GMS LES 24 Hour ABPM	Local Enhanced Service	63,701	71,000
GMS LES Anti-coagulation	Local Enhanced Service	261,237	300,000
GMS LES Diabetes-Insulin (GTT)	Local Enhanced Service	4,800	10,141
C&M-GMS LES DMARDS	Local Enhanced Service	43,357	70,000
GMS LES GTT Test	Local Enhanced Service	1,687	2,500
GMS LES IUCD Mnrrhgia-Fitting	Local Enhanced Service	12,255	12,500
GMS LES Phlebotomy	Local Enhanced Service	175,736	195,000
GMS LES Tissue Viability	Local Enhanced Service	164,668	191,000
GMS LES Treatment Room	Local Enhanced Service	78,709	82,000
C&M-GMS LES 24hr ECG	Local Enhanced Service	278,565	160,000
Pharmacy Anti Coag Les	Local Enhanced Service	496,689	496,689
Online Consultations	Other Primary Care	40,000	-
Reception and clerical training	Other Primary Care	25,000	-
Primary Care Investments	Other Primary Care	1,288,902	-
Primary Care Home Initative	Other Primary Care	200,000	-
PMS Review Premium	Other Primary Care	20,000	-
Out of Hours	OUT OF HOURS	2,506,228	1,532,710
Home Oxygen	OXYGEN	260,706	262,972
Oxygen Administration	OXYGEN	3,252	3,252
Mar & MDS	PRESCRIBING	90,397	105,397
Prescribing Rebates	PRESCRIBING	-	- 150,000
Medicines Management Team	PRESCRIBING	-	368,825
Prescribing Central Recharges (National Charges)	PRESCRIBING	-	650,000
Prescribing - National Reallocation	PRESCRIBING		158,000
Prescribing GP/Nurse Prescribing	PRESCRIBING	26,725,452	24,340,417
Prescribing OOH	PRESCRIBING	-	35,000
Prescribing ADHD	PRESCRIBING	-	16,200
Prescribing Incentive Scheme	PRESCRIBING	-	118,240
KMPT Dementia Drugs	PRESCRIBING	-	5,000
MONITOIRING OF DENOSUMAB	PRESCRIBING	-	3,500
Self Care/Waste Campain	PRESCRIBING	-	1,000
Scriptswitch/Eclipse/PreQUIPP/Micro guide	PRESCRIBING	-	65,000
KCHFT Expenditure	PRESCRIBING	-	18,000
Primary Care Total		34,189,513	30,620,923

CHC LD under 65	Continuing Health Care	3,457,032	3,456,358
CHC LD over 65	Continuing Health Care	21,768	21,764
CHC MH under 65	Continuing Health Care	74,301	74,287
CHC MH over 65	Continuing Health Care	1,038,910	1,038,708
CHC Physical Dis under 65	Continuing Health Care	781,368	781,215
CHC Physical Dis over 65	Continuing Health Care	1,855,519	1,855,157
Fast Track	Continuing Health Care	2,553,492	2,552,994
FUNDED NURSING CARE	Continuing Health Care	822,707	822,546
CSU CHC Costs	Continuing Health Care	770,026	770,026
Childrens Placements	Children's Placements	409,418	914,900
Childrens Placements KCHFT	Children's Placements	489,642	-
Placements Total		12,274,184	12,287,955
KCHFT	KCHFT Contract	15,733,663	16,611,865
S256 Carers agreement	LTC and End of Life	295,440	295,440
Pilgrims Hospice	LTC and End of Life	719,836	659,849
GP step up beds	LTC and End of Life	271,899	271,899
Westbrook Pooled Budget	LTC and End of Life	2,120,946	1,888,643
Diabetes Transformation Funding	LTC and End of Life	1,481,799	-
GPWSI Epilepsy Service	LTC and End of Life	24,897	23,000
Stroke Association	LTC and End of Life	44,292	44,292
Wheelchair Service Millbrook	LTC and End of Life	774,768	603,194
Community Dermatology Concordia	Other Community	69,368	60,000
Community Dermatology The Practice	Other Community	35,573	32,000
Community Physiotherapy EKTRA	Other Community	441,982	381,000
Community Physiotherapy EKMS	Other Community	190,382	163,000
Surgery in Primary Care Vasectomy / carpal tunnel	Other Community	89,541	85,000
Other Community	Other Community	202,616	204,377
Minster Medicine Support Service	Other Community	74,667	0
Community Local Care Fund	Other Community	-	500,000
ICES	Other Community	228,524	237,366
Community Equipment	Other Community	925,019	925,019
Community Physiotherapy Kesson Physio	Other Community	149,256	135,000
Community Physiotherapy Ash Physio	Other Community	5,027	5,000
Community Dermascope Mole Clinic	Other Community	38,673	35,000
Community Physiotherapy Healthshare	Other Community	80,306	73,000
Community Physiotherapy Premier Health	Other Community	57,989	53,000
Community Dermascope Westgate	Other Community	18,976	15,000
Community Dermascope East Cliff	Other Community	12,707	12,000
East Cliff MSK	Other Community	34,888	35,000
Marie Stopes	Other Community	234,231	250,000
Community Physiotherapy KCHFT	Other Community	57,048	45,000
Community Total		24,414,315	23,643,943

Asylum Seekers Project recharge from Ashford CCG	Children's Commissioning	9,021	9,021
CAF Co-ordinator	Children's Commissioning	14,059	-
MASH	Children's Commissioning	111,417	136,417
Emotional Well being Service KCC	Children's Commissioning	32,610	-
Kent County Council Harbour lights/Oak Tree Post Abuse Service	Children's Commissioning	14,217	-
Portage (KCC)	Children's Commissioning	23,307	23,307
Bradstow School	Children's Commissioning	10,314	10,314
ICO COO	IACO	801,761	801,761
Better Care Fund	Other Community	3,011,905	3,081,905
NHS 111	Other Community		647,616
Patient Transport from Volunteer Bureau	Patient Transport	6,455	6,511
Patient Transport G4S	Patient Transport	1,416,010	1,416,010
NCA PTS	Patient Transport	78,066	78,745
NHS Prop Co Recharges	Prop Co Recharge	455,675	594,675
LAC Team	Safeguarding	23,806	23,806
Head of Quality	Safeguarding	54,993	54,993
Infection Control/Designated Adult & Child Nurse (recharge from SKC)	Safeguarding	95,600	95,600
Child Death Team	Safeguarding	12,039	12,039
Designated Doctor	Safeguarding	15,000	15,000
KENT SAFEGUARDING BOARD CONTRIBUTION	Safeguarding	6,952	6,952
MULTI-AGENCY SAFEGUARDING ADULTS BOARD	Safeguarding	4,604	4,604
QES System Hosting	Safeguarding	1,016	1,016
EKHUFT Designated Doctor	Safeguarding	6,250	6,250
Domestic Homicide Review	Safeguarding	2,625	2,625
Other Total		6,207,702	7,029,165
Corporate Total	Corporate	3,092,000	3,095,000
Delegated Co-Commissioning Total	Primary Care Co-Commissioning	18,811,282	21,794,000
0.5% Contingency	Contingency	-	1,204,155

Report to:	Governing Body		**Agenda Item:**	4.5
Date of Meeting:	12 June 2018			
Title of Report:	Annual Accounts Report			
Author:	Peter Hodgson, Financial Planning Accountant			
Governing Body Sponsor:	Jonathan Bates, Chief Finance Officer			
Action Required:	Approval	Decision	Discussion/ Assurance X	Information
Conflict of Interest:	N	For Part 1		
Involvement of patients, carers, staff and stakeholders				

Situation:

CCGs have a statutory duty to produce an Annual Report and Accounts.

Background:

- The Annual Report and Accounts is a single document which presents the CCG's activities (including financial) during the financial year ending 31 March 2018. The form and content of the Annual Report and Accounts is directed by NHS England, meets the requirements of the Government Accounting Manual, and is in 3 parts:
    - Part 1 – Performance Report
    - Part 2 – Accountability Report
    - Part 3 – Annual Accounts
- The Annual Report and Accounts is a key way in which the CCG demonstrates its effective stewardship of public money and discharges its accountability to tax payers.

Assessment:

- The CCG has prepared statutory Financial Statements for its fifth year of operation that were agreed by the Governance and Risk Committee.

Recommendation:
For the Governing Body to note the contents of the accounts and external auditor report to inform future decision making.

Risk description:

Lead Committee	Date Added	Risk Description Including Cause and Impact to CCG	Original Risk Rate	Actions Completed to Reduce Risks	Action Planned and Progress	Date By When All Actions will Be Completed	Owner / Risk Register
			0				

Supporting Paper/Appendices:
Accounts Commentary Audit Findings

Thanet CCG Draft Accounts Commentary 2017/18

Introduction

Thanet Clinical Commissioning Group (CCG) has a statutory duty to produce an annual report and accounts.

The annual report and accounts are a single document which presents the CCG's financial activities during the financial year ending 31 March 2018. The form and content of the annual report and accounts are directed by NHS England, and meet the requirements of the Government Accounting Manual.

The annual report and accounts are a key way in which the CCG demonstrates its effective stewardship of public money and discharges its accountability to tax payers.

Key extracts of the CCG draft statutory financial statements are shown below.

The Governing Body agreed to delegate authority to the Governance and Risk Committee to review the accounts and to approve them for signature by the Accountable Officer. The Governance and Risk committee met on the 22nd May 2018 prior to submission of the annual report and accounts by 9am 29th May 2018.

1. Statutory Financial Targets

The CCG has met its statutory financial duties in 2017/18, and achieved statutory financial balance. (Note the CCG did not achieve the plan agreed with NHS England by £1.4m.)

Note 18 sets out the overall performance of the CCG. A summary is set out below:

18 Financial performance targets

The NHS Clinical Commissioning Group has a number of financial duties under the NHS Act 2006 (as amended).
The NHS Clinical Commissioning Group's performance against those duties was as follows:

	2017-18 Target	2017-18 Performance	2016-17 Target	2016-17 Performance
Expenditure not to exceed income	239,143	239,097	213,397	209,277
Capital resource use does not exceed the amount specified in Directions	0	0	0	0
Revenue resource use does not exceed the amount specified in Directions	238,984	238,939	213,033	208,913
Capital resource use on specified matter(s) does not exceed the amount specified in Directions	0	0	0	0
Revenue resource use on specified matter(s) does not exceed the amount specified in Directions	0	0	0	0
Revenue administration resource use does not exceed the amount specified in Directions	3,092	3,091	3,088	3,087

2. Statement of Comprehensive Net Expenditure. (SOCNE)

The Statement of Comprehensive Net Expenditure sets out the amount spent by the CCG in the year less any income it has received from the provision of goods or services to other organisations. The SOCNE does not include the clinical commissioning group's main source of funding which is its resource allocation from NHS England; it is not treated as income but is added to the general fund in the Statement of Changes in Taxpayers' Equity (see Note 4 below).

Statement of Comprehensive Net Expenditure for the year ended 31 March 2018	Note	2017-18 £'000	2016-17 £'000
Income from sale of goods and services	2	0	(2)
Other operating income	2	(159)	(362)
Total operating income		**(159)**	**(364)**
Staff costs	4	2,454	2,174
Purchase of goods and services	5	236,147	206,698
Depreciation and impairment charges	5	23	25
Provision expense	5	0	(65)
Other Operating Expenditure	5	473	444
Total operating expenditure		**239,097**	**209,276**
Net Operating Expenditure		**238,939**	**208,913**
Net expenditure for the year		**238,939**	**208,913**
Total Net Expenditure for the year		**238,939**	**208,913**
Comprehensive Expenditure for the year ended 31 March 2018		**238,939**	**208,913**

3. Statement of Financial Position (Balance Sheet) (SOFP)

The Statement of Financial Position, summarised below, sets out the net worth of the clinical commissioning group as at 31 March 2018 and is the balance sheet. The negative figure on taxpayers' equity is due to the clinical commissioning not holding a cash balance equivalent to its liabilities. This is in accordance with treasury accounting rules. The cash required to pay the balance will be drawn down in 2018-19.

Statement of Financial Position as at 31 March 2018	Note	2017-18 £'000	2016-17 £'000
Non-current assets:			
Property, plant and equipment	8	69	92
Total non-current assets		69	92
Current assets:			
Trade and other receivables	9	8,801	7,159
Cash and cash equivalents	10	49	29
Total current assets		**8,850**	7,188
Total current assets		**8,850**	7,188
Total assets		**8,919**	7,280
Current liabilities			
Trade and other payables	11	(20,518)	(15,852)
Total current liabilities		**(20,518)**	(15,852)
Non-Current Assets plus/less Net Current Assets/Liabilities		**(11,599)**	(8,572)
Assets less Liabilities		**(11,599)**	(8,572)
Financed by Taxpayers' Equity			
General fund		(11,599)	(8,572)
Total taxpayers' equity:		**(11,599)**	(8,572)

4. Statement of Changes in Taxpayers Equity (SOCITE)

The Statement of Changes in Taxpayers' Equity shows the movement on the general fund in the year. The amounts shown in this statement are also reflected in the SOCNE in the other operating expenses section. The clinical commissioning group's resource allocation from NHS England for the year is shown at the bottom of this statement.

Movements relate solely to the clinical commissioning group's allocation and expenditure for the year. There were no movements between reserves.

5. Statement of Cash Flows (SOCF)

The Statement of Cash Flows (SOCF) summarises the actual cash flowing into and out of the clinical commissioning group during the year. It differs from the SOCNE which includes expenditure that the clinical commissioning group has incurred but not paid for and income which is due but has not yet been received.

The starting point is the net operating costs from the SOCNE, followed by a list of the adjustments needed to bring this back to the cash paid out or received in the year.

The clinical commissioning group held a cash balance of £48,631 at year end.

6. Note 1 - Accounting Policies

Accounting Policies are set by HM Treasury's financial reporting manual (FReM) and are generally in accordance with the International Accounting Standards (IAS).

There have been no changes in accounting policy and no departures from those set by NHS England.

7. Notes 2 and 3 - Other Operating Revenue

Revenue in this note does not include cash received from NHS England which is drawn down directly into the bank account of the clinical commissioning group and credited to the General Fund.

Programme income relates to prescribing rebates received.

Revenue is wholly from the supply of services. The clinical commissioning group receives no revenue from the sale of goods.

2 Other Operating Revenue

	2017-18 Total £'000	2017-18 Admin £'000	2017-18 Programme £'000	2016-17 Total £'000
Other revenue	159	0	159	362
Total other operating revenue	**159**	**0**	**159**	**362**

3 Revenue

	2017-18 Total £'000	2017-18 Admin £'000	2017-18 Programme £'000	2016-17 Total £'000
From rendering of services	159	0	159	362
From sale of goods	0	0	0	2
Total	**159**	**0**	**159**	**364**

Revenue is totally from the supply of services. The NHS clinical commissioning group receives no revenue from the supply of goods.

8. Note 4 – Employee Benefits and Staff numbers

This note gives details about the cost and number of the clinical commissioning group's employees by staff group. The staff groups used are defined by the DoH and are the same for all NHS bodies

This note should be read in conjunction with the Annual Report which provides further detail in the remuneration section.

9. Note 5 - Operating Expenses

Key variances are as follows:

- The cost of Healthcare from Foundation Trusts has increased mainly due to the outcome of the Expert Determination with East Kent Hospitals University NHS Foundation Trust
- Expenditure on the Purchase of Healthcare from Non NHS Bodies has increased due to planned care activity in community contracts and the Independent Sector increasing. An increase in costs was also seen in the 111 service and placements.
- The reduction in spend in Supplies and Services – Clinical is the result of a technical reporting change where homecare drugs are now included within EKHUFT in accordance with the Hackett report recommendations. Expenditure in 2017/18 is reported in the Acute Trust line.
- The increase in expenditure in Supplies and Services - General, is a result of the CCG's contribution to the STP workforce monies.
- Consultancy Services show a large increase in spend due to hosting the National Association of Primary Care funds which are predominantly spent on consultancy services.
- Prescribing costs shows a small increase in spend. The forecast throughout the financial year has fluctuated due to Category M reductions and 'No Cheaper Stock Available' issues. However the CCG Category M benefit that was held by NHSE was returned to the CCG from month 11.

- GPMS/APMS now includes spend associated with the CCG responsibility for Primary Care Commissioning.

5 Operating expenses	2017-18 Total £'000	2017-18 Admin £'000	2017-18 Programme £'000	2016-17 Total £'000
Gross employee benefits				
Employee benefits excluding governing body members	2,188	1,041	1,147	1,535
Executive governing body members	266	266	0	639
Total gross employee benefits	**2,454**	**1,307**	**1,147**	**2,174**
Other costs				
Services from other CCGs and NHS England	1,155	325	830	1,650
Services from foundation trusts	127,931	0	127,931	124,297
Services from other NHS trusts	18,551	0	18,551	17,352
Purchase of healthcare from non-NHS bodies	36,997	0	36,997	31,542
Chair and Non Executive Members	473	136	337	444
Supplies and services – clinical	276	0	276	877
Supplies and services – general	2,060	836	1,224	916
Consultancy services	1,487	136	1,351	873
Establishment	314	128	186	321
Transport	8	6	2	11
Premises	538	35	503	655
Depreciation	23	23	0	25
Audit fees	50	50	0	56
Other non statutory audit expenditure				
· Internal audit services	0	0	0	2
Prescribing costs	26,463	0	26,463	26,132
Pharmaceutical services	387	0	387	220
General ophthalmic services	6	0	6	4
GPMS/APMS and PCTMS	19,728	0	19,728	1,160
Other professional fees excl. audit	37	37	0	199
Legal fees	40	0	40	0
Education and training	119	72	47	133
Provisions	0	0	0	(65)
CHC Risk Pool contributions	0	0	0	298
Total other costs	**236,643**	**1,784**	**234,859**	**207,102**
Total operating expenses	**239,097**	**3,091**	**236,006**	**209,276**

In accordance with SI 2008 no.489, The Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008. The limitation of Thanet CCG Auditors is £2m.

10. Note 6 – Better Payment Practice Code (BPPC)

The clinical commissioning group fully met its 95% target for payment within trade terms.

11. Note 7 – Operating Leases

This relates to a charge from NHS Property Company.

12. Note 9 – Trade and Other Receivables (Debtors)

This note analyses the amounts due to the clinical commissioning group by the type of body that owes the money.

9 Trade and other receivables	Current 2017-18 £'000	Current 2016-17 £'000
NHS receivables: Revenue	5,604	3,506
NHS prepayments	2,664	474
NHS underperformance accruals	0	2,656
Non-NHS and Other WGA receivables: Revenue	194	376
Non-NHS and Other WGA prepayments	21	41
Non-NHS and Other WGA accrued income	187	20
VAT	128	56
Other receivables and accruals	3	30
Total Trade & other receivables	**8,801**	**7,159**
Total current and non current	**8,801**	**7,159**
Included above:		
Prepaid pensions contributions	0	0

For 2017/18 NHS underperformance accruals has been reclassified into NHS prepayments

9.1 Receivables past their due date but not impaired	2017-18 £'000 DH Group Bodies	2017-18 £'000 Group Bodies	2016-17 £'000 receivables prior years
By up to three months	1,179	153	421
By three to six months	100	0	433
By more than six months	757	41	721
Total	**2,036**	**194**	**1,575**

£1,151m of the amount above has subsequently been recovered post the statement of financial position date.

13. Note 10 – Cash and Cash equivalents

As already commented the cash balance at year end was low and reflects good cash management.

14. Note 11 – Trade and Other payables (Creditors)

This note analyses the amounts payable by the clinical commissioning group by the type of body that it owes

The significant creditors are estimates for February and March prescribing, non-contract and placement spend, together with invoices received by the clinical commission group but not yet paid.

The clinical commissioning group also received a number of additional non recurrent allocations, some of these amounts have been committed but no cash movement has taken place yet.

16. Note 15 – Pooled Budgets

The value reported in pooled budgets includes expenditure for the following:

- Westbrook House £2,010,590 Health Contribution
- Integrated Community Equipment Service (ICES), £114,262 Health Contribution

The clinical commissioning group has reviewed the terms of the arrangement with Kent County Council for the Better Care Fund.

A section 75 agreement and a pooled budget is in place.

For any given element of the pool (contract or service) the clinical commissioning group can expend resources without reference to other members and has full control over its own element.

The clinical commissioning group commissions directly as if the pooled budget does not exist (i.e. outside joint control) and so is outside the pooled budget arrangement.

17. Note 16 – Related Party Transactions

This note provides details of any significant transactions that the governing body or other key clinical commissioning group members and managers (or their relations or any bodies that they may control) have undertaken with the clinical commissioning group and any outstanding balances with them. Whether a transaction is significant is considered from the point of view of both parties to the transaction.

All Governing Body members and members of staff are required to complete a declaration of interests which is updated every three months and made available on the internet as the register of interests. Nil responses are also required. In addition, the clinical commissioning group have asked any person in member practices who is involved in decision-making regarding contracts to make a declaration of interest. This is in accordance with the CCG's conflicts of interest policy which was revised and updated during the year.

18. Note 17 – Events after the End of the Reporting Period

Before signing the accounts, the clinical commissioning group must consider whether any events of significant interest to the users of the accounts have occurred since the year end.

If the event provides information about a situation that existed at the year end, the accounts are adjusted to incorporate the new information. If however, the actual event occurred after the year end, the accounts are not adjusted but the information is disclosed in this note.

19. Conclusion

The clinical commissioning group has prepared accounts in line with the accounting standards required of them. They are currently subject to audit.

20. Recommendation

i) The Committee are asked to note the contents of this report.

ii) Review accounting policies of the CCG.

iii) Agree the accounts on behalf of the Governing Body.

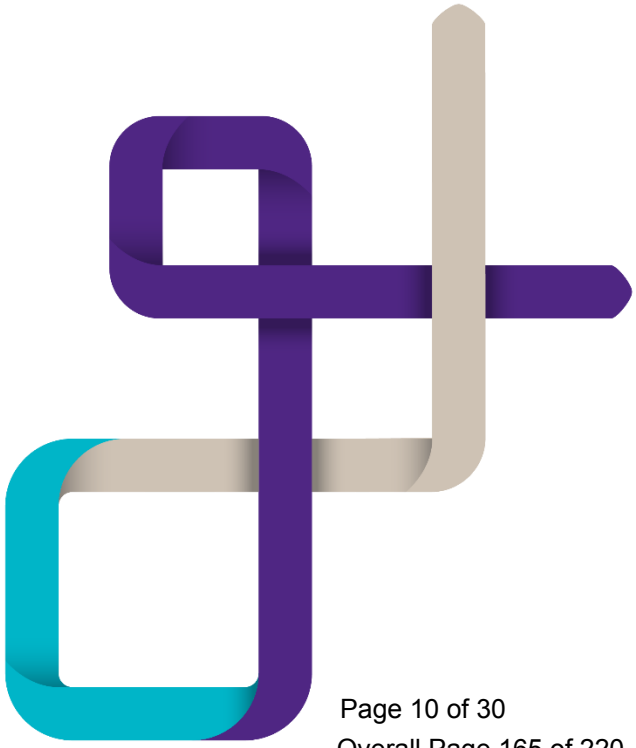
Jonathan Bates
Chief Finance Officer
May 2018

Audit Findings

Year ending 31 March 2018

NHS Thanet Clinical Commissioning Group

22 May 2018



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Appendices

A. Audit adjustments

B. Fees

C. Audit Opinion

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of expressing our opinion on the financial statements. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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Headlines

This table summarises the key issues arising from the statutory audit of NHS Thanet Clinical Commissioning Group ('the CCG') and the preparation of the CCG's financial statements for the year ended 31 March 2018 for the Governance and Risk Committee (as those charged with governance).

Financial Statements	Under International Standards of Audit (ISAs (UK)) and the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to report whether, in our opinion: • the CCG's financial statements give a true and fair view of the financial position of the CCG and its expenditure and income for the year; and • The CCG's financial statements, including the audited parts of the Remuneration Report and Staff Report have been properly prepared in accordance with International Financial Reporting Standards, the Department of Health and Social Care group accounting manual 2017/18 (GAM) and the requirements of the Health and Social Care Act 2012. We are also required to report whether other information published together with the audited financial statements (including the Annual Report), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated and whether the income and expenditure included in the financial statements has been applied for the purposes intended by Parliament (the regularity opinion).	Our audit work was completed on site during April and May 2018. Our findings are summarised on pages 4 to 9. We have not identified any adjustments to the primary financial statements. We have recommended a number of minor adjustments to the financial statements which are detailed in Appendix A, none of which impact on the reported surplus for the year. Subject to outstanding queries being resolved, we anticipate issuing an unqualified audit opinion following the Governance and Risk Committee meeting on 22 May 2018, as detailed in Appendix C. These outstanding items include: - finalisation of review of supporting evidence supplied in respect of our main areas of sample testing; - receipt of management representation letter; and - review of the final set of financial statements. We have concluded that the: • other information published with the financial statements, which includes the Annual Report are consistent with our knowledge of your organisation and the financial statements we have audited; and • Income and expenditure included in the financial statements have been applied for the purposes intended by Parliament.
Value for Money arrangements	Under the Code we are required to report by exception whether, in our opinion: • the CCG has not made proper arrangements to secure economy, efficiency and effectiveness in its use of resources ('the value for money (VFM) conclusion').	We have completed our risk based review of the CCG's value for money arrangements. We have satisfied ourselves that NHS Thanet CCG has proper arrangements to secure economy, efficiency and effectiveness in its use of resources. We have nothing to report by exception. Our findings from our review of the CCG's value for money arrangements are summarised on pages 10 to 13.
Statutory duties	The Local Audit and Accountability Act 2014 ('the Act') also requires us to: • report to you if we have applied any of the additional powers and duties ascribed to us under the Act; and • certify the closure of the audit.	We have not exercised any of our additional statutory powers or duties. We have completed the majority of work under the Code and expect to be able to certify the completion of the audit when we give our audit opinion.

Summary

Overview of the scope of our audit

This Audit Findings presents the observations arising from the audit that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK) 260 and the Code of Audit Practice ('the Code'). Its contents have been discussed with the Chief Finance Officer.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or the Governance and Risk Committee of their responsibilities for the preparation of the financial statements.

Audit approach

Our audit approach was based on a thorough understanding of the CCG's business and is risk based, and in particular included:

- an evaluation of the CCG's internal controls environment including its IT systems and controls; and
- substantive testing on significant transactions and material account balances, including the procedures outlined in this report in relation to the key audit risks.

Conclusion

We have substantially completed our audit of your financial statements and subject to outstanding queries being resolved, we anticipate issuing an unqualified audit opinion following the Governance and Risk Committee meeting on 22 May 2018, as detailed in Appendix E. These outstanding items include:

- finalisation of review of supporting evidence supplied in respect of our main areas of sample testing;
- receipt of management representation letter; and
- review of the final set of financial statements.

Our approach to materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law. Materiality calculations remains the same as reported in our audit plan. We detail in the table below our assessment of materiality for NHS Thanet CCG.

	CCG Amount (£)	Qualitative factors considered
Materiality for the financial statements	£4,186,000	This has been calculated upon 2% of your gross expenditure for the prior year.
Performance materiality	£3,139,000	This has been calculated as 75% of headline materiality, based upon our assessment of the likelihood of material misstatement of the financial statements arising.
Trivial matters	£157,000	This has been calculated based upon 5% of your headline materiality.
Materiality for specific transactions, balances or disclosures: Cash and cash equivalents	£500,000	Cash is a critical part of your financial cycle accounting system that is sensitive by its nature.

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Going concern

Our responsibility

As auditors, we are required to "obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern" (ISA (UK) 570).

Going concern commentary

Management's assessment process	Auditor commentary
Management prepared and submitted an Annual Plan for the year to 31 March 2019. This shows a planned deficit of £0.4m for 2018/19, which management expected to be matched by funding from the Commissioner Support Fund to allow a balanced budget position to be achieved. On this basis, management have concluded that the CCG remains a going concern.	• We are satisfied regarding the appropriateness of management's process for formulating their going concern assessment. • In response to our request, management have extended their forecast by two months to the end of May 2019, to provide us with details of projected financial performance up to 12 months from when we expect to sign the audit report.
Work performed	**Auditor commentary**
Detail audit work performed on managements' assessment.	• We have reviewed the Annual Plan for the year to 31 March 2019 and management's additional forecasts for April and May 2019. While we note that the attainment of efficiency savings of £4.5m reflected within the 2019/20 Plan will be challenging, they are not unrealistic compared to the levels of savings achieved in recent years and we are satisfied that management have adequately demonstrated that the CCG will remain a going concern over this period and that there is no material going concern uncertainty.
Concluding comments	**Auditor commentary**
	• We have noted no material going concern uncertainties and are satisfied with the appropriateness of management's going concern assessment process. As such we plan to issue an unmodified audit report in respect of going concern.

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Significant audit risks

	Risks identified in our Audit Plan	Commentary
1	**Improper revenue recognition** Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue. This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.	**Auditor commentary** We have rebutted this presumed risk for Thanet CCG because: • revenue does not primarily involve cash transactions; and • revenue is principally an allocation from NHS England We therefore do not consider this to be a significant risk for Thanet CCG.
2	**Management override of controls** Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities. The CCG faces external pressures to meet agreed targets, and this could potentially place management under undue pressure in terms of how they report performance. Management over-ride of controls is a risk requiring special audit consideration.	**Auditor commentary** • We undertook the following procedures in relation to this risk: – gained an understanding of the significant accounting estimates, judgements applied and decisions made by management and consider their reasonableness; – obtained a full listing of journal entries, identified and then tested unusual journal entries for appropriateness; and – evaluated the rationale for any changes in accounting policies or significant unusual transactions that came to out attention during the course of the audit. **Findings** • Our audit work has not identified any issues in respect of this risk.
3	**Operating expenses – purchase of secondary healthcare** A significant percentage (74%) of the CCG's expenditure is on contracts for secondary healthcare services with NHS providers and non-NHS providers, such as operations and hospital care. This expenditure is recognised when the activity has been performed, with accruals raised at the year-end for completed activity for which an invoice has not been issued. We identified the accuracy and occurrence of contract variations as a risk requiring special audit consideration.	**Auditor commentary** • We undertook the following procedures in relation to this risk: – gained an understanding of the financial reporting processes used for the purchase of secondary healthcare and evaluated the design of the associated controls; – reviewed schedule of contract costs incurred under secondary healthcare, compared the opening contract value to the final outturn, and investigated significant variances, obtained explanations and agreed to supporting documentation; – tested a sample of non-contract activities to invoices and other supporting documentation; – reviewed the agreement of balances exercise and year end settlements with your key providers; and – Tested invoiced non-contract costs. **Findings** • Our audit work has not identified any issues in respect of this risk.

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Accounting policies

Accounting area	Summary of policy	Comments	Assessment
Revenue recognition	• Revenue in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable. When income is received from a specific activity that is to bel delivered in the following year, that income is deferred.	• We have reviewed the revenue recognition policy adopted by the CCG and concluded it to be reasonable and consistent with the requirements of the Department of Health and Social Care Group Accounting Manual.	Green
Judgements and estimates	• Key estimates and judgements include: – accruals and prescribing; and – contract under-performance receivable.	• We have reviewed significant accounting estimates and judgements and have no matters or concerns to report. • In the prior year, we reported some concerns around the high level of Agreement of Balances (AoB) mismatches indicating some risks associated with the CCG's year end position. For 2017/18, we note that the volume of AoB mismatches has reduced. Our review in this area remains in progress but from our work completed so far, we have noted no similar such concerns for 2017/18. The level of mismatches for the CCG is not material.	Green
Other critical policies	• The CCG has adopted the standard accounting policies as set out in the Department of Health and Social Care Group Accounting Manual.	• We have reviewed the CCG's policies against the requirements of the Department of Health and Social Care Group Accounting Manual. The CCG has appropriately tailored the standard accounting policies to its individual circumstances.	Green

Assessment
- Marginal accounting policy which could potentially be open to challenge by regulators
- Accounting policy appropriate but scope for improved disclosure
- Accounting policy appropriate and disclosures sufficient

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Other communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards and the Code to communicate to those charged with governance.

	Issue	Commentary
1	**Matters in relation to fraud**	• We have previously discussed the risk of fraud with the Governance and Risk Committee in our Audit Plan dated 20 March 2018 and been made aware of frauds identified from the work of internal audit, none of which are significant to the financial statements. We have not been made aware of any other incidents in the period and no other issues have been identified during the course of our audit procedures.
2	**Matters in relation to related parties**	• We are not aware of any related parties or related party transactions which have not been disclosed.
3	**Matters in relation to laws and regulations**	• You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work.
4	**Written representations**	• A standard letter of representation has been requested from the CCG which is included in the Governance and Risk Committee papers.
5	**Confirmation requests from third parties**	• We requested from management permission to send a confirmation request to the Government Banking Service in respect of the CCG's year end bank balance. This permission was granted and the request was sent and returned with positive confirmation.
6	**Disclosures**	• Our review found no material omissions in the financial statements.
7	**Audit evidence and explanations/significant difficulties**	• All information and explanations requested from management was provided.

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Other responsibilities under the Code

	Issue	Commentary
1	**Regularity opinion**	• We are required to give a regularity opinion on whether the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them (the regularity opinion). • We have not identified any issues and propose to issue an unqualified regularity opinion.
2	**Other information**	• We are required to give an opinion on whether the other information published together with the audited financial statements (including the Annual Report), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. • No inconsistencies have been identified.
3	**Auditable elements of Remuneration and Staff Report**	• We are required to give an opinion on whether the part of the Remuneration and Staff Report subject to audit has been prepared properly in accordance with the requirements of the Health and Social Care Act 2012. • We have audited the elements of the Remuneration and Staff report, as required by the Code. We found no issues.
4	**Matters on which we report by exception**	We are required to report on a number of matters by exception in a number of areas: • If the Annual Governance Statement does not comply with the guidance issued by the NHS Commissioning Board or is misleading or inconsistent with the information of which we are aware from our audit. • If we have applied any of our statutory powers or duties. We have nothing to report on these matters.
5	**Review of accounts consolidation schedules and specified procedures on behalf of the Department of Health and Social Care group auditor**	• We are required to give a separate audit opinion on the CCG accounts consolidation schedules and to carry out specified procedures (on behalf of the NAO) on these schedules under the NHS England Group audit instructions . In the Group audit instructions the CCG was selected as a non-sampled component. • The procedures we carried out on the CCG's accounts consolidation schedules did not identify any issues. • There are no unadjusted inconsistencies between the financial statements and the accounts consolidation schedules which we are required to report in our opinion on the consolidation schedules.
6	**Certification of the closure of the audit**	We intend to certify the closure of the 2017/18 audit of NHS Thanet CCG in our auditor's report, as detailed in Appendix E.

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Value for Money

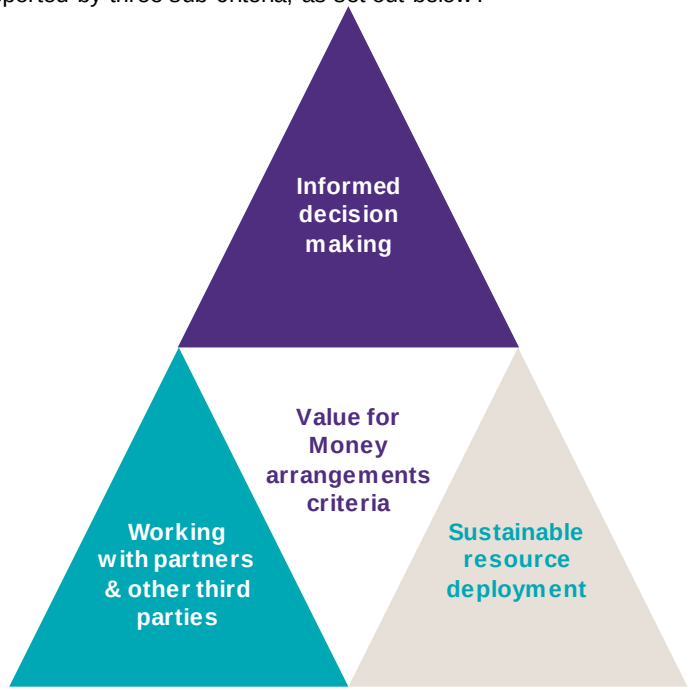
Background to our VFM approach

We are required to satisfy ourselves that the CCG has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and report by exception where we are not satisfied. This is known as the Value for Money (VFM) conclusion.

We are required to carry out sufficient work to satisfy ourselves that proper arrangements are in place at the CCG. In carrying out this work, we are required to follow the NAO's Auditor Guidance Note 3 (AGN 03) issued in November 2017. AGN 03 identifies one single criterion for auditors to evaluate:

"In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people."

This is supported by three sub-criteria, as set out below:



Risk assessment

We carried out an initial risk assessment in March 2018 and identified a significant risk in respect of specific areas of proper arrangements using the guidance contained in AGN03. We communicated these risks to you in our Audit Plan dated 20 March 2018.

We have continued our review of relevant documents up to the date of giving our report, and have not identified any further significant risks where we need to perform further work.

We carried out further work only in respect of the significant risks we identified from our initial and ongoing risk assessment. Where our consideration of the significant risks determined that arrangements were not operating effectively, we have used the examples of proper arrangements from AGN 03 to explain the gaps in proper arrangements that we have reported in our VFM conclusion.

Value for Money

Our work

AGN 03 requires us to disclose our views on significant qualitative aspects of the CCG's arrangements for delivering economy, efficiency and effectiveness.

We have focused our work on the significant risks that we identified in the CCG's arrangements. In arriving at our conclusion, our main considerations were:

- the CCG has achieved its financial performance targets in 2017/18 and achieved a small surplus for the year of £45.5k; and
- the CCG has set a deficit budget of £0.4m for 2018/19, which management expect to be matched by funding from the Commissioner Support Fund to allow a balanced budget position to be achieved.

We have set out more detail on the risk we identified, the results of the work we performed and the conclusions we drew from this work on pages 12 and 13.

Overall conclusion

Based on the work we performed to address the significant risks, we are satisfied that the CCG had proper arrangements in all significant respects to ensure it delivered value for money in its use of resources.

The text of our report, which confirms this can be found at Appendix C.

Significant difficulties in undertaking our work

We did not identify any significant difficulties in undertaking our work on your arrangements which we wish to draw to your attention. We have raised no recommendations for improvement based on our work performed.

Significant matters discussed with management

There were no matters where no other evidence was available or matters of such significance to our conclusion or that we required written representation from management or those charged with governance.

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Key findings

We set out below our key findings against the one significant Value for Money risk that we identified through our initial risk assessment:

Significant risk	Findings
Financial challenges In common with NHS commissioners nationally, the CCG continues to face a number of financial risks and pressures. There is therefore a risk that the year end financial position may not be delivered in line with the budget and that the CCG may fail to meet its statutory financial performance targets. We have reviewed the CCG's performance against its budget in 2017/18 and have also reviewed performance in achieving planned QIPP targets. We have also considered the reasonableness of the assumptions upon which the 2018/19 financial plan has been based.	**Financial outturn and financial planning** In common with the other commissioners in East Kent, the CCG has faced significant financial challenges in 2017/18 as a result of the continued constrained financial environment in the NHS nationally and as a result of increased demand for services. Particular areas of pressure have included continuing Healthcare and mental health services and management of the CCG's main contract with East Kent Hospitals University FT (EKHUFT). The CCG has suffered adversely as a result of the settlement in March 2018 of arbitration between EKHUFT and the four East Kent CCGs in respect of six separate areas of the contract with EKHUFT. This had an impact of £18m across the four CCGs, of which £2.7m was borne by NHS Thanet CCG. Factors that contributed to these outcome were that the arbitrator was not satisfied with the appropriateness of some of the service reviews and audits of clinical data that were undertaken by the CCG to support its position in this dispute. During the year an external review of Quality Innovation, Productivity and Prevention (QIPP) arrangements across the East Kent CCGs was undertaken, which identified that QIPP delivery across East Kent is at significant risk. This review highlighted some clear areas where improvements were required around QIPP delivery, including financial modelling and PMO processes. Overall for 2017/18, the CCG achieved efficiency savings of £7.3m (savings of £9.0m achieved in 2016/17), of which £5.4m were non-recurrent. This compares to a budget of £9.7m efficiency savings. We note that many of these schemes are dependent upon changes to service delivery being achieved at EKHUFT, which are difficult for the CCG to control. The £2.4m variance against the budget and the non-recurrent nature of many of these savings highlight the continued importance of effective development and oversight of savings schemes, as performance in this area will be critical if the CCG is to break even in 2018/19. Despite the pressures faced during the year, the CCG has achieved all of its statutory financial performance targets in 2017/18 and has delivered a small surplus of £0.04m. This contrasts with the outturn positions for the other CCGs in East Kent, all of which achieved deficits in 2017/18. The achievement of an outturn position of a surplus despite the adverse outcome of the settlement with EKHUFT reflects the release of the CCG's top slice reserve of £1.1m and a £0.2m unplanned saving from a more favourable prescribing accrual position allowed the CCG to mitigate the impact of the year end contract settlement with EKHUFT and other in-year cost pressures. Looking forward, the CCG has forecast a deficit of £0.4m for 2018/19. This includes planned efficiency savings of £4.5m around a variety of areas. Management expect this planned £0.4m to be matched by funding from the Commissioner Support Fund (CSF) to allow a balanced budget position to be achieved. The CSF is a new source of funding available to commissioners in 2018/19 whereby if a CCG sets a deficit control total and then achieves this deficit, it will receive matched funding from the CSF to achieve breakeven. This therefore highlights the importance of the delivery of the CCG's savings targets for 2018/19, as if the planned deficit of £0.4m is not achieved then the CCG will not quality for all of the CSF funding that it requires to break even and meet its statutory financial performance targets.

Key findings

We set out below our key findings against the one significant Value for Money risk that we identified through our initial risk assessment:

Significant risk	Findings
Other risks -Governance risks	As part of our audit work, we request from management and the chair of the Governance and Risk Committee notification of any matters we should be aware of. The Chair for SKC CCG, in response to the question "*Do you have any significant concerns regarding the governance arrangements in place at the CCG*?" highlighted Governance and Risk Committee's concern that the CCG had operated through most of the 2017/18 financial year without a qualified governance lead. Although no breach of laws or regulations were identified, the members felt they were not sufficiently supported as they would hoped for. We note that in the last three months of the year the CCG has benefited from the support of the Company Secretary for Ashford and Canterbury and Coastal CCGs. This helps address some of the concerns around governance support. In addition the G&RC raised concerns that the risks around Conflicts of Interest have not been adequately managed especially in light of the developing GP Federation. The East Kent CCGs have recently commissioned PwC to undertake a governance review of the arrangements. This work is in progress, but our understanding is that the emerging findings do highlight some weaknesses in arrangements for CoI. We note the transactions with the GP federation in the year were not material and as such any weaknesses around CoI arrangements are not significant. Nevertheless, it is important that the CCG has clear and effective governance arrangements going forward to provide appropriate assurance of good probity of public money.

Independence and ethics

Auditor independence

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant facts and matters that may bear upon the integrity, objectivity and independence of the firm or covered persons. relating to our independence. We encourage you to contact us to discuss these or any other independence issues with us. We will also discuss with you if we make additional significant judgements surrounding independence matters.

We highlight to you that one member of our team, Simon Hollow ay, previously worked with your internal auditors TIAA Ltd, and was part of the internal audit team that reviewed your core financial systems and budgetary control for 2017/18. This therefore poses a potential conflict and risk of self-review. However, Simon was not a senior member of the internal audit team and worked to a brief established by the internal audit manager. Similarly, his work for the external audit of the CCG will be under the direction of an audit manager and director, who will review all of his work. Given these safeguards and following consultation with our Ethics team we believe that no inappropriate ethical conflict arises from the involvement of Simon in your external audit for 2017/18.

We confirm that there are no other significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements. Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in December 2016 which sets out supplementary guidance on ethical requirements for auditors of local public bodies.

We confirm that we have implemented policies and procedures to meet the requirements of the Ethical Standard. For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the CCG.

Audit and Non-audit services

No non-audit services were identified.

Audit Adjustments

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements
All adjusted misstatements are set out in detail below along with the impact on the key statements and the reported net expenditure for the year.

	Detail	Statement of Comprehensive Net Expenditure £'000	Statement of Financial Position £'000	Impact on total net expenditure £'000
1	Adjustment to correct the closing general fund position: - CR general fund - £8,572k Though the general fund balance was stated correctly on the general ledger, within the draft accounts submitted for audit the general fund was misstated due to a formula error in the template CCG accounts provided by the Department of Health and Social Care. This error has no impact on the reported financial performance for the year.	£ -	£(8,572)	£ -
2	Adjustment to correct the classification of a year end £3.5m receivable balance due from NHS South Kent Coast CCG: - DR trade and other receivables: NHS receivables - £3,500k - CR trade and other payables: : NHS payables - £3,500k	£ - £ -	£3,500 £(3,500)	£ - £ -
	Overall impact	**£ -**	**£(8,572)**	**£ -**

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Audit Adjustments (continued)

Misclassification and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Disclosure omission	Detail	Adjusted?
Trade and other payables	• Management identified that £1,788k of amounts payable to KCHFT were incorrectly classified within non-NHS payables rather than NHS payables within Note 11 'trade and other payables' in the draft accounts submitted for audit.	✓

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Fees

We confirm below our final fees charged for the audit and we also confirm there were no fees for the provision of non audit services.

Audit Fees

	Proposed fee	Final fee
CCG Audit	£41,700	£41,700
Total audit fees (excluding VAT)	**£41,700**	**£41,700**

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Audit opinion

We anticipate we will provide the CCG with an unmodified audit report.

Independent auditor's report to the members of the Governing Body of NHS Thanet Clinical Commissioning Group

Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of NHS Thanet Clinical Commissioning Group (the 'CCG') for the year ended 31 March 2018 which comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Changes in Taxpayers Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the Department of Health and Social Care Group Accounting Manual 2017-18 and the requirements of the Health and Social Care Act 2012.

In our opinion the financial statements:
- give a true and fair view of the financial position of the CCG as at 31 March 2018 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2017-18; and
- have been prepared in accordance with the requirements of the Health and Social Care Act 2012.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the CCG in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to
This report is made solely to the members of the Governing Body of the CCG, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the members of the Governing Body of the CCG those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the CCG and the members of the Governing Body of the CCG, as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the Accountable Officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accountable Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the CCG's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The Accountable Officer is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of our work including that gained through work in relation to the CCG's arrangements for securing value for money through economy, efficiency and effectiveness in the use of its resource or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice
Under the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Governance Statement does not comply with the guidance issued by the NHS Commissioning Board or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice
In our opinion:
- the parts of the Remuneration Report and Staff Report to be audited have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2017-18 and the requirements of the Health and Social Care Act 2012; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the CCG gained through our work in relation to the CCG's arrangements for securing economy, efficiency and effectiveness in its use of resources, the other information published together with the financial statements in the annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Opinion on regularity required by the Code of Audit Practice
In our opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions in the financial statements conform to the authorities which govern them.

Matters on which we are required to report by exception
Under the Code of Audit Practice we are required to report to you if:
- we have reported a matter in the public interest under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we have referred a matter to the Secretary of State under Section 30 of the Local Audit and Accountability Act 2014 because we had reason to believe that the CCG, or an officer of the CCG, was about to make, or had made, a decision which involved or would involve the body incurring unlawful expenditure, or was about to take, or had begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or
- we have made a written recommendation to the CCG under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters.

Responsibilities of the Accountable Officer and Those Charged with Governance for the financial statements
As explained more fully in the Statement of Accountable Officer's responsibilities, the Accountable Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions, for being satisfied that they give a true and fair view, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for assessing the CCG's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the CCG lacks funding for its continued existence or when policy decisions have been made that affect the services provided by the CCG.

The Accountable Officer is responsible for ensuring the regularity of expenditure and income in the financial statements.

The Governance and Risk Committee is Those Charged with Governance.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

We are also responsible for giving an opinion on the regularity of expenditure and income in the financial statements in accordance with the Code of Audit Practice.

Report on other legal and regulatory requirements – Conclusion on the CCG's arrangements for securing economy, efficiency and effectiveness in its use of resources
Matter on which we are required to report by exception - CCG's arrangements for securing economy, efficiency and effectiveness in its use of resources
Under the Code of Audit Practice we are required to report to you if, in our opinion we have not been able to satisfy ourselves that the CCG has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018.

We have nothing to report in respect of the above matter.

Responsibilities of the Accountable Officer
As explained in the Governance Statement, the Accountable Officer is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the CCG's resources. Auditor's responsibilities for the review of the CCG's arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are required under Section 21(3)(c) and Schedule 13 paragraph 10(a) of the Local Audit and Accountability Act 2014 to be satisfied that the CCG has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the CCG's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in November 2017, as to whether in all significant respects, the CCG had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the CCG put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018, and to report by exception where we are not satisfied.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to be satisfied that the CCG has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Report on other legal and regulatory requirements – Certificate
We certify that we have completed the audit of the financial statements of NHS Thanet Clinical Commissioning Group in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Darren Wells
Director
for and on behalf of Grant Thornton UK LLP

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Date

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Report to:	Governing Body	**Agenda Item:**	5.1
Date of Meeting:	12 June 2018		
Title of Report:	Governance and Risk Committee Report		
Author:	[redacted], Chair of the Governance and Risk Committee		
Governing Body Sponsor:	[redacted], Chair of the Governance and Risk Committee		

Action Required:	Approval	Decision	Discussion/ Assurance X	Information
Conflict of Interest:	N	For Part 1		
Involvement of patients, carers, staff and stakeholders	Describe:			

Situation:
This is the routine report of the Chair of the Governance and Risk Committee to the Governing Body, covering its work over the last quarter.

Background:
On this occasion, the report includes the Committee's consideration of the CCG's key annual governance documents, whose approval was delegated to it. These comprised the Annual Report, including the Annual Governance Statement, and the Annual Accounts.

Assessment:
The report explains how the Committee has fulfilled the duties and responsibilities allocated to it by the CCG Constitution.

Recommendation:
The report is for Assurance and Discussion.

Risk description:

Lead Committee	Date Added	Risk Description Including Cause and Impact to CCG	Original Risk Rate	Actions Completed to Reduce Risks	Action Planned and Progress	Date By When All Actions will Be Completed	Owner / Risk Register
			0				

Supporting Paper/Appendices:

Governance and Risk Committee Report

Governance and Risk Committee Report to Governing Body

Meeting on 22 May 2018

Introduction

The Governance and Risk Committee of the CCG meets in common with its South Kent Coast CCG counterpart, and fulfils the statutory role of an Audit Committee, reporting to the Governing Body on the effective operation of its systems and processes. The Governing Body has delegated to this Committee the approval of its Annual Report and Accounts, including the Annual Governance Statement, as required by legislation and NHSE regulations and guidance.

The last meeting of the Committee was held on 22 May 2018, and considered the statutory annual governance documents described above, alongside its regular quarterly business.

The main items discussed which I would wish to draw to the Governing Body's attention are set out in this report.

Annual Report

The Committee considered the latest draft of the Annual Report, including the Annual Governance Statement, and was generally satisfied that, subject to the inclusion of items of late information, it complied with legislative requirements.

However, the Committee's approval of the document on the Governing Body's behalf was subject to a number of significant amendments.

Firstly, it was requested that more information was given on the mainly unsatisfactory outcome of the process of Expert Determination in relation to disputed items of commissioning expenditure involving the CCG and EKHUFT. This had a major adverse impact on the financial positions of all four East Kent CCGs, and therefore merited greater coverage. It was however accepted that a detailed analysis of any lessons to be learned from this experience would need to await the publication of the Internal Audit report on the subject, which is covered below.

Secondly, the East Kent CCGs had commissioned a Governance Review of the organisations, which was expected to identify some areas for improvement, and it was felt that the Annual Report needed to refer to this ongoing work.

Thirdly, the Committee considered that additional narrative was required into the narrow achievement by the CCG of its Financial Targets, emphasising the challenge which this represented for subsequent years, as well as the credit due for their delivery. It was also felt that greater coverage could be given to the substantial but not full achievement of the QIPP programme, and the ongoing financial implications of this.

These points were all accepted by the Executive, and a fully compliant Annual Report, signed by the Accountable Officer, has subsequently been submitted to NHSE within the required timetable.

Annual Accounts

The Committee examined the Annual Accounts submitted by the Chief Finance Officer, and took advice both from Internal Auditors based on their own Annual Report covering the CCG's systems and processes, and from External Auditors based upon their provisional Management Letter and Audit Opinion.

The Internal Audit Annual Report gave a favourable opinion on the organisation's systems, stating that "Reasonable Assurance" could be drawn as to "the adequacy and effectiveness of Thanet CCG's risk management, control and governance processes".

The External Auditor's Report stated that, subject to the Committee approving the Accounts as presented, they expected to issue an "unqualified" (which means favourable) opinion on the CCG's Accounts and its achievement of Value for Money in the use of Public Resources.

The Committee welcomed the fact that the CCG had delivered on all its Financial Targets, despite the regrettable adverse impact of the External Determination involving expenditure with EKHUFT, and the positive reports received from its auditors. It wished to record its appreciation to the Finance Team for the very professional way in which the accounts had been produced. It also particularly wished to thank its clinicians for the very proactive way that they had contributed to this outcome, whilst always continuing to put patients first.

On the basis of the reports which it had received, which raised no matters of concern, the Committee was pleased to approve the Accounts for submission to the External Auditors.

The final audit requirement that Governing Body Members each agree to a standard "Statement of Representation" had been fulfilled at an earlier meeting. The Accounts were therefore submitted to the External Auditors as required by the NHSE timetable.

External Determination of Disputed Expenditure

The Committee and the Governing Body had both been previously made aware of a dispute between the four East Kent CCGs and EKHUFT involving substantial sums of commissioning expenditure. Around the end of the financial year, but prior to the Accounts being presented for final approval, the decision of the External Adjudicator was announced. As Governing Body Members will be aware, this was extremely unfavourable to the CCGs, including Thanet, compared with the assumptions upon which previous financial reports had been based, though Members had been advised of the element of risk in these.

It appears from the detailed adjudication report that the adverse findings for the CCGs arises largely from contractual management issues on the CCGs' side, where different technical arrangements might have led to a much better outcome. Whilst recognising that this result did not directly lead to any loss to the NHS as a system, it was considered that fully effective contracting processes were important to the functioning of the CCG. The Governing Body had therefore asked that its Internal Auditors undertake a review of this matter, so that any appropriate lessons could be learned.

The Committee was anxious to discuss progress on this matter with its Internal Auditors, as it attached high importance and urgency to this review. It was concerned that Terms of Reference for the review had not been finally agreed at the time of the meeting. As Chair of the Committee, I have subsequently endorsed the proposed Terms, and will update the Governing Body orally on the position at the meeting.

The Committee did not consider it appropriate to pre-empt the findings of the review by detailed discussion at this stage, but rather emphasised the importance of the report being fully considered by both itself, and most importantly the Governing Body, as a matter of urgency.

Other Business

As usual the Committee considered recent individual Internal Reports received in the new financial year. It also undertook its periodic review the CCG's Gifts and Hospitality Register. Neither of these raised any particular concern which need to be drawn to the attention of the Governing Body.

It should also be confirmed to the Governing Body for the record that the CCG's Business Continuity Plan was approved by the Committee at its January 2018 meeting, as this has not previously been formally reported.

[redacted]

Chair of Governance and Risk Committee

Report to:	Governing Body		**Agenda Item:**	5.4
Date of Meeting:	12 June 2018			
Title of Report:	Contracts			
Author:	[redacted], Chief Operating Officer			
Governing Body Sponsor:	[redacted] Chief Operating Officer			
Action Required:	Approval X	Decision	Discussion/ Assurance	Information
Conflict of Interest:	N	For Part 1		
Involvement of patients, carers, staff and stakeholders	Describe:			

Situation:

East Kent (EK) CCGs have recognised we need to review our current contract governance, management and reporting.

We have commissioned internal audit to undertake a review into the circumstances surrounding EKHUFT related expert determination and expect this to report opportunities to strengthen contract management and governance and to recommend the actions required to achieve this.

We expect the wider governance review to highlight similar opportunities to strengthen our contract arrangements.

Background:

EK CCGs collaborate to manage a number of provider contracts of which the most significant are with East Kent Hospitals Foundation Trust (EKUFT), Kent Community Healthcare Foundation Trust (KCHFT) and Kent and Medway Partnership Trust (KMPT).

There is a single EK contract with EKHUFT hosted and managed by Canterbury CCG. SKC CCG hosts and manages a single contract with KMPT. Thanet CCG leads on KCHFT contract management albeit there are four distinct contracts with this provider, one for each EK CCG.

A senior CCG staff team is designated to each of these contracts comprising a Chief of Finance, Chief Operating Officer, Chief Nurse or their deputies.

Professional Contract support for each of these key contracts has been provided until recently by North East London CSU (NEL). Following procurement, these services have moved to OPTUM.

EK CCGs were not satisfied with the level of contract support provided through NEL. In particular staff resources were quite often found to be overstretched leading to a reactive service and gaps in critical documentation and contractual processes. It is early days in our relationship with OPTUM and we are working with them to ensure they play an active role in delivering the recommendations from our internal audit and the governance review.

The establishment of local care teams by each CCG has added to the complexity associated with managing the four KCHFT contracts and there has been some confusion amongst CCG and KCHFT staff around where decisions about the contracts are made.

Assessment:

There is an opportunity to strengthen contract governance, management and reporting.

Shortcomings in contractual arrangements have on occasions been detrimental to good provider relations, sometimes causing unnecessary delay, bureaucracy and barriers to service transformation.

The recent expert determination was not in our favour largely due to failures in contract related processes and this has put the CCGs under greater financial pressure.

We have recognised the need to review our current contract governance, management and reporting and we do not need to wait for findings from Internal Audit and the wider governance review to begin to implement improvements. Whilst we expect these reviews to make important recommendations, we know the key steps we should take to strengthen contract arrangements and there is no reason to delay.

It is essential each of these key contracts is supported through a dedicated executive level team comprising operations, finance and quality. All contract related matters must go through this team providing the necessary clarity and audit trail for decision making.

We need to ensure appropriate information flow between local care teams both into and back from the key contractual meetings.

Recommendation:

The attached contract operating and reporting procedures for EK CCG's key contracts with EKHFUT, KCHFT and KMT are agreed and put into practice without delay to strengthen contract governance, management and reporting.

Risk description:

Lead Committee	Date Added	Risk Description Including Cause and Impact to CCG	Original Risk Rate	Actions Completed to Reduce Risks	Action Planned and Progress	Date By When All Actions will Be Completed	Owner / Risk Register
			0				

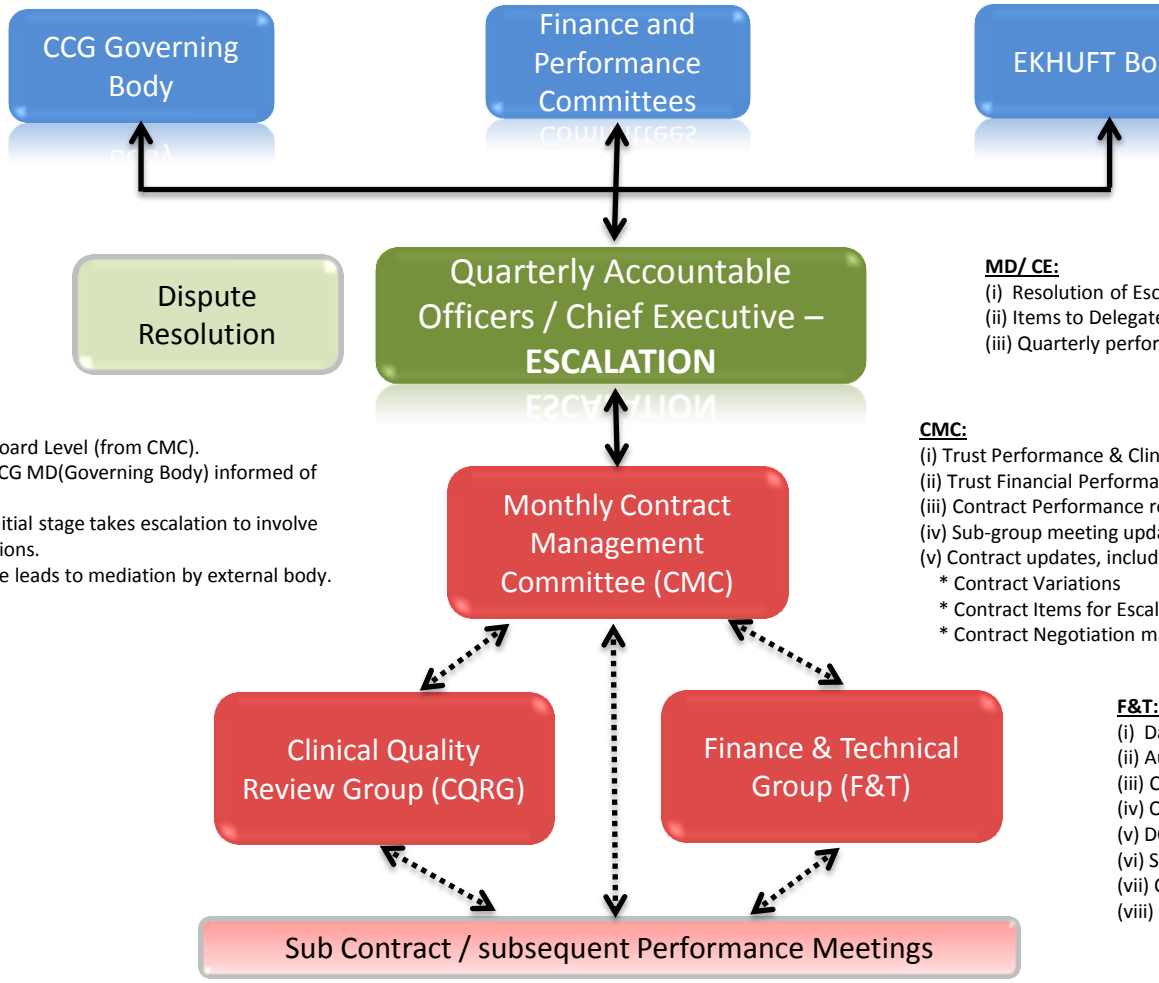
Supporting Paper/Appendices:

EKHUFT contract governance structure chart

KCHFT contract governance structure chart

KMPT contract governance structure chart

2018/19 EKHUFT Contract Governance structure



Core CCG Contract Exec Team:

- Karen Benbow – COO
- TBC – Deputy OO
- Jonathan Bates – CFO
- Kevin Tupper (Deputy Finance)
- Paula Wilkins (CN)
- Dawn Bisset (Deputy CN)

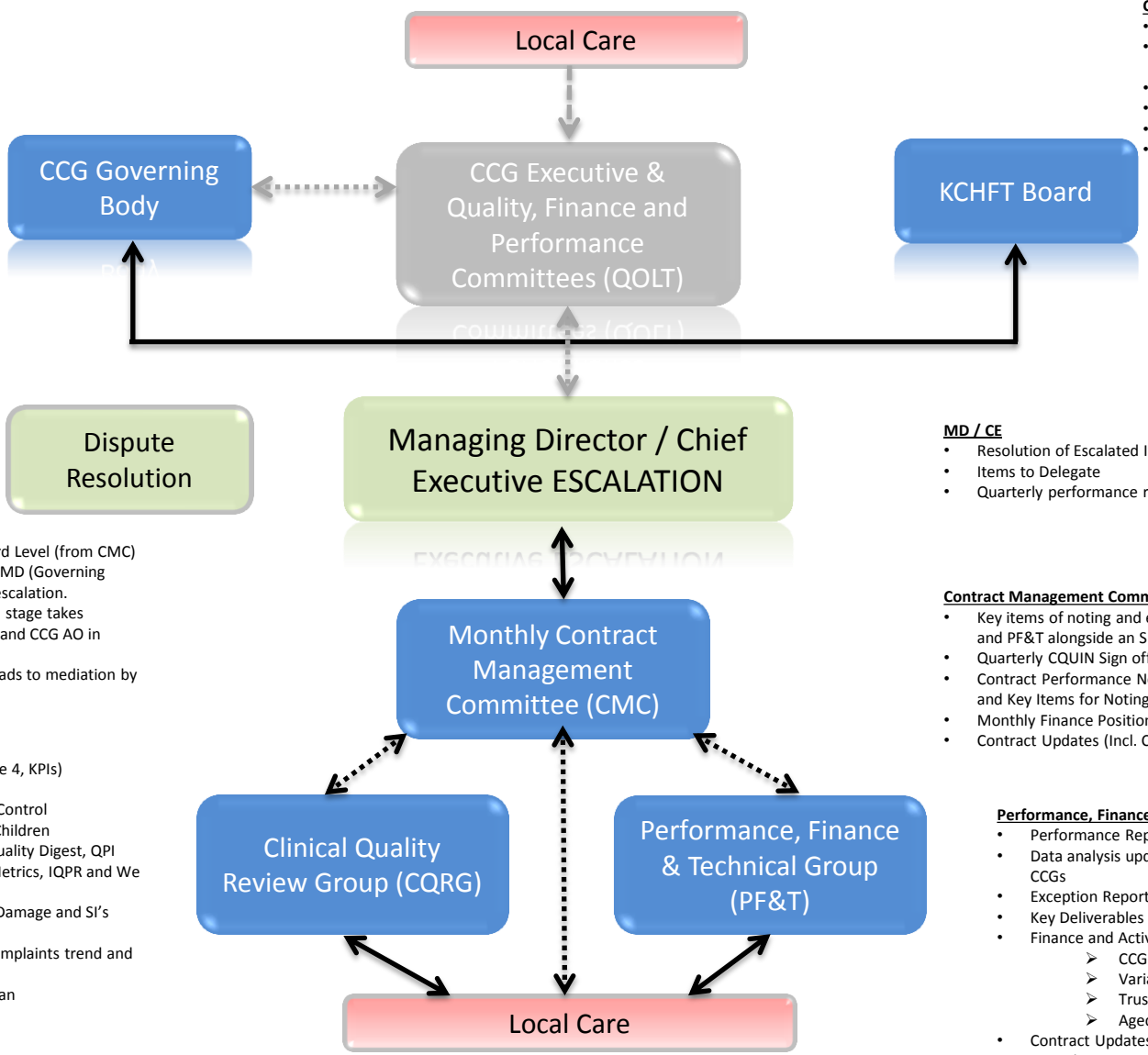
MD/ CE:
(i) Resolution of Escalated Items
(ii) Items to Delegate
(iii) Quarterly performance review

Escalation Process:
(i) Matters escalated to Board Level (from CMC).
(ii) CE (Trust Board) and CCG MD(Governing Body) informed of initial escalation.
(iii) Failure to resolve at initial stage takes escalation to involve CE and CCG MD in discussions.
(iv) Failure again to resolve leads to mediation by external body.

CMC:
(i) Trust Performance & Clinical Quality
(ii) Trust Financial Performance
(iii) Contract Performance review
(iv) Sub-group meeting updates
(v) Contract updates, including:
* Contract Variations
* Contract Items for Escalation
* Contract Negotiation matters

F&T:
(i) Data validation
(ii) Automated challenges summary
(iii) Challenge I- Performance letter
(iv) Quarterly / monthly reconciliation
(v) DQIP
(vi) SDIPs
(vii) Contract Variations
(viii) Contract Negotiation Technical matters

2018/19 KCHFT Contract Governance Structure



Core CCG Exec Team:

- Ailsa Ogilvie – Chief Operating Officer
- Kallie Heyburn – Head of Strategic Integrations and Commissioning
- Jonathan Bates – Chief Financial Officer
- Emma Emery – Head of Finance
- Paula Wilkins – Interim Chief Nurse
- Maria Reynolds – Head of Nursing, Quality and Safeguarding

MD / CE

- Resolution of Escalated Items
- Items to Delegate
- Quarterly performance review

Escalation

- Matters escalated to Board Level (from CMC)
- CE (Trust Board) and CCG MD (Governing Body) informed of initial escalation.
- Failure to resolve at initial stage takes escalation to involve CEO and CCG AO in discussions.
- Failure again to resolve leads to mediation by external body

Contract Management Committee

- Key items of noting and escalation from the CQRG and PF&T alongside an SBAR
- Quarterly CQUIN Sign off
- Contract Performance Notice Meetings – Update and Key Items for Noting
- Monthly Finance Position Update
- Contract Updates (Incl. CV's and notices)

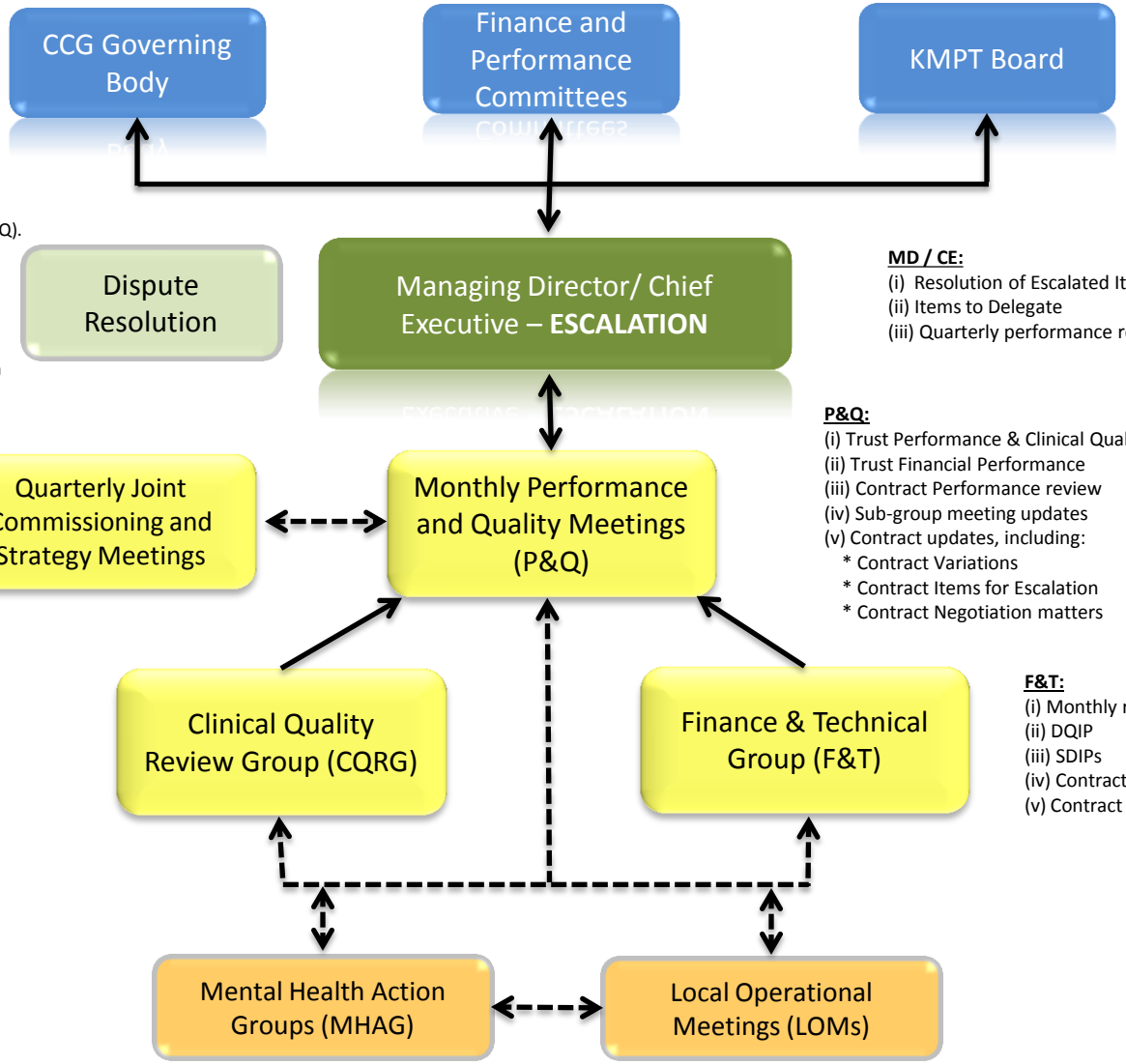
Clinical Quality Review Group

- Contract Update (Schedule 4, KPIs)
- CQUINs review quarterly
- Infection Prevention and Control
- Safeguarding Adults and Children
- LeDer (incl. Workforce, Quality Digest, QPI Report, Nursing Quality Metrics, IQPR and We Care Reports)
- Falls, VTE, TOC, Pressure Damage and SI's
- NICE Report
- Patient Experience and complaints trend and theme report
- Staff Survey and Action Plan
- Escalation Issues to CMC

Performance, Finance and Technical Meeting

- Performance Report Briefing- East Kent CCGs
- Data analysis update / Technical Issues - East Kent CCGs
- Exception Reporting with relevant Heads of Service
- Key Deliverables Highlight Report (Local Care)
- Finance and Activity Update
  - CCG Update
  - Variance Analysis
  - Trust Finance Report
  - Aged Debt
- Contract Updates (Incl. CV's and notices)
- DQIP / SDIP
- Issues for Escalation into the CQRG and CMC

2018/19 KMPT Contract Governance Structure



Core CCG Exec Team
Karen Benbow – COO
Nick Dawe – CFO
Jonathan Bryant – Clinical Chair
Andy Oldfield – Head of MH Commissioning
Maria Reynolds – Head of Nursing

Escalation Process:
(i) Matters escalated to Board Level (from P&Q).
(ii) CE (Trust Board) and CCG MD (Governing Body) informed of initial escalation.
(iii) Failure to resolve at initial stage takes escalation to involve CE and CCG MD in discussions.
(iv) Failure again to resolve leads to mediation by external body.

MD / CE:
(i) Resolution of Escalated Items
(ii) Items to Delegate
(iii) Quarterly performance review

P&Q:
(i) Trust Performance & Clinical Quality
(ii) Trust Financial Performance
(iii) Contract Performance review
(iv) Sub-group meeting updates
(v) Contract updates, including:
* Contract Variations
* Contract Items for Escalation
* Contract Negotiation matters

F&T:
(i) Monthly reconciliation
(ii) DQIP
(iii) SDIPs
(iv) Contract Variations
(v) Contract Negotiation Technical matters

Report to:	Governing Body	**Agenda Item:**	5.5
Date of Meeting:	12 June 2018		
Title of Report:	Thanet Board Assurance Framework		
Author:	[redacted], Risk and Assurance Manager		
Governing Body Sponsor:	[redacted], Company Secretary		
Action Required:		Discussion/ Assurance	
Conflict of Interest:	N	For Part 1	
Involvement of patients, carers, staff and stakeholders	Describe: N/A		

Situation:

The Governing Body is asked to review Appendix 1, the Board Assurance Framework for NHS Thanet CCG.

Background:

The format of this document has been developed in discussion with the Governance and Risk Committee and takes account of the internal audit review which TIAA Ltd undertook on our behalf.

The BAF consists of both a front page and a summary document.

The front page gives the committee an 'at a glance' overview of how the CCG is performing against its strategic objectives via a RAG rating against each of the objectives. The key for determining how to rate performance is noted at the bottom of this page. It also notes the source of assurance relating for each objective, e.g. where the information to support the RAG can be found.

The summary document gives the committee the detail around

- what actions the CCG are taking to meet it's objectives
- The 'leads' for the objective (GB/ clinical and operational)
- Controls and assurance the CCG has in place for ensuring the objective is met
- Gaps in our assurance
- Risks to the CCG achieving the objective (taken from the risks on the CCG risk register)

Assessment:

This document is based on the critical performance areas for the CCG, outlined in its Operational Plan. It also includes primary care, for which the CCG had been given limited assurance, and financial balance, which is critical to the CCG's ongoing viability.

The actions identified for success also correlate with the CCG's Operational Plan and key risks in the risk register are included. The front sheet gives both an initial RAG rating to each area, as well as a current RAG with a narrative of the current status.

Recommendation:

The document is to be updated, at a minimum, every 3 months for presentation to the Governing Body.

Risk description:

Lead Committee	Date Added	Risk Description Including Cause and Impact to CCG	Original Risk Rate	Actions Completed to Reduce Risks	Action Planned and Progress	Date By When All Actions will Be Completed	Owner / Risk Register
			0				

Supporting Paper/Appendices:
Board Assurance Front Sheet Board Assurance Summary

Strategic Objective	Key area for the CCG	RAG May 2018	Source of assurance	Current status	Current RAG
1A	Sustainability and Transformation Plan	Amber	East Kent Strategy Board report	EK Strategy being developed; consultation likely to be deferred. Most projects amber	Static
1B	Local Care Models	Green	Integrated Executive Programme Board report		
2	Achieving financial balance	Amber	Governing Body Report	Immediate savings plan has been drawn up but significant savings to be made	Static
3A	Delivering RTT	Red	Integrated Quality and Performance Report	Not meeting RTT 18 week target November 2017 - This trajectory is getting worse	Static
3B	A&E targets	Red	Integrated Quality and Performance Report	Not meeting A&E target	Static
3C	Cancer targets	Red	Integrated Quality and Performance Report	NHSE rates as needing improvement. Not consistently meeting targets	Static
3D	Mental Health	Amber	Integrated Quality and Performance Report	KMPT not meeting EIP targets	Static

3E	Improving Access to Psychological Therapies (IAPT)	Green	Integrated Quality and Performance Report	Almost on target of 50% recovery rate	Static
3F	Dementia	Red	Integrated Quality and Performance Report	Outside of 5% of target	Worse
3G	Diabetes	Green	Integrated Quality and Performance Report	NHSE rated CCG as needs improvement. All NICE treatment targets achieved. 87% participated in NDA	Static
3H	Maternity	Red	Integrated Quality and Performance Report	Historically very poor performance. 18.4% smoking at time of giving birth	Static
4	Primary Care Quality	Amber	Clinical Cabinet Report	Delivering some outcomes only	Worse
5	Learning Disabilities	Amber	Integrated Quality and Performance Report	NHSE rates as needing improvement. Project at amber status November 2017 – This is improving	Static
6	Patient Experience, quality and safety	Amber	PPE report	Engagement good	Static

Key:

Performance	**Projects**
Green: on target	likely to deliver outcomes
Amber: within 5% of target	delivering only some of the outcomes
Red: anything less than 5%	not delivering desired outcomes

Thanet CCG Board Assurance Summary: We will improve the health outcomes of the people who live in the Thanet area					
1.A We will develop and deliver the Sustainability and Transformation Plan				**Current RAG**	
Actions to deliver this objective	Target date	Governing Body Lead/ Clinical Lead/ Operational Lead	Controls and assurance	Gaps in assurance	Risks to the delivery of the strategy
• Develop the hospital care business case, including stroke • Develop the Local Care business case • Develop the workforce strategy • Develop the finances for the STP • Prepare the pre-consultation business case Develop Integrated Commissioning Board	March 2018	**GB Lead:** Caroline Selkirk **Clinical Lead:** Tony Martin **Operational Lead:** Oena Windibank and Jonathan Bates	**Departmental assurance** • Senior staff attendance and K&M work stream meetings and work stream reports **Organisational assurance** • Board Assurance Report to GB meeting • STP Governance Framework • East Kent Delivery Board established to report on local implementation of STP • EK Transformation Group established • K&M Local Implementation group in place • STP Delivery Plan in place • Local Care Delivery Plan developed to be discussed at Governing Body and to inform PCBC • **External assurance** • Public consultation on the Plan • Listening events held • NHSE oversight of process • Review of public engagement underway. Design by Dialogue sessions	• Timetables have slipped • Costings of STP show significant gap • Insufficient provider engagement with scale of change • Feedback loops into GB	LC002 – Risk that the scale of the work involved with the local care model is not reflected in the timescales LC003 – Risk of providers not engaging with Local Care work PC009 – If the Primary Care Strategy does not deliver as intended, we could fail to deliver the STP

1.B Local Care Models				Current RAG	
Actions to deliver this objective	Target date	Governing Body Lead/ Clinical Lead/ Operational Lead	Controls and assurance	Gaps in assurance	Risks to the delivery of the strategy
• Develop the case and plan for Thanet Local Care	March 2018	**GB Lead:** Accountable Officer **Clinical Lead;** Tony Martin/ **Operational Lead:** Oena Windibank	**Departmental assurance** • Clinically led EK wide Local Care planning groups are operational with strong plans • Clinically led Primary Care Home teams established • Local Operational group in place **Organisation assurance** • Integrated Executive Programme Board established • EK wide reporting structure is operational • Project Management Office established and Director in place • Bethesda build progressing and Estates Strategy developing **External assurance** • Listening events • Esther engagement model operational • STP maturity matrix assessment	• Insufficient senior provider engagement with IEPB • STP timetable has slipped slowing local progress • Delays with Tiers of Care implementation	LC002 – Risk that the scale of the work involved with the local care model is not reflected in the timescales LC003 – Risk of providers not engaging with Local Care work

2. We will meet our financial targets, particularly maintaining financial balance delivering the key savings projects				**Current RAG**	
Actions to deliver this objective	Target date	Governing Body Lead/ Clinical Lead/ Operational Lead	Controls and assurance	Gaps in assurance	Risks to the delivery of the strategy
• Controlling expenditure with providers • Developing the whole system demand and capacity model • Efficient cost-effective prescribing • Focus on placements provider fees • Continue redesign of pathways, using tiers of care	March 2018	**GB Lead:** Jonathan Bates/ **Clinical Lead:** Tony Martin/ **Operational Lead:** Emma Emery	**Departmental assurance** • Strong, well qualifies and experienced staff • Weekly monitoring by exec team **Organisational assurance** • Finance Report and Recovery Plan Report to each Quality Performance and Delivery Committee and reported to each Governing Body Meeting • Report to Governance and Risk Committee **External assurance** • NHSE oversight • External review by Consultant for NHSE and CCG • Internal and External Audit oversight	• Delays in some savings plans • Lack of provider buy in and cooperation	PC002 –Insufficient resources to manage delegated commissioning CS002 – Allocated budget for Psicon is being exceeded by activity in relation to ADHD referrals PS003 – Due to 'No Cheaper Stock Offered' the cost of CCGs prescribing budget could be exceeded

3. We will deliver the constitutional and access standards, and NHSE Clinical Priorities particularly:	Current RAG	
A. RTT		
B. A&E and ambulance pathways		
C. 62 day wait for cancer		
D. Mental health access standards		
E. IAPT (access/ recovery and 6 week waits)		
F. Dementia (diagnosis rate)		
G. Diabetes		
H. Maternity		

Actions to deliver this objective	Target date	Governing Body Lead/ Clinical Lead/ Operational Lead	Controls and assurance	Gaps in assurance	Risks to the delivery of the strategy
• Commissioning sufficient activity across all providers to deliver all targets, including for cancer, RTT, & mental health • Implementation of pathways • Implement BCF initiatives • Implementation of	**March 2019** **March 2019**	GB Lead: Ailsa Ogilvie Clinical Lead: **RTT**: John Neden **A&E**: John Neden **Cancer:** John Neden **Mental Health:** Jihad Malasi **Dementia:** Jihad Malasi **IAPT:** Jihad Malasi **Diabetes:** John Neden Operational Lead: Ailsa Ogilvie	**Departmental assurance** • Monthly 1;1 reviews by COO with key staff **Organisational assurance** • IQPR overseen by the Quality and Operational Leadership Team, with exceptions reported to Governing Body • EK PMO and weekly EK executive meetings • Weekly Thanet exec team meetings • Monthly contract management	• Delays in Tiers of Care • Lack of provider engagement • Inadequate delivery of improvement plans • Gaps in provider workforce identified by CCG	HO003 – Risk that the A&E trajectory may not CA001 - Risk that EKHUFT will fail to achieve the 62 day Cancer Access standard that they have agreed with the CCG, Monitor and NHSE HO008 and H009 – Risk that the revised trajectory for RTT will not be achieved

collaborative projects at EK level • Monitoring providers' Recovery Action Plans to ensure performance and quality			meetings and CPN meetings **External assurance** • NHSE oversight • Figures agreed with providers		

4. We will improve the quality and sustainability of primary care				**Current RAG**	
Actions to deliver this objective	Target date	Governing Body Lead/ Clinical Lead/ Operational Lead	Controls and assurance	Gaps in assurance	Risks to the delivery of the strategy
• Development of local care clinical models via the Primary Care Home model • Using national and local programmes to improve the resilience of primary care and develop working at scale • Development of a population health management approach to the design and delivery of services • Workforce development and deployment is competency based • Development of 'local hub hat are able to provide a wider range of services, manage referral activity and prescribing and build community resilience • Use of Digital Technology	December 2018 March 2019 March 2019 March 2019 March 2020 /	Governing Body Lead: Tony Martin/ Sue Martin Clinical Lead: Primary Care Home Clinical Leads Operational Lead: Maria Howden/ Nicola Williams	**Departmental assurance** • Primary Care Transformation Lead and Commissioning teams in place • Monthly Quality and Finance reports **Organisational assurance** • Board Assurance Report • IQPR including Primary Care to QOLT • Exception reporting to PCCC **External assurance** • PCCC held in pubic • NHSE oversight • Individual Patient Participation Groups • Health Reference Group	• Practices not carrying out peer review across PCH • Some improvement required in Primary Care target achievement • Pockets of vulnerability in relation to practices • Lack of identified quality resource in Primary Care • Primary Care Commissioning Team under resourced in comparison to other east Kent CCGs.	PC001 – Multiple GP vacancies PC002 - There is a risk that there are insufficient resources to manage delegated primary care commissioning responsibilities effectively

to enable a shared patient record and more efficient ways of working • Establishment of Primary Care Commissioning Committee (PCCC) and Primary Care Operational Group (PCOG)	21 March 2020 (national deadline to go paperless)				

5. We will implement plans to transform care for people with learning disabilities				Current RAG	
Actions to deliver this objective	Target date	Governing Body Lead/ Clinical Lead/ Operational Lead	Controls and assurance	Gaps in assurance	Risks to the delivery of the strategy
• K&M Transforming Care Plan (TCP) developed and being implemented • Establishment of K&M Transforming Care Board and SRO • K&M TCP Finance Board established and meeting regularly • Dedicated Transforming Care team in place • Put in place pooled funding arrangements • Transforming Care Management Information reports to be put in place • Development of community infrastructure and housing strategy	March 2019	GB Lead: Accountable Officer Clinical Lead: Jihad Malasi/ Operational Lead: Jimmy Kerrigan	**Departmental assurance** • Staff actively working on delivering the programme • Regular 1:1 by Thanet COO with K&M Operational Commissioning Lead • K&M Transforming Care Team established **Organisational assurance** • Strong K&M governance in place regular reporting to Thanet committees **External assurance** • Substantial NHSE oversight at a senior level	• Some slippage in delivery of the plan • Inadequate resource at a K&M level	Community infrastructure not yet in place Funding from NHSE not yet received

6. We will improve patient experience, quality and safety				Current RAG	
Actions to deliver this objective	Target date	Governing Body Lead/ Clinical Lead/ Operational Lead	Controls and assurance	Gaps in assurance	Risks to the delivery of the strategy
• Develop and implement Patient Engagement Strategy for current and future services • Quality Monitoring of patient experience through reported incidents/complaints etc • Delivery of Quality Strategy • Delivery of toolkits for HCAI, Quality and Safeguarding • Oversee Recovery Action Plans to drive improvements by providers in patient experience and safety • Joint working to identify workforce issues • Review avoidable mortality rates	March 2018	Governing Body Paula Wilkins/Clive Hart Clinical Lead: Maria Reynolds Operational Lead: Maria Reynolds	**Departmental assurance** • Regular 1:1 between COO and Head of Nursing, Quality and Safeguarding • Quality issues discussed at weekly exec meetings and through EK Quality Round Table • Quality Deep Dives and visits by team **Organisational assurance** • General issues relating to Patient and Public engagement will be reported at each Governing Body meeting. • The Assurance Report against each Clinical Objective includes Patient Engagement and Patient Experience. • Quality and Safeguarding report to the Quality Operational Leadership Team meeting and GB • Key provider contracts underpinned by monthly Clinical Quality Reference Groups **External assurance** • NHSE oversight • Patient Experience reporting/ surveys and complaints • CQC visits • External audits	Lay Nurse post for Thanet CCG remains vacant	Significant quality risks within acute commissioned provider Increase in Never Events reported CQC inspections have identified significant quality risks within commissioned providers

Report to:	Governing Body	**Agenda Item:**	5.6
Date of Meeting:	12 June 2018		
Title of Report:	Thanet Corporate Risk Register		
Author:	[redacted], Risk and Assurance Manager		
Governing Body Sponsor:	[redacted] Company Secretary		
Action Required:		Discussion/ Assurance	
Conflict of Interest:	N	For Part 1	
Involvement of patients, carers, staff and stakeholders	Describe: N/A		

Situation:
The Governing Body is asked to review Appendix 1, consider the most serious risks to the CCG and discuss what action the Governing Body wishes to mandate with relation to those ongoing, 'high' risks to the CCG.

Background:
The Governing Body last reviewed the corporate risk register in March 2018. The risk register is also reported to the Quality, Operational Leadership Team Committee on a bi-monthly basis and is reviewed by the Governance and Risk Committee to ensure that risks are being appropriately rated and recommended for closure.

Assessment:

The risks with a current *'red'* risk rating are attached as **Appendix 1.**

Appendix 1 shows us that:-

One risk has remained on the risk register since **2015**.

Risk No	Description of risk
LC002	There is a risk that the original implementation timeframe for the development of the IACO will not address the scale of the current challenges in local health and social care including related cost and activity in hospital, resulting in poor patient experience, workforce issues and unsustainability.

This risk concerns the ongoing work of the CCG to develop a Local Care model of working for the CCG and therefore there is no target date for closure.

Two risks remain on the register from **2016**.

Risk No	Description of risk
H003	There is a risk that the A&E trajectory will not be achieved, resulting in further financial loss, reputational risk, and potential quality concerns.
LC003	There is a risk that the incumbent providers will not continue to engage in the IACO development process leading to a delay in the transformation of the local service model. Resulting in financial, clinical and workforce issues.

This risk reflects the CCGs on going challenge in managing provider performance and engagement.

Since March the following 'high' risks have been **recommended for closure**;

Risk No	Description of risk	Reason for closure
P0018	There is a risk that due to a lack of identified quality resource for primary care that the CCG cannot discharge its functions around assurance of Safeguarding, Quality and Infection Prevention and Control within Primary Care	Primary Care Quality Improvement Lead now in post, Recommendation that risk close

Since March, the following 'high' risks have been **added** to the risk register;

Risk No	Description of risk

L0006	There is a risk that IC24 have too clinical few staff to fill the OOH rota and also that staffing matters in the 111 service result in calls not being handled in a timely manner

Since March, the following 'high' risks have been **downgraded** from the corporate risk register;

Risk No	Description of risk	Reason to reduce rating
PS004	The is a risk that the CCG's prescribing budget will be exceeded due to 'No Cheaper Stock Offered' (NCSO)	The risk has reduced as we now have a fairly close prediction of the effect to the end of the financial year, which removes the unknown element.

Since March the following risks have been upgraded to the corporate risk register;

Risk No	Description of risk	Reason to upgrade
H006	There is a risk that a lack of specialist Infection Prevention and Control (IPC) staff at EKHUFT is impacting on provision of assurance around various aspects of HCAI management	This risk has led to patient harm, with incidents related to both legionella and MRSA colonisation on the WHH neonatal unit with significant reputational risk to the trust and health economy.

Recommendation:

Moving forwards categories within the register will be ordered in line with the Risk Management Strategy so that the Committee will be able to easily see the risk triggers in relation the organisation risk appetite.

Work continues by the governance team to improve the process to assist staff in maintaining the register.

Risk description:

Lead Committee	Date Added	Risk Description Including Cause and Impact to CCG	Original Risk Rate	Actions Completed to Reduce Risks	Action Planned and Progress	Date By When All Actions will Be Completed	Owner / Risk Register
			0				

Supporting Paper/Appendices:
Risk Register

Thanet Corporate Risk Register

ID	Corresponding ID	Corporate designation :	CCG Workstream	BAF objective	Date Opened	Full Description of Risk	Inherent Impact	Inherent Likelihood	Inherent Risk Rating	Current Mitigation	Actions Planned to reduce risk	Target Impact	Target Likelihood	Target Risk Rating	Date Due	Lead Clinical / Executive Support	Lead Committee	Next Planned Review Date	Status/ Tolerate or Treat	Progress	Current Impact	Current Likelihood	Current Risk Rating	Direction of Travel
LC002	LC002	Local Care	7. IACO		May-15	There is a risk that the original implementation timeframe for the development of the IACO will not address the scale of the current challenges in local health and social care including related cost and activity in hospital, resulting in poor patient experience, workforce issues and unsustainability.	4	4	16	1.The establishmnet of the K&M STP Local care workstream will drive forward change with pace 2.Local PCH plans under development with key local operational projects initiated particularly linking to acute activity and primary care resilience	1. Local Care Delivery Plan to be put in place. 2. Alignment with financial planning	3	3	9	Ongoing	Oena Windibank/ Tony Martin	Clinical Cabinet	Apr-18	Open/Tolerate	The CCG has mobilised locality models with the Locality Leads. There has been an appointment of a Chief Officer to lead the IACO work. The CCG now has the engagement of localities in the development of 3 year PC locality plans. The CCG has hosted workshops for multi-disciplinary design in localities There has been progress with the organisation of IEPB Carnall Farrar project has identified business plan for IACO (SKC/Thanet) A Local Care Delivery Plan has been developed including finance & activity data out of secondary care. This identifies any financial gap and phasing in of interventions STP Delivery Plan submitted	4	4	16	➡
LC003	LC003	Local Care	7. IACO		Nov-16	There is a risk that the incumbent providers will not continue to engage in the IACO development process leading to a delay in the transformation of the local service model. Resulting in financial, clinical and workforce issues.	5	4	20	1. There is an AO escalation process via the EK Federation to raise awareness across EK 2. There is a risk resolution process via meetings between the CCG AO and Provider CEOs	1. K&M strategic implementation group formed 2. Alignment of Local Care Plans to to contracts 3. Review of governance 4. Provider alignment underway	4	3	12	Mar-17	Oena Windibank	Quality and Operational Leadership Team	Apr-18	Open/Treat	Within the past few weeks the Provider CEOs have indicated to the CCG their concerns regarding the IACO development process, halting communications to staff and disengagment from the IEPB. This means that the CCG must consider alternative approaches to developing the IACO model, including market engagement and procurement. Until we see significant change in provider attitudes and/ or understand the ability of the market to deliver the IACO, quantifying the risk is difficult. Local GP providers are part of EK ACP discussions. Implementation group in place. Local Care Delivery Plans being finalised end of Mar 18 Governance now working STP Delivery Plan shared with providers	5	4	20	➡
LC006	LC007	Local Care	1. Integrated Comm inc. urgent		Jan-18	There is a risk that IC24 have too clinical few staff to fill the OOH rota, coupled with staffing issues in the 111 service will lead to calls not being handled in a timely manner resulting in risks to patients.safe and timely care and of poor patient experience.	3	3	9	1. Monthly contract and performance meetings in place. 2. Monthly development meetings in place as this contract mobilised very quickly. The meetings give a focus to how stakehholders can work together to share possible solutions to workforce challenges.3. Monthly clinical governance meetings in place (whole system stakeholders, lead commissioner and clinical leads) to learn from incidents, undertake end to end reviews. 4 MOU in place determining how EART is going to work with IC24 to help capacity and use of clinical skills in TCCG.	Meetings are being held between IACO / eART and IC24 to continue discussions to develop services for the future and to review how the connections between IC24 and EART are working.	1	2	2		Paula Evans	Quality and Operational Leadership Team	May-18	Open/Treat	IC24 have now taken over the contract from Prime Care. Though clinical staffing challenges continue, the provider is working closely with local care models to help reduce risks with local care models helping to enhance service capacity. There is closer dialouge between provider and commissioner. A Kent Clinical Director is due to be appointed. A full data set regards KPI's are due to come to the next C&P meeting. During the Christmas period there were particular issues with dropped calls for 111 and improvements for this are already being worked on by the provider. April 2018: Nect contract meeting due 19 April - full update to provided by commissioner following this meeting.	5	4	20	
HO003	HO003	Hospital	1. Integrated Comm inc. urgent		May-16	There is a risk that the A&E trajectory will not be achieved, resulting in further financial loss, reputational risk, and potential quality concerns.	4	4	16	1. Urgent care action plan in place with CF providing support to EKHUFt to impliment sustainable improvement 2. EK urgent care Monthly meetings of A&E delivery board and Urgent Care Operational Group in place to monitor progress of the Urgent care action plan. 3. EK Urgent Care Lead in place (William Anderson, reporting Bill Millar, Ashford / Canterbury and Coastal CCGs COO).	1. Demand management - development of primary care Hubs, MDTs, home visiting and frailty appointments 2. ED - increased Psych Liaison provision, Patent Flow improvements throuh early discharge planning and home first initiatives, GP streaming to be in place/improved on all sites 3. Bed Management - CHC and DTOC improvement plans in place	4	2	8	Ongoing	Karen Benbow/ Clara Wessinger	Quality and Operational Leadership Committee	May-18	Open/Treat	April 2018: ongoing failure to achieve the 4 hr wait target or to demonstrate sustained improvement. Psych liaison increase implemented. GP in A&E capacity improving.	4	4	16	➡
HO006	HO006	Hospital	2. Integrated Planned Care		May-15	There is a risk that a lack of specialist Infection Prevention and Control (IPC) staff at EKHUFT is impacting on provision of assurance around various aspects of HCAI management e.g. training, patient assessment, notification of alert organisms etc. meaning Thanet and SKC residents would be more likely to contract HCAIs.	4	3	12	Acute Trust have compiled an action plan for review and implementation. Progress is also being moniotred by the head of IPC via regular meeetings with the Trust lead. The Trust is now subject to NHSI chaired single oversight meetings that include IPC as one of over 15 key areas - attended by the CNO for East Kent CCGs. .	CCG to monitor the acute trusts performance or delivery of the plan, allowing them to receive assurance around progress and HCAI management. At the CQRG on 12 07 17 the CCGS will consider contractual options including a CPN. NHSI to complete a support visit on the 8th /9th August and the CCG Head of IPC will be part of the visit team., to provide assurance and a	2	2	4	Jul-18	Esther Taborn	Quality and Operational Leadership Committee	May-18	Open/Treat	April 2018 - A Trust wide action plan is in place to address a number of risks resulting from an organisational lack of IPC capability. This includes failure to comply with the requirements of the Health and Social Care Act as well as contractual breeches around schedule 4. A single item QSG has been held in Jan / Feb 2018. However this risk has led to patient harm, with incidents related to both legionella and MRSA colonisation on the WHH neonatal unit with significant reputational risk to the trust and health economy. Therefore, risk level raised.	5	4	20	⬆
HO008	HO008	Hospital	2. Integrated Planned Care		Jan-18	There is a risk that performance against the referral to treatment (RTT) target for 18 weeks will continue to deteriorate, resulting in poor patient and stakeholder experience, lack of confidence in the service, reputational risk and additional financial pressure to the CCG.	4	4	16	1. CPN raised with EKHUFT 2. CPN monitored monthlyfocussing on specific issues at specialty level. 3. Detailed RTT monitoring underway to help quickly identify areas of concern for review.	Continue monitoring performance. Progress tiers of care programmes across East Kent	4	2	8	Ongoing	Adrian Halse	Quality and Operational Leadership Committee	May-18	Open/Treat	Apr 2018: Work on tiers of care programmes continues to progress. EKHUFT have been asked to explain apparent differences in trends of RTT clock starts and referrals - still awaiting explanation. Winter pressures have led to deterioration in performance, but expectation that there will be improvement over the coming months.	4	4	16	➡
HO009	HO009	Hospital	2. Integrated Planned Care		Jan-18	There is a risk that the number of patients waiting over 52 weeks for treatment will not reduce resulting in poor patient and stakeholder experience, lack of confidence in the service, reputational risk and additional financial pressure to the CCG.	4	4	16	1. CPN raised with EKHUFT 2. CPN monitored monthly with EKHUFT, focussing on specialty level issues. 3. Weekly return on those waiting more than 46 weeks provided to CCGs to provide focus on the number who still need a decision to admit (DTA) within 52 weeks.	Vacancies within Gynaecology to be filled and backlog dealt with between January and April. Review General Surgery pathway for high BMI patients.	4	2	8	Ongoing	Adrian Halse	Quality and Operational Leadership Committee	May-18	Open/Treat	Apr 2018: Gynaecology vacancies have been filled and activity is expected to increase once winter pressures subside. Discussions with tier 3 weight management provider underway to transfer high BMI general surgery patients. Performance is deteriorating due to limited capacity over winter, but is expected to improve in coming months.	4	4	16	➡
PC019		Primary Care Co-Commissioning	8. Primary Care		Aug-17	There is a risk that due to current issues with The Limes surgery including the results of its CQC reinspection and ongoing premesis issues regarding the branch surgery, that resiliance may be decreasing leading to increasing levels of complaints from NHSE, patients and MPs and resulting in lower levels of patient care.	4	4	16	CCG Team established to review CQC report and visit the practice to develop a revised action plan.	Meeting with the practice and Interim Head of PCCC to discuss estates issues and patient reported complaints on regular basis. Performance notice to be reissued in Jan 2018.	2	2	4	43344	Nicola Williams/Ailsa Ogilv	PCCC	May-18	Open/Treat	March 2018: Primary Care team met with the practice and feel that all of the actions identified should (if achieved) address the issues. The practice have since applied to the CCG to close their list, reduce their boundary and close the Garlinge branch surgery. April 2018: The CCG are meeting with the practice 17th April 2018 to discuss ongoing concerns.	4	4	16	➡
F0001	F0001	Finance			Feb-18	There is a risk that the CCG will hit it's finacial statutory target, resulting in risk to clinical care a to the reputation of the CCG.	5	5	25	Robust challenge of EKHUFT billing leading to mediation by NHSE and NHSI personnel. Work to resolve historic CCG debt underway and many resolved, e.g KCHFT wheelchairs dispute. Review work underway for CHC with significant savings achieved from work done by Liasion Limited. Work to manage GP drugs spend undertaken throughout the year. Planning and contract work underway to manage spend in 2018/19 in line with new year funding allocation.	Push mediation process to conclusion and implement findings robustly. Continue CHC work maximising savings. Continue work to reduce GP drug spend.	4	3	12	Mar-19	Jonathan Bates	Quality Leadership Team Meeting	May-18		April 2018: External Determination has rule with the result that CCG is in deficit and statutory targets have not been hit.	5	5	25	➡

F0002	F0002	Finance			Feb-18	There is a risk that the CCG will fail to develop effective plans to improve care and reduce costs, resulting in poor contracts with providers and leading to poor quality, expensive care.	4	4	16	Detailed plans for implementing Tiers of Care and unplanned care in a local care setting. Detailed finance and activity plans drafted.	Arbitration on contract disputes with EKHUFT underway to achieve a joint understanding of activity and cost at the start of 2018/19. Contract planning timetable in place with key providers.	4	3	12	Mar-18	Jonathan Bates/ Karen Benbow	Quality Leadership Team Meeting	May-18		April 2018: Plans for 2018/19 are being reviewed in light of External Determination result.	5	5	25		

Report to:	Governing Body		**Agenda Item:**	6.1
Date of Meeting:	12 June 2018			
Title of Report:	Report from Primary Care Commissioning Committee			
Author:	[redacted], Committee Chair			
Governing Body Sponsor:	[redacted], Committee Chair			
Action Required:	Approval	Decision	Discussion/ Assurance	Information Y
Conflict of Interest:	N	For Part 1 (delete as necessary)		
Involvement of patients, carers, staff and stakeholders	Describe: The public are invited to attend the meetings of the Committee and did on the two occasions on which the Committee has met. They made representations concerning Newington and the Limes surgeries.			

Situation:

To report to the Governing Body specific issues of concern raised at the PCCC meetings:

- Need to review the membership of the Committee now that there has been some restructuring including an East Kent dimension
- Application lodged by The Limes surgery to close Garlinge
- Application lodged by Newington to close its list
- Application lodged by The Grange surgery to close its list
- Understanding that all surgeries in Ramsgate apart from The Grange are actively managing their lists
- Lack of information about the potential merger between Northdown and Bethesda surgeries
- Need to clarify the estates strategy in relation to the Quex area to enable further developments

Background:

The role and membership of the PCCC has changed and need review in light of the new governance arrangements, including what role East Kent will play in primary care commissioning. These issues have been raised with the PwC Governance review and it is hoped that the review will suggest a suitable way forward.

The Committee has received a request for closure of Garlinge and two requests from practices to close their lists. All requests have so far been refused, although mitigating actions have been put in place and further discussion will take place over the next few months. The primary care commissioning team is engaging with the practices to review whether alternative options can be

found and, in the case of Garlinge, a way of providing alternative access to primary care.

Assessment:

The Committee has become aware that some practices are "managing" their lists and in some instances are even telling patients their lists are closed, which is not the case as the Committee has not agreed any list closures. The argument given is that it is not safe to take on more patients.

The list management is putting considerable pressure on a number of GP practices in Thanet, some of whom (particularly The Grange) are facing extreme workforce pressures.

Recommendation:

The Committee would like the Governing Body to discuss what it regards as acceptable to ensure the Committee can take a robust approach to supporting sustainable primary care across all of Thanet.

The estates strategy needs to be developed to include more detail about the estate options for individual practices, and particularly what the CCG plans for the Quex area.

Risk description:

Lead Committee	Date Added	Risk Description Including Cause and Impact to CCG	Original Risk Rate	Actions Completed to Reduce Risks	Action Planned and Progress	Date By When All Actions will Be Completed	Owner / Risk Register
PCCC	17th May 2018	That some practices in Thanet are actively telling patients they are not taking additional patients and are providing letters saying this has been agreed either by the CCG or NHSE. This means patients are delayed in accessing timely primary care services, the CCG has additional work in allocating patients to a GP practices and are being misrepresented as having allowed practices to close their lists.	12	Patients allocated to practices promptly (within 48 hours). Practices are called to determine why they have refused to register a patient on their list.	Meeting to be held with Ramsgate practices to determine how they can work together to manage their increasing list sizes whilst still allowing patients access to primary care.	End of June 2018	Nicola Williams

Supporting Paper/Appendices:

SJH_07

Creative Industries in Historic Buildings and Environments

CONSERVATION AREA CASE STUDIES

OCTOBER 2018

PREPARED FOR HISTORIC ENGLAND

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1 SUMMARY

This is one of four documents that report research done into the role of historic parts of towns and cities in nurturing groups of organisations that are involved in creative industries.

A Summary report explains all the work done and summarises the main conclusions.

Other reports have full analysis of data from Companies House about companies defined by the Department of Culture, Media and Sport (DCMS) as being creative industries located in conservation areas in England, and a summary of interviews with developers.

This report has research done into creative industries in twelve case study conservation areas.

The work has been in produced in parallel with another study that has assessed all commercial uses[1] of listed buildings in the centres 55 cities and towns in England, which is contained in a further report.

Section 2 and Section 3 have, respectively, details of 12 conservation areas studied. Four are in London and one in each of the eight other regions of England. There is a history of each area and how[2] it evolved into a hub for creative industries.

Figure 1: Case Study Areas

National rating by density of Creative Industries	Conservation Area	Local Planning Authority	Region	Core City
7	South Shoreditch	Hackney	London	
14	Old Bethnal Green Road	Tower Hamlets	London	
17	Seven Dials (Cov Gdn)	Camden	London	
26	Bermondsey Street	Southwark	London	
47	Smithfield	Manchester	North West	Y
75	Cultural Industries Quarter	Sheffield	Yorkshire	Y
77	Digbeth, Deritend Bordesley High Streets (DDBHS)	Birmingham	West Midlands	Y
125	Lower Ouseburn Valley	Newcastle upon Tyne	North East	Y
161	Friar Gate	Derby	East Midlands	
212	City Centre	Norwich	East of England	
246	Central	Cheltenham	West Midlands	
403	Ramsgate CA	Thanet	South East	

The research has included analysis of use of historic buildings in the conservation areas that are not listed, where possible. Some local authorities have schedules of locally listed buildings. The lists are variable in scope, however. Some cover all key buildings in the conservation area; others have only a few outstanding buildings. Conservation Area Appraisals sometimes, either in addition to, or instead of a local list, identify buildings that make a positive contribution to the area, often only shown on a map.

[1] i.e. creative industries and other.

[2] Except for a couple which do not yet have many creative industry companies but have potential to.

Figure 2 summarises the case study conservation areas. It shows where they stand on the national list of conservation areas by density of creative industries, the number of listed buildings in use for any type of commercial activity,[3] the density of creative industries in the area, measured as organisations per square km, and the number and proportion of creative industry organisations that are in listed buildings and other historic buildings.[4]

Figure 2: Creative Industries in Case Study Areas

NationalRating by Density of CI	Conservation Area	Size of Conservation Area (sq km)	Listed Buildings in Commercial Use	Creatives in Listed Buildings	Listed buildings with CI occupancy	Other Historic Buildings	Creatives in Other Historic Buildings	Other Historic Buildings with Creatives in Them	TOTAL CREATIVE INDUSTRIES	CREATIVE INDUSTRIES PER SQ KM	% of CI in Listed Buildings	% of CI in other historic buildings
7	South Shoreditch, Hackney	0.28	29	25	9	19	17	6	406	1,471	6%	4%
14	Old Bethnal Green Road, Tower Hamlets	0.04	0	0	0	N/A	N/A	N/A	46	1,058	0%	
17	Seven Dials, Camden	0.15	44	32	6	85	12	7	146	984	22%	8%
26	Bermondsey Street, Southwark	0.19	14	18	3	169	26	18	117	607	15%	22%
47	Smithfield, Manchester	0.13	7	1	1				46	357	2%	
75	Cultural Industries Quarter, Sheffield	0.24	4	2	1	2			53	216	4%	
77	DDBHS, Birmingham	0.29	2	0	0	39	6	3	62	215	0%	10%
125	Lower Ouseburn Valley, Newcastle	0.20	0	0	0				27	133	0%	
161	Friar Gate, Derby	0.24	45	16	7	68	2	1	24	101	67%	8%
212	City Centre, Norwich	2.32	326	29	17				118	51	25%	
246	Central, Cheltenham	5.95	118	9	7				210	35	4%	
403	Ramsgate, Thanet	0.88	0	0	0				17	19	0%	

It highlights the chasm between the density of creative industries in the London case study areas compared to those outside London. It shows also, that, with possible exception of Friar Gate and Smithfield, creative industries do not necessarily locate in these areas because they want to be in historic buildings. The proportion occupying historic buildings is relatively low in most cases.

Figure 3 shows the average rents for all buildings for new leases in the conservation area,[5] and the average rents paid by tenants of historic buildings for the case study areas where it has been possible to collate this data. It shows the gulf in rent levels between areas of London that have large creative industry clusters and those in the regions. It suggests that average rents are substantially lower for space in historic buildings than for all buildings. This will be partly because the average actual rents apply to leases that started or were renewed in the past.

[3] Other than people working from home.

[4] No data for this was found for Old Bethnal Green Road.

[5] From research done using CoStar Focus and Radius Exchange property databases. Norwich and Cheltenham have been excluded because the conservation areas are so large and include many shops in addition to workspaces.

Figure 3: Rents paid in Case Study Areas

	Estimated Current Average for new lets for the area (psf pa)	Actual Rents in Historic Buildings		
		Number Identified	Average	Versus av for area
Seven Dials, Camden	£70	46	£44	-37%
Bermondsey Street, Southwark	£50	44	£37	-26%
South Shoreditch, Hackney	£47	24	£36	-24%
Smithfield, Manchester	£18			
Ramsgate, Thanet	£16			
Cultural Industries Quarter, Sheffield	£15			
Friar Gate, Derby	£14	6	£10	-33%
Digbeth, Deritend Bordesley High Streets (DDBHS)	£13			

Figure 5 shows the creative industry organisations by type in each of the case study areas, their density per square kilometre and where they rank on the list of top 300 conservation areas by density. The bottom section, showing the national rankings, gives, perhaps, the strongest indication of where a cluster of a certain type has emerged in an area. Instances where a conservation area is much higher on the national standings for one type of creative industry than for all have been highlighted.

One of the aims of the search of information about historic buildings in property databases was to see if there was any indication that many were being converted from commercial to residential use, especially in London. Figure 4 shows the major changes that were identified in the three London areas for which the analysis was done.[6] It shows only two instances of change of use to residential, and neither seems to be from office use.

Figure 4: Major changes to status of historic buildings in case study areas

Address	Built	Original Use	Major Refits post 1980	Owner	Change of Use
SEVEN DIALS					
5 Great Queen St	1880	Resi	2010		Office to Retail
24 West St	c.1700	Church		London Diocesan Fund	Resi
24 Endell St	1884	Hospital	2004	The Hospital Group	Private Members Club
SOUTH SHOREDITCH					
40 Great Eastern St	1801	Warehouse		Stirling Ackroyd Ltd	Offices with Café
42 Great Eastern St	1801	Warehouse			Offices with Café
323 Old St	Early C19			Trustend Ltd	1998 empty building to live-work unit, 1999 ground floor & basement to food & drink
2-4 Paul St	c.1860	Furniture	1997	Amsprop Ltd	Licensed Premises
BERMONDSEY HIGH STREET					
187-189 Bermdsey St	1907	Hostel			Studios & Flats
72 Bermondsey St	1822	Resi		Shackleton	Shops w Offices
2 Leathermarket St	1885	Warehouse		Acorn	Offices
75 Bermondsey St	2000		2013	Barts & The London Charity	Office
79-81 Bermondsey St				Zandra Rhodes	1999 warehouse converted to Fashion & Textile museum
145 Bermondsey St					Apartments

[6] Bethnal Green is excluded because there are no statutorily or locally listed buildings in commercial use.

Figure 5: Case Studies by type of Creative Industry

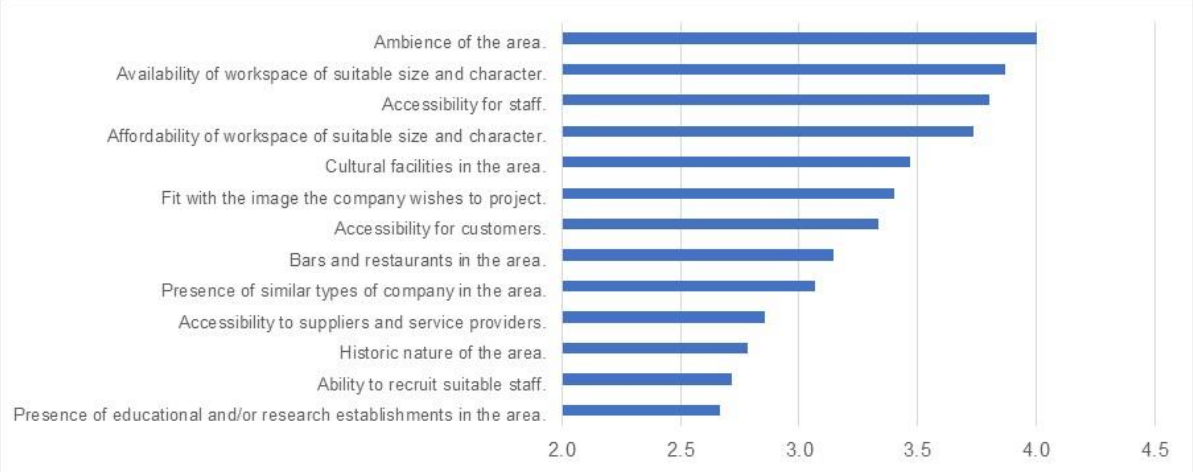
Conservation Area	Advertising & Marketing	Architecture	Crafts	Design	Film, TV, Video, Radio, Photo	IT, Software & Computer Services	Publishing	Museums, Galleries, Libs	Music, Perf & Visual Arts	TOTAL
	CREATIVE INDUSTRY COMPANIES									
South Shoreditch, Hackney	70	24	0	23	74	128	22	3	62	406
Old Bethnal Green Road, Tower Hamlets	0	9	0	8	4	7	3	0	15	46
Seven Dials, Camden	18	5	1	3	37	21	16	0	45	146
Bermondsey Street, Southwark	30	19	1	8	13	20	6	0	20	117
Smithfield, Manchester	9	3	0	2	6	11	0	0	15	46
Cultural Industries Quarter, Sheffield	1	1	2	5	9	13	4	0	18	53
DDBHS, Birmingham	9	2	0	6	10	18	2	0	15	62
Lower Ouseburn Valley, Newcastle	8	6	0	2	1	3	0	2	5	27
Friar Gate, Derby	6	3	0	2	6	7	0	0	0	24
City Centre, Norwich	17	10	0	7	18	26	9	1	30	118
Central, Cheltenham	27	10	1	15	9	110	14	1	23	210
Ramsgate, Thanet	1	1	0	1	1	6	2	0	5	17
	% BY TYPE OF CREATIVE INDUSTRY									
South Shoreditch, Hackney	17%	6%	0%	6%	18%	**32%**	5%	1%	15%	100%
Old Bethnal Green Road, Tower Hamlets	0%	20%	0%	17%	9%	15%	7%	0%	**33%**	100%
Seven Dials, Camden	12%	3%	1%	2%	**25%**	14%	11%	0%	**31%**	100%
Bermondsey Street, Southwark	**26%**	16%	1%	7%	11%	17%	5%	0%	17%	100%
Smithfield, Manchester	20%	7%	0%	4%	13%	24%	0%	0%	**33%**	100%
Cultural Industries Quarter, Sheffield	2%	2%	4%	9%	17%	**25%**	8%	0%	**34%**	100%
DDBHS, Birmingham	15%	3%	0%	10%	16%	**29%**	3%	0%	24%	100%
Lower Ouseburn Valley, Newcastle	**30%**	22%	0%	7%	4%	11%	0%	7%	19%	100%
Friar Gate, Derby	**25%**	13%	0%	8%	25%	**29%**	0%	0%	0%	100%
City Centre, Norwich	14%	8%	0%	6%	15%	22%	8%	1%	**25%**	100%
Central, Cheltenham	13%	5%	0%	7%	4%	**52%**	7%	0%	11%	100%
Ramsgate, Thanet	6%	6%	0%	6%	6%	**35%**	12%	0%	**29%**	100%
	CREATIVE INDUSTRIES PER SQ KM									
South Shoreditch, Hackney	254	87	0	83	268	464	80	11	225	1,471
Old Bethnal Green Road, Tower Hamlets	0	207	0	184	92	161	69	0	345	1,058
Seven Dials, Camden	121	34	7	20	249	142	108	0	303	984
Bermondsey Street, Southwark	156	99	5	41	67	104	31	0	104	607
Smithfield, Manchester	70	23	0	16	47	85	0	0	116	357
Cultural Industries Quarter, Sheffield	4	4	8	20	37	53	16	0	73	216
DDBHS, Birmingham	31	7	0	21	35	63	7	0	52	215
Lower Ouseburn Valley, Newcastle	39	30	0	10	5	15	0	10	25	133
Friar Gate, Derby	25	13	0	8	25	29	0	0	0	101
City Centre, Norwich	7	4	0	3	8	11	4	0	13	51
Central, Cheltenham	5	2	0	3	2	19	2	0	4	35
Ramsgate, Thanet	1	1	0	1	1	7	2	0	6	19
	NATIONAL RANKING BY DENSITY									
South Shoreditch, Hackney	**5**	11	64	**3**	10	**2**	14	8	11	7
Old Bethnal Green Road, Tower Hamlets	279	**1**	70	**1**	31	22	19	103	**4**	14
Seven Dials, Camden	19	35	**12**	45	**11**	26	**8**	106	**5**	17
Bermondsey Street, Southwark	**14**	**9**	18	19	39	38	39	112	27	26
Smithfield, Manchester	**30**	**30**	96	62	56	18	133	127	**24**	47
Cultural Industries Quarter, Sheffield	204	171	**9**	**44**	70	84	69	150	**47**	75
DDBHS, Birmingham	**54**	124	117	**42**	78	75	137	152	63	77
Lower Ouseburn Valley, Newcastle	**41**	**40**	157	96	218	219	282	**10**	129	125
Friar Gate, Derby	**66**	**88**	190	108	110	142	286	214	300	161
City Centre, Norwich	230	188	232	184	216	244	290	230	**179**	212
Central, Cheltenham	197	219	234	206	264	196	179	**93**	255	246
Ramsgate, Thanet										403

A list of 320 directors of creative industry companies in the case study areas was produced, and an on-line survey sent to them[7]. The response was only 19 (6%), so the results cannot be given great weight, but they have some interest nevertheless.

The responses were split evenly between occupiers of historic and non-historic buildings. 2 were in listed buildings. Four (25%) owned the building. Most of the rest were on leases of differing lengths, with the largest number being 1-5 years. 56% had been in another building in the location before the current one. Two (10%) had branches in other locations.

Respondents were asked to assess the importance of 13 factors in the choice of location for their company. Figure 6 shows "Ambience of the Area" is the top rated, achieving a score of 4.9 out of 5 (5 being "vital"). The fact that it is historic is, by contrast, the second lowest consideration.

Figure 6: To what extent are the following reasons that your company has chosen to locate in the area? Weighted average (scale of 0-5)[8].

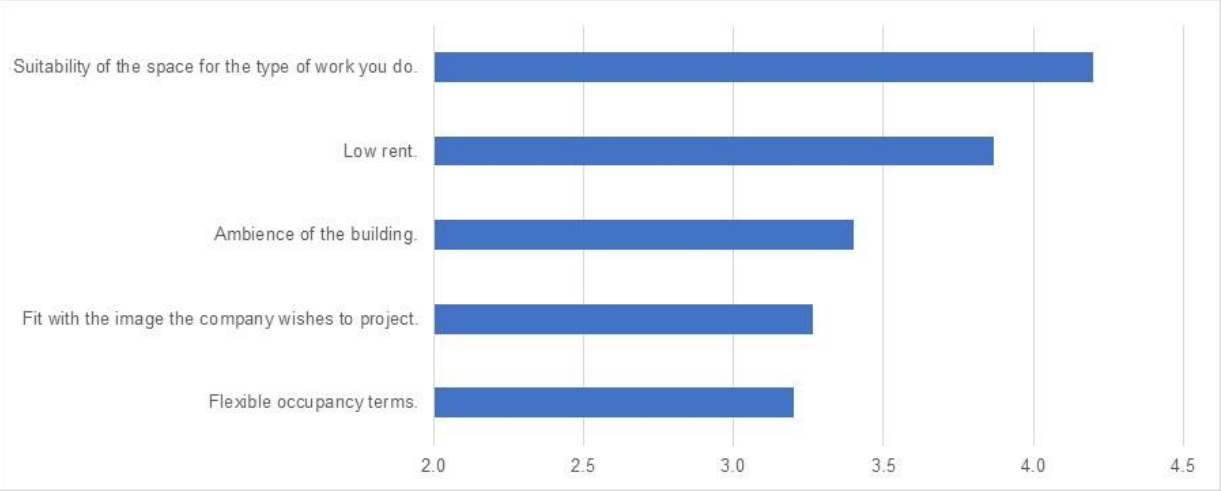


The suitability of the space is, unsurprisingly, the main reason given for choice of specific building, with rent in second place.

[7] Personal email addresses were obtained for 50. The rest were sent to a generic company email address, marked for the attention of the individual.

[8] Choices were "Not a consideration"; "A small consideration"; "A medium consideration"; "A large consideration" and "Vital".

Figure 7: How important to the company are the following characteristics of the specific building you are located in? Weighted average (scale of 0-5)



The resident population of each case study area was assessed using the Mosaic segmentation system, which is owned by Experian. It classifies all consumers in the UK by allocating them to one of 15 groups and 66 types based on data from the census and other sources.

Figure 8: Moaic types in London conservation areas

Seven Dials		Bermondsey Street		South Shoreditch		Old Bethnal Green Road	
Population:	*2,118*	*Population:*	*4,045*	*Population:*	*3,393*	*Population:*	*705*
Metro High-Flyers	48%	Metro High-Flyers	51%	Penthouse Chic	46%	Metro High-Flyers	63%
Penthouse Chic	38%	Penthouse Chic	42%	Unclassified	26%	Central Pulse	16%
Inner City Stalwarts	7%	Unclassified	3%	Metro High-Flyers	25%	Unclassified	12%
Student Scene	3%	Central Pulse	1%	Student Scene	2%	Student Scene	4%
World-Class Wealth	2%	Inner City Stalwarts	1%	New Foundations	1%	Inner City Stalwarts	3%
Uptown Elite	2%	Crowded Kaleidoscope	1%	World-Class Wealth	0%	Crowded Kaleidoscope	2%

Figure 9: Summary of Top Mosaic types in the London case study areas

Metro High Flyers	Ambitious 20 and 30-somethings renting expensive apartments in highly commutable areas of major cities
Penthouse Chic	City suits renting premium-priced flats in prestige central locations where they work hard and play hard

Central Pulse is common in the out-of-London case study areas. It is defined as “Entertainment-seeking youngsters renting city centre flats in vibrant locations close to jobs and night life”.

Figure 10: Summary of Top Mosaic types in the non-London case study areas

	Smithfield, Manchester		Friar Gate, Derby		City Centre, Norwich		Lower Ouseburn Valley	
1	*Population:*	*2,188*	*Population:*	*1,906*	*Population:*	*10,353*	*Population:*	*416*
2	Central Pulse	95%	Learners & Earners	30%	Central Pulse	29%	Central Pulse	55%
3	Bus-Route Renters	3%	Central Pulse	20%	Ageing Access	15%	Streetwise Singles	22%
4	Inner City Stalwarts	1%	Unclassified	16%	Streetwise Singles	14%	Bus-Route Renters	8%
5	World-Class Wealth	0%	Streetwise Singles	8%	Bus-Route Renters	8%	Renting a Room	6%
6	Uptown Elite	0%	Renting a Room	6%	Dependent Greys	6%	Families with Needs	4%
7	Penthouse Chic	0%	Bus-Route Renters	5%	Renting a Room	5%	Unclassified	3%
8	Metro High-Flyers	0%	Dependent Greys	4%	Uptown Elite	5%	Dependent Greys	1%
9	Premium Fortunes	0%	Student Scene	3%	Aided Elderly	5%	Aided Elderly	0%
10	Diamond Days	0%	Pocket Pensions	2%	High Rise Residents	3%	World-Class Wealth	0%

	Ramsgate		Cultural Industries Quarter		Central Cheltenham		Digbeth, Deritend and Bordes	
1	*Population:*	*6,012*	*Population:*	*3,707*	*Population:*	*33,328*	*Population:*	*544*
2	Bus-Route Renters	38%	Unclassified	48%	Career Builders	18%	Crowded Kaleidoscope	64%
3	Renting a Room	20%	Central Pulse	17%	Central Pulse	14%	Unclassified	22%
4	Ageing Access	9%	Student Scene	15%	Ageing Access	13%	Asian Heritage	4%
5	Midlife Stopgap	9%	Learners & Earners	13%	Learners & Earners	12%	New Foundations	4%
6	Aided Elderly	4%	New Foundations	7%	Uptown Elite	10%	Central Pulse	4%
7	Dependent Greys	3%	Renting a Room	0%	Unclassified	6%	Inner City Stalwarts	1%
8	Disconnected Youth	2%	High Rise Residents	0%	Thriving Independence	5%	Renting a Room	1%
9	Flying Solo	2%	World-Class Wealth	0%	Aided Elderly	4%	Learners & Earners	1%
10	Flexible Workforce	1%	Uptown Elite	0%	Bus-Route Renters	3%	World-Class Wealth	0%

The histories of the case studies indicated that they fall into two broad categories:

- Places where the process has happened bottom-up, with the only really significant public policy intervention being the requirement for building preservation. Preserved buildings in such places have typically answered an economic need for relatively small affordable work space. This is most visible in London and reflects an element of displacement from an adjoining area, such as the City. This is true of Bermondsey Street, South Shoreditch and Old Bethnal Green.

- Places where regeneration has been top-down, with policy decisions made to stimulate economic growth, usually including grant aid, and historic buildings part of the mix. This is perhaps primarily because historic buildings contribute to the perception, identity and 'branding' of the place, rather than being particularly suited to creative industry use. This is seen, for example, in Digbeth, CIQ, Lower Ouseburn, Smithfield. Public funding has been a part of most new development. Such places are most vulnerable to any decline in public funding. It may sometimes be impractical to resist big residential development in areas like that because it is the only viable source of private investment. The test is then how tough the local planning authority can be in controlling it or extracting public benefits from private developers. Smithfield seems to be the most successful example; it is interesting in falling into both the ‘bottom-up’ and ‘top-down’ categories.

The only invariable common feature is that the old buildings in the conservation areas have been preserved, by accident or design. In broad terms, regeneration in each of the case study areas has depended on several of the following factors, although not necessarily all:

- **Location** - in the traditional geographer's sense of being at or near a 'node' for communication, economic demand etc. This is critical in *every* case, and of course, historic areas are almost by definition, likely to be in such places.

- **Conservation policy** - to ensure that historic buildings cannot be redeveloped, but ideally not placing too many restrictions on their alteration so that use of listed buildings is not greatly more problematic, and therefore costly, than unlisted ones (e.g. CIQ).
- **Land-use policy** - the use with the highest return will always be preferred by developers and at the moment this is normally residential, so there must be a conscious effort by the local authority to support the uses it wants in an area if that is different (e.g. CI; Article 4 Directions in Bermondsey, South Shoreditch) or planning policy and public investment (e.g. Smithfield).
- **Building type** - the most successful regeneration seems to be where new uses coincide with an appropriate / easy to adapt building type (e.g. South Shoreditch, Bermondsey, Bethnal Green, Smithfield). Neither grants nor specific area-based planning policies have been needed in some cases, like Bethnal Green, to stimulate regeneration.
- **Space for new development** alongside adaptation of old buildings, both for cross-subsidy and because the cachet or narrative of the historic area can be shared by new buildings; either because the old ones are less suitable for new uses or there is simply lots of developable land, either in the same conservation area or just outside it (e.g. Digbeth, Ouseburn).
- **Perception** of an area as historic or fashionable, is important to many conservation areas (e.g. Seven Dials, South Shoreditch, Smithfield)
- **Clustering** - this relates to perception (i.e. companies wanting to identify with the way an area is perceived) and seems to be especially significant in relation to fairly small groups / areas (e.g. certain streets in South Shoreditch, several architects in one building in Old Bethnal Green).
- **Universities -** both as attractors of young people, contributing to the perception of a place as fashionable, and because they produce young entrepreneurs. retaining them in the same area as the university after graduation is seen as a desirable, and economically rewarding, end in itself.

Regeneration is an ongoing process. Creative industries may be a valuable step on the way to something more conventional and sustainable and their displacement may not always be a bad thing, if they move on to lead regeneration of other areas.

2 LONDON CASE STUDIES

2.1 BERMONDSEY STREET

2.1.1 LOCATION, ORIGINS AND ARCHITECTURAL CHARACTER

Bermondsey Street Conservation Area covers the core of the historic neighbourhood of Bermondsey, on the bank of the Thames immediately south of the City of London, in the London Borough of Southwark. It includes the historic high street and principal roads off it, but little of the residential and formerly industrial areas behind them. It covers 0.2km² and contains 46 statutorily listed buildings. Almost all its other pre-1914 buildings are considered by the Council to make a positive contribution to the architectural or historic character of the area. Just to its north-west is the main line rail terminal at London Bridge. It is within the area designated by the Council as its central activity zone (CAZ).

Bermondsey Street originated as a causeway through marshy land from the river to Bermondsey Abbey, which stood around what is now Bermondsey Square. It became a main route from London to the south-east. It was the high street of a village that was, until the 16th-century, surrounded by fields. It expanded and became increasingly industrial in the 18th-century and by the early 19th-century had become a centre for animal processing, especially leather trades. The area was densely built up by the end of the 19th-century with tanneries, curriers, warehouses and areas of workers housing. Bermondsey Street was- and is- lined with shops with accommodation above, interspersed with warehouses. Its status as a main road declined following building of the railways (from the 1830s) and Tower Bridge Road in 1902. These by-passed the street but saved it from complete redevelopment.

The historic architecture of the area consists of a handful of good 18th-century houses in Bermondsey Street and Grange Walk, early-mid-19th century terraces of shops and houses and mainly mid-late 19th-century warehouses. The scale of buildings is fairly consistent, with houses and warehouses typically of three or four storeys, and in Bermondsey Street in particular, with narrow street frontages. There are larger warehouses, for example in Leathermarket Street, but few exceed five storeys. Key historic buildings include the parish church of St Mary Magdalen (mainly 1675-9), Sarson's vinegar factory (1820), the Leather Exchange (1878) and the Guinness Trust Buildings (1897). The only historic open space is the former churchyard.

2.1.2 POST-1945 CHANGES

Bermondsey was devastated by the Blitz, with most buildings suffering some damage. The most obvious post-war change was creation of Leathermarket Gardens and Tanner Street Park, although much new housing was built nearby. War damage intensified the decline of traditional leather trades, and few remained by the 1970s. The area attracted a new trade following relocation of the Caledonian antiques market from Islington, in 1950, to Bermondsey Square. A number of redundant warehouses were subsequently occupied by antique traders. The neighbourhood was, like many working-class areas of inner London, very run down by the late-1970s, with many empty buildings. Some were squatted or occupied under short-term licences as studios and workshops, but not as extensively as at nearby Butler's Wharf, for example. By the early 1990s the area was recognised as one in which there was considerable potential for reuse of redundant industrial buildings as fashionable 'loft' apartments, although Bermondsey Street itself was still neglected.

2.1.3 CONSERVATION AND PLANNING POLICIES

The conservation area was first designated in 1972 following pressure from a local amenity group. It included Bermondsey Street, Bermondsey Square and parts of Long Lane and Grange Walk. It was subsequently extended to its present boundaries (including Leathermarket Street / Melior Street, and parts of Tower Bridge Road and Tanner Street) in 1991 and 1993. The back-lands industrial sites and post-war housing were excluded.

In 1994, a regeneration strategy and development framework for the area was produced, funded by English Heritage and LB Southwark. This was followed by a Conservation Area Partnership (CAP) grant scheme, with the same funders, which supported c.£1m of building repair and public realm work. The Council relaxed what had previously been tight controls on the loss of employment sites, initially through allowing the conversion of former industrial buildings to 'live/work spaces'; but by c.2000 both conversions and new development were largely high-end residential schemes.

A Conservation Area Audit was produced in 2003; it did not include a management plan or formal policies. The Southwark Plan (2007) did not specifically identify Bermondsey Street as a locus for creative industries. A Draft Borough, Bankside and Bermondsey SPD (development framework) was produced by the Council in 2010. This was put on hold following the introduction of Neighbourhood Planning under the Localism Act 201 but many of its strategic policies have been included in the New Southwark Plan (NSP) currently (2018) in preparation. It identifies creative industries as a key element in the local economy. An Article 4 Direction issued in 2018 withdrew permitted development rights for conversion of offices to residential use in the CAZ.

In place of the SPD, a neighbourhood planning framework was established in 2012 and in 2015 the Old Bermondsey Village Neighbourhood Forum (OBVNF) was designated by the Council to prepare a neighbourhood plan for much of the conservation area, on which work began in 2018.

2.1.4 EMERGENCE OF CREATIVE INDUSTRIES IN THE AREA

The regeneration of the Bermondsey area was initiated in the early 1990s by conversions and new-build developments such as the Belway scheme in Leathermarket Street. These brought a previously little-known neighbourhood to wider attention and stimulated further interest from developers. The Jubilee Line extension, which opened in 2000, connected the area to the West End and made the whole South Bank area more attractive for creative industries. The Council resisted residential uses in Bermondsey Street itself. Old shops became bars and restaurants supported by affluent new residents. Many of the relatively small historic industrial buildings were converted to accommodate small businesses, including creative industries. These were often ancillary to the financial sector, for which the City, and more recently Bankside north of the railway viaducts, were no longer either affordable, nor provided suitable premises. The more recent reinvention of the area as an up-market 'Bohemia' was reinforced by the establishment of the Fashion and Textile Museum (2003) and an opulent outpost of the international art gallery empire, White Cube (2011), both in post-war former warehouses in in Bermondsey Street.

2.1.5 THE AREA TODAY

Figure 11 lists creative industry companies in Bermondsey Street and Figure 13 maps them. There is detail of use of historic buildings in the area in Appendix 4.3

Figure 11: Creative industry companies in Bermondsey Street Conservation Area

1	KASUN JEWELLERY LIMITED	32120 - Manufacture of jewellery and related articles
2	THE STAGE MEDIA COMPANY LIMITED	58142 - Publishing of consumer and business journals and periodicals
3	HPCI MEDIA LIMITED	58142 - Publishing of consumer and business journals and periodicals
4	LSC PUBLISHING AND MEDIA LIMITED	58142 - Publishing of consumer and business journals and periodicals
5	LEY-LINES.COM LIMITED	58190 - Other publishing activities
6	HIV I-BASE	58190 - Other publishing activities
7	GUY FOX LIMITED	58190 - Other publishing activities
8	BLACK BULL FILMS LIMITED	59111 - Motion picture production activities
9	LADYBIRD FILMS LTD	59111 - Motion picture production activities
10	SHOOT TO KILL PRODUCTIONS LIMITED	59111 - Motion picture production activities
11	FEATURISTIC FILMS LIMITED	59111 - Motion picture production activities
12	MIDDLE TABLE LIMITED	59112 - Video production activities
13	GOLDEN RATIO PRODUCTIONS LIMITED	59112 - Video production activities
14	PRETZEL & PEGGY LTD	59113 - Television programme production activities
15	ADAM COTTAM LIMITED	59113 - Television programme production activities
16	KINGYO PRODUCTIONS LIMITED	59113 - Television programme production activities
17	LOUISE REIMNITZ PRODUCTIONS LIMITED	59113 - Television programme production activities
18	PLAYERTHREE LIMITED	62011 - Ready-made interactive leisure and entertainment software development
19	TEAM TURQUOISE LTD.	62012 - Business and domestic software development
20	OASIS LOSS MODELLING FRAMEWORK LIMITED	62012 - Business and domestic software development
21	NEW SIGNATURE UK LIMITED	62012 - Business and domestic software development
22	PRECURSIVE LTD	62012 - Business and domestic software development
23	STELLARISE LIMITED	62012 - Business and domestic software development
24	EDGEFOLIO UK LIMITED	62012 - Business and domestic software development
25	MYDRIVE SOLUTIONS LIMITED	62012 - Business and domestic software development
26	SONR NEWS LIMITED	62012 - Business and domestic software development
27	BIBIN CONSULTING LIMITED	62020 - Information technology consultancy activities
28	WALPOLE PARTNERSHIP LIMITED	62020 - Information technology consultancy activities
29	LIMITLESS FORTITUDE LTD	62020 - Information technology consultancy activities
30	MUNSHI COMMUNICATIONS LIMITED	62020 - Information technology consultancy activities
31	JLCIT LIMITED	62020 - Information technology consultancy activities
32	RAVING RABBITS LTD	62020 - Information technology consultancy activities
33	DORA CONSULTING LIMITED	62020 - Information technology consultancy activities
34	FRESH TECH LIMITED	62020 - Information technology consultancy activities
35	DRAW CREATE LIMITED	62020 - Information technology consultancy activities
36	GROSVENOR SYSTEMS LIMITED	62020 - Information technology consultancy activities
37	MILA CONSULTING LTD.	62020 - Information technology consultancy activities
38	ARTISAN TOURING LIMITED	70210 - Public relations and communications activities
39	VOICEWORKSLONDON LTD	70210 - Public relations and communications activities
40	SALOMON WHITTLE LIMITED	70210 - Public relations and communications activities
41	NEW GARDEN CITIES ALLIANCE - COMMUNITY INTE	70210 - Public relations and communications activities
42	NICE AND SERIOUS LTD	70210 - Public relations and communications activities
43	NICE AND SERIOUS GROUP LIMITED	70210 - Public relations and communications activities
44	THE LIFESTYLE AGENCY LIMITED	70210 - Public relations and communications activities
45	HILLGATE PUBLIC RELATIONS LIMITED	70210 - Public relations and communications activities
46	TECTON PROJECTS LIMITED	71111 - Architectural activities
47	MILAN BABIC ARCHITECTS LIMITED	71111 - Architectural activities
48	BRISAC GONZALEZ LIMITED	71111 - Architectural activities
49	ENGDESIGN LIMITED	71111 - Architectural activities
50	FORM DESIGN ARCHITECTURE LIMITED	71111 - Architectural activities
51	PROCTOR AND MATTHEWS LIMITED	71111 - Architectural activities
52	SIMON WHITEHEAD ARCHITECTS '2' LIMITED	71111 - Architectural activities
53	SIMON WHITEHEAD ARCHITECTS LIMITED	71111 - Architectural activities
54	ECD ARCHITECTS LTD	71111 - Architectural activities
55	ATDESIGNOFFICE LTD	71111 - Architectural activities
56	OWAL ARCHITECTS LTD	71111 - Architectural activities
57	STAVEDENE LIMITED	71111 - Architectural activities
58	ACKMAN ARCHITECTURE + DESIGN LTD	71111 - Architectural activities
59	TIM RONALDS ARCHITECTS LIMITED	71111 - Architectural activities
60	IDOM (UK) LIMITED	71111 - Architectural activities

61	REARDON SMITH ARCHITECTS LIMITED	71111 - Architectural activities
62	LANDOLT AND BROWN LIMITED	71111 - Architectural activities
63	STAC ARCHITECTURE LIMITED	71111 - Architectural activities
64	TIBBALDS PLANNING AND URBAN DESIGN LIMITED	71112 - Urban planning and landscape architectural activities
65	RODRIGOSALAS LIMITED	73110 - Advertising agencies
66	ARCH 5 DESIGN LIMITED	73110 - Advertising agencies
67	DIFFERENT MANAGEMENT LIMITED	73110 - Advertising agencies
68	DRAW CONNECT LIMITED	73110 - Advertising agencies
69	CAPTURE MARKETING LTD	73110 - Advertising agencies
70	BATES JPW ADVERTISING LIMITED	73110 - Advertising agencies
71	VELO MARKETING LTD	73110 - Advertising agencies
72	HGS MEDIA LIMITED	73120 - Media representation services
73	REALLY EXCITING DIGITAL LIMITED	73120 - Media representation services
74	FABRITIUS LIMITED	73120 - Media representation services
75	DRAW GROUP LONDON LIMITED	73120 - Media representation services
76	JOHNSTON WORKS LIMITED	74100 - specialised design activities
77	MUZIE LIMITED	74100 - specialised design activities
78	PETRIISKI FASHION LTD	74100 - specialised design activities
79	NU CREATIVE LTD	74100 - specialised design activities
80	DESIGN TO COMMUNICATE LTD	74100 - specialised design activities
81	JACKSON DALY LIMITED	74100 - specialised design activities
82	FIFTY FIVE AND FIVE LIMITED	74100 - specialised design activities
83	GEORGE HARVEY STUDIO LTD	74209 - Photographic activities not elsewhere classified
84	BESPOKE & BOUND LIMITED	74209 - Photographic activities not elsewhere classified
85	GARETH HACKER PHOTOGRAPHY LIMITED	74209 - Photographic activities not elsewhere classified
86	WAKESTOCK LIMITED	90010 - Performing arts
87	NEW LONDONBEAT LTD.	90010 - Performing arts
88	BACH TO BABY LONDON LTD	90010 - Performing arts
89	VARIOUS PRODUCTIONS LTD	90010 - Performing arts
90	EIGER EVENTS LIMITED	90020 - Support activities to performing arts
91	FREE FOCUS LIMITED	90020 - Support activities to performing arts
92	MATTERHORN EVENTS LIMITED	90020 - Support activities to performing arts
93	POTTERS FIELDS PARK MANAGEMENT TRUST	90020 - Support activities to performing arts
94	BRIDGEWORTH & CO LTD	90030 - Artistic creation
95	INVOLVED ENTERPRISES LIMITED	90030 - Artistic creation
96	INVOLVED MANAGEMENT LIMITED	90030 - Artistic creation
97	INVOLVED PRODUCTIONS LIMITED	90030 - Artistic creation
98	SUN & MOON WORLDWIDE LIMITED	90030 - Artistic creation
99	TRI-STATE WORLDWIDE LIMITED	90030 - Artistic creation
100	GRAYLIGHT STUDIOS LTD	90030 - Artistic creation
101	FRASER RANDALL PRODUCTIONS LIMITED	90030 - Artistic creation
102	COMMUNICATION BY DESIGN LIMITED	90030 - Artistic creation
103	DALE NAZZARI & COMPANY LIMITED	90030 - Artistic creation
104	MISTER MEN LIMITED	90030 - Artistic creation
105	UNDERDOG ART CO LIMITED	90040 - Operation of arts facilities

Figure 12: Creative Companies in Listed Buildings

1	55	Bermondsey St	HPCI MEDIA LIMITED
2	Arch 6	Crucifix Lane	UNDERDOG ART CO LIMITED
3	Arch 4	Crucifix Lane	PRECURSIVE LTD
4	Arch 5	Crucifix Lane	ARCH 5 DESIGN LIMITED
5	11-13	Weston St	IDOM (UK) LIMITED
6	11-13	Weston St	REARDON SMITH ARCHITECTS LIMITED
7	11-13	Weston St	GOLDEN RATIO PRODUCTIONS LIMITED
8	11-13	Weston St	BATES JPW ADVERTISING LIMITED
9	11-13	Weston St	MYDRIVE SOLUTIONS LIMITED
10	11-13	Weston St	LSC PUBLISHING AND MEDIA LIMITED
11	11-13	Weston St	LANDOLT AND BROWN LIMITED
12	11-13	Weston St	FIFTY FIVE AND FIVE LIMITED
13	11-13	Weston St	FEATURISTIC FILMS LIMITED
14	11-13	Weston St	DRAW CONNECT LIMITED
15	11-13	Weston St	DRAW CREATE LIMITED
16	11-13	Weston St	DRAW GROUP LONDON LIMITED
17	11-13	Weston St	STAC ARCHITECTURE LIMITED
18	11-13	Weston St	VELO MARKETING LTD

Figure 13: Creative industry organisations in Bermondsey Street Conservation Area

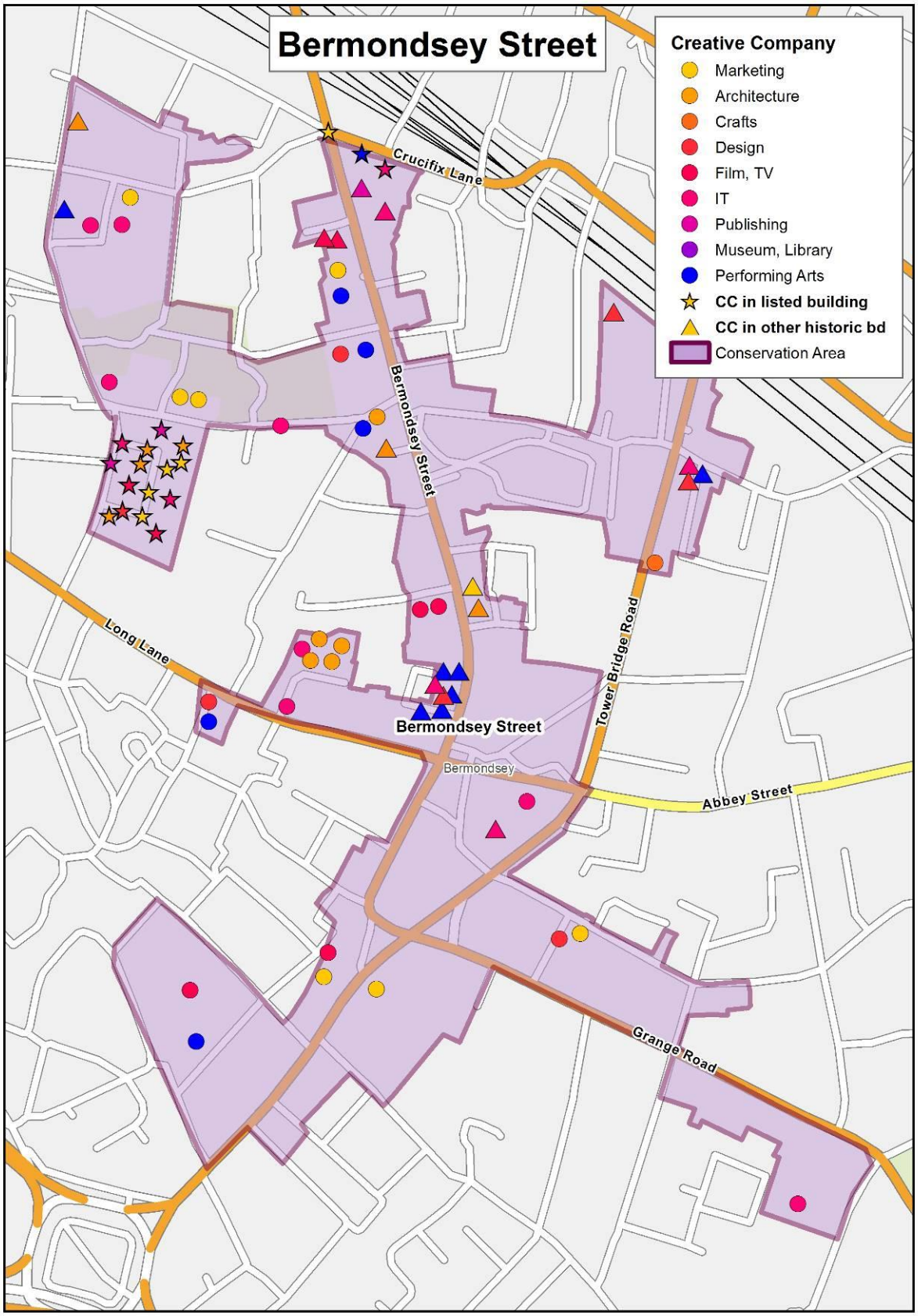


Figure 14: Creative Industry companies in other historic buildings

1	TEAM TURQUOISE LTD.	1	Bermondsey Square
2	THE STAGE MEDIA COMPANY LIMITED	47	Bermondsey Street
3	BLACK BULL FILMS LIMITED	54	Bermondsey Street
4	LADYBIRD FILMS LTD	54	Bermondsey Street
5	NEW SIGNATURE UK LIMITED	57	Bermondsey Street
6	VOICEWORKSLONDON LTD	147	Bermondsey Street
7	INVOLVED ENTERPRISES LIMITED	214	Bermondsey Street
8	SUN & MOON WORLDWIDE LIMITED	214	Bermondsey Street
9	TRI-STATE WORLDWIDE LIMITED	214	Bermondsey Street
10	JOHNSTON WORKS LIMITED	214	Bermondsey Street
11	INVOLVED MANAGEMENT LIMITED	214	Bermondsey Street
12	INVOLVED PRODUCTIONS LIMITED	214	Bermondsey Street
13	ENGDESIGN LIMITED	106-108	Bermondsey Street
14	PLAYERTHREE LIMITED	156-170	Bermondsey Street
15	FORM DESIGN ARCHITECTURE LIMITED	179-181	Bermondsey Street
16	VARIOUS PRODUCTIONS LTD	16	Crucifix Lane
17	PRECURSIVE LTD	Arch 4	Crucifix Lane
18	FRESH TECH LIMITED	54-58	Tanner Street
19	POTTERS FIELDS PARK MANAGEMENT TRUST	54-58	Tanner Street
20	PETRIISKI FASHION LTD	54-58	Tanner Street
21	DESIGN TO COMMUNICATE LTD	169	Tower Bridge Road
22	ACKMAN ARCHITECTURE + DESIGN LTD	60	Weston Street
23	MISTER MEN LIMITED	70	Weston Street
24	NICE AND SERIOUS LTD	108	Weston Street
25	NICE AND SERIOUS GROUP LIMITED	108	Weston Street
26	TIM RONALDS ARCHITECTS LIMITED	108	Weston Street

About 18 (15%) are in listed buildings and 22% in other buildings identified as historic.

They show a varied mix of different types of creative industry[9], with notable clusters of companies involved in Advertising & Marketing and Architecture.

Figure 15: Summary of Creative Industry companies in Bermondsey Street CA

	Companies	% of Total	Per Sq Km	National Ranking
Advertising & Marketing	30	**26%**	156	**14**
IT, Software & Computer Services	20	17%	104	38
Music, Performing & Visual Arts	20	17%	104	27
Architecture	19	16%	99	**9**
Film, TV, Video, Radio, Photography	13	11%	67	39
Design	8	7%	41	19
Publishing	6	5%	31	39
Crafts	1	1%	5	18
Museums, Galleries, Libraries	0	0%	0	112
TOTAL	117	100%	607	26

The tables above and property data analysis in Appendix 4.3 shows that historic buildings form a greater part of the building stock than in the other case study areas.

[9] Which would also include the White Cube gallery and Fashion Museum, which have not been picked up because of the process of obtaining data from Companies House.

There are several buildings that accommodate large numbers of organisations in creative industries, notably: the former Leather Market at 11-13 Weston Street (listed); the former warehouse at 52-58 which is owned by Great Portland Estate, was refurbished in 2008; 156-170 Bermondsey St, owned by Tasklove Ltd; 214 Bermondsey St; 20-22 Leathermarket St; 108 Weston St; and 54-58 Tanner St.

Average rents for occupiers of space in 44 historic buildings[10] were found in the property databases. They average £36 per square foot per annum (psf). The databases report that average rents for new leases are about £50 psf. This is similar to South Shoreditch.

The appearance of creative industries in Bermondsey was part of the process, often called gentrification, whereby a neglected mixed inner-urban area is transformed into more valuable real estate. The local planning authority has encouraged large-scale commercial office and residential development alongside the conservation area, which has dramatically altered its setting. In effect, it sees the area to the north of Bermondsey Street, in planning terms, as an extension of the City. The Council's strategic policies aim to balance economic benefits with the protection of the area's heritage, complemented by 'neighbourhood planning' to represent and protect the interests of the local community and reflect them in development management policies. The process has been delayed, in part, by difficulties in establishing a single representative body in a mixed neighbourhood in which the interests of business and residents will not always coincide. The unusually tightly drawn CA boundary means that many long-term residents, especially social housing tenants, live just outside it, and may thus be more vulnerable to the redevelopment than the businesses within it.

While creative industries are not explicitly protected, the conservation of an area of small buildings in employment use so close to the City has effectively done so until now. Nonetheless, the current character of the area is not fixed, and may be to some extent transitional, even though the research does not indicate major change taking place currently.

There is ongoing pressure for development and almost all available sites within the conservation area have been redeveloped. The neighbourhood is now dominated by the 305m high 'Shard' building (2012) at London Bridge Station, just outside the conservation area. Tall buildings are under consideration for several other sites close to the conservation area boundary, which could have a further, significant impact on its setting; although the redevelopment of 40-44 Bermondsey Street with tall buildings, as the owners propose, is not supported by the current draft of the New Southwark Plan.

The conservation area has protected individual historic buildings more successfully than it has the community or the character of the neighbourhood as a whole. The 'bohemian' character now used to 'brand' and market the area tends to elide 'creative' and 'fashionable': for example, the 'Bermondsey Arts Club' is a cocktail bar in a former public convenience. Several of the most recent developments have been tourism-related, such as hotels and 'aparthotels'; and alongside design, IT and 'brand' consultants, there are numerous lawyers and accountants. New residential developments are typically small apartments for affluent singles rather than family housing.

[10] Both creative industries and other.

2.2 OLD BETHNAL GREEN ROAD

2.2.1 LOCATION, ORIGINS AND ARCHITECTURAL CHARACTER

Old Bethnal Green Road Conservation Area lies close to the northern boundary of the London Borough of Tower Hamlets, about 1.5km to the north-east of the City of London. It is a small area based around a mixed use residential, industrial and commercial development of c1900, known as the Winkley Estate. It is, although unlisted, the key feature in the special architectural and historic interest of the area. The area has two statutorily listed buildings and one locally listed one.

The conservation area is situated on what was until the 18th century open land; known as Cambridge Heath, it extended northwards into the modern Borough of Hackney. There was sporadic building here during the later 18th century but the neighbourhood was not fully built-up until c1860. Bethnal Green was one of London's poorest districts and notoriously overcrowded, but what is now the conservation area was not among the worst neighbourhoods.

Booth's map of 1886 shows that it was inhabited mainly by artisans in regular employment in the local furniture and dress trades. During the last quarter of the 19th century, London's slum housing began to be replaced with tenements, initially by philanthropic trusts such as Peabody, Guinness and Samuel Lewis; and after 1889, by the newly formed London County Council. Much more rarely, similar developments of 'improved' housing were undertaken as private speculations: the Winkley estate is one such scheme. What is most remarkable about this group is that it survives.

Charles and Henry Winkley were Hackney builders who, in 1899-1904, redeveloped four blocks of existing terraced housing, bounded by Old Bethnal Green Road, Teesdale (then Durham) Street and Temple Street. The new buildings, of 3 storeys apart from the workshops, included substantial factory blocks on Teesdale Street, shops with accommodation above on Old Bethnal Green Road; tenements and workshops (similar to shop units) on Temple Street, and terraced houses on Canrobert and Winkley streets. More workshops were built to the rear of the houses, reached through archways from Teesdale and Temple Streets. The estate thus provided for both artisans who were able to rent a home and a workshop together, and for craftsmen employed by larger concerns, as well as the usual local amenities.

The remainder of the conservation area comprises: Keeling House, a 16 storey 'cluster-block' of social housing in Claredale Street, of 1955-9, designed by Denys Lasdun, listed grade II*; the Italian-Romanesque-style former Congregational Church, now the Chalice Foundation, of 1880, which is listed grade II; and two Victorian Board schools, Oaklands (1896 designed by TJ Bailey; locally listed) and Lawdale (1882, designed by ER Robson) in Mansford Street; along with their immediate settings. Middleton Gardens, a post-war open space, is also included. No building in the area pre-dates 1880.

2.2.2 POST-1945 CHANGES

Large swathes of Bethnal Green were scheduled for compulsory purchase, clearance and redevelopment during the 1930s, including, for example, almost the whole area to the east of Temple Street but relatively little clearance took place before 1939. The Winkley estate, as a substantial area of (at that date) relatively modern and well-built homes, shops and places of employment, was excluded from the clearance scheme.

Bethnal Green, along with the rest of the East End, was among the areas worst affected by the Blitz and the LCC bomb maps show that parts of the Winkley Estate were badly damaged. The corner of Winkley Street and Canrobert Street was beyond repair and the extant building is a modern replacement. The slum clearance programme accelerated after the war and the areas surrounding the conservation area were redeveloped, creating the present townscape, including, for example, the creation of Middleton Gardens in place of what had been streets of terraced housing. In contrast, the Winkley estate was repaired, presumably with war damage compensation, and remained in private hands. It is likely that this reflected the fact that it included commercial and industrial premises which were in short supply; as well as shops, for which a higher level of compensation for compulsory purchase had to be paid than was the case for housing.

Keeling House replaced 19th century housing immediately north of Winkley Estate. It was evacuated by the Council in 1993, when it was regarded as a structural and social failure. However, following a campaign to save it, the block was listed in 1993 as an outstanding example of post-war council housing and of Lasdun's work, and eventually refurbished, ironically as private apartments, in 2001.

By c.1970s the East End was still impoverished, and socially and environmentally blighted. Traditional industries had declined, the docks were closing, and immigration from the Commonwealth had put pressure on the housing stock. With some justification the area was perceived as dirty, dangerous and undesirable as a place to live. Many of its long-standing communities dissolved and many of those who could do so moved to the suburbs. There was a surplus of industrial floorspace, extensive areas of poorly-maintained social housing, and a shortage of attractive private housing. There are anecdotal reports of squatting on the Winkley estate during the 1970s and 80s.

As the area's economy recovered during the 1990s, perception of it also changed. Regeneration projects such as the privatisation of Keeling House became possible and contributed establishing a more socially and economically mixed community than has, perhaps, ever existed in the area.

2.2.3 EMERGENCE OF CREATIVE INDUSTRIES IN THE AREA

The creative industries in the area today are almost all located on the Winkley estate. It was built for those engaged in the furniture, upholstery and clothes trades, which would fall into the category of 'creative industries' today, and essentially, the estate is occupied by their modern-day equivalents: makers, designers, architects and artists

The regeneration of the East End since c1990 with a strong focus on creative industries stimulated demand for studios and workshops for artists and makers. The original design of the complex was well-suited to such activities, and thus to their re-establishment in the same buildings. It has been demonstrated that the creative industries benefit from, and choose proximity to, others doing similar work; and as many of them are small businesses, they require similar spaces. This clustering supports other businesses such as cafes, of which there are now several around the Winkley estate, exemplifying this process. While artists and makers might have squatted or rented studios cheaply in the area in the late 20th century, they are now more likely to live and work there. Thus, while many of the original trades left the area after 1945, the refurbishment of the estate since c2010 has returned it to something like its original purpose, without major physical change.

2.2.4 CONSERVATION AND PLANNING POLICIES

Local planning policies between 1945 and the late 20th century tended to resist the conversion of employment floorspace to residential use, often leading to vacancy where demand for the former was low. The general relaxation of these policies from the 1990s resulted in the conversion, for example, of riverside warehouses into housing. There was less pressure for such change in the areas that were perceived as unattractive and more deprived, such as Bethnal Green. Commercial floorspace in places like the Winkley estate survived, underused, but unconverted, into the 21st century.

The conservation area was designated in 2008. The conservation area appraisal and management plan adopted by the Council in 2009 recognised that the mixed use of the area was a key aspect of its character and significance, although the management guidelines do not explicitly refer to land use.

The area is not subject to any specific local area-based land use or employment policies, but the emerging Tower Hamlets Local plan recognises the importance, and encourages the provision, of: 'affordable workspace… suitable for small-and-medium enterprises…' of the type available on the Winkley estate. However, an Article 4 Direction issued in 2018 to withdraw permitted development rights for the conversion of office space to residential does not apply to the area.

2.2.5 THE AREA TODAY

Figure 17 has a list of creative industry organisations in the area and Figure 13 maps them.

The regeneration of the conservation area and its colonization by 'creative industries' is very recent. It appears to have been market-driven and to have occurred without the support of building repair grants or special planning policies.

Old Bethnal Green CA comes top of the national league for density of architecture and design companies, although the absolute numbers are not high, and there is a cluster of organisations involved in performing arts.

Figure 16: Type of creative industries in Old Bethnal Green Road CA

	Companies	% of Total	Per Sq Km	National Ranking
Music, Performing & Visual Arts	15	**33%**	345	**4**
Architecture	9	20%	207	**1**
Design	8	17%	184	**1**
IT, Software & Computer Services	7	15%	161	22
Film, TV, Video, Radio, Photo	4	9%	92	31
Publishing	3	7%	69	19
Advertising & Marketing	0	0%	0	279
Crafts	0	0%	0	70
Museums, Galleries, Libs	0	0%	0	103
TOTAL	46	100%	1,058	14

The estate remains in privately hands, with freeholders including commercial landlords and individual owner-occupiers.

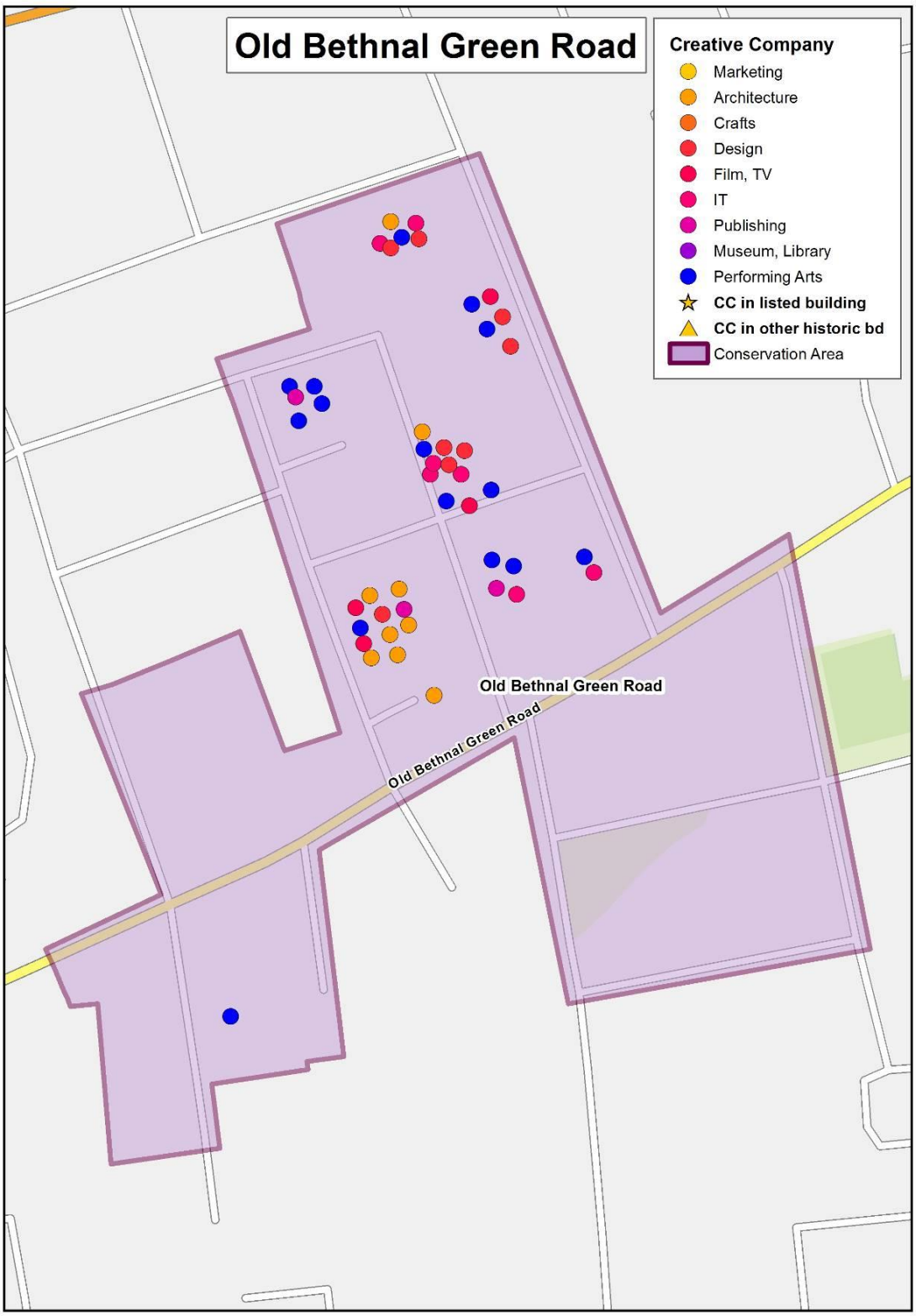
Figure 17: Creative industries companies in Old Bethnal Green Road

1	ISRA BOOKS LIMITED	58110 - Book publishing
2	TOWER BLOCK BOOKS LTD	58110 - Book publishing
3	COURS DE POÃ^TIQUE LTD	58110 - Book publishing
4	SPARK ENGINE LTD	59112 - Video production activities
5	DISOBEDIENT FILM COMPANY LTD	59113 - Television programme production activities
6	GRAND DUKE FILMS LIMITED	59120 - Motion picture, video and television programme post-production activities
7	TESSELLATE FILMS LIMITED	59120 - Motion picture, video and television programme post-production activities
8	BITS & BOBS PRODUCTIONS LTD	62011 - Ready-made interactive leisure and entertainment software development
9	FUGITIF LTD	62011 - Ready-made interactive leisure and entertainment software development
10	BUILDUPP LTD	62012 - Business and domestic software development
11	SAFFE LTD	62012 - Business and domestic software development
12	UI FARM LIMITED	62012 - Business and domestic software development
13	MIKA MESKANEN LIMITED	62020 - Information technology consultancy activities
14	OKOMP LIMITED	62020 - Information technology consultancy activities
15	OMNIDE LTD	71111 - Architectural activities
16	RO ARCHITECTS LTD	71111 - Architectural activities
17	RUSSIAN FOR FISH LTD	71111 - Architectural activities
18	MOTION ARCHITECTURE LTD	71111 - Architectural activities
19	STUDIO AMITA VIKRANT LTD	71111 - Architectural activities
20	VON PREUSSEN PEASE REYNOLDS ARCHITECTS L	71111 - Architectural activities
21	BRILLET LIMITED	71111 - Architectural activities
22	COMMON GROUND WORKSHOP LIMITED	71111 - Architectural activities
23	NATHANIEL MOSLEY ARCHITECTS LIMITED	71111 - Architectural activities
24	ANYHOW LTD	74100 - specialised design activities
25	RUSSIAN FOR FISH IRONMONGERY LIMITED	74100 - specialised design activities
26	ALEX DOBBIN LIMITED	74100 - specialised design activities
27	HAYLEY DIXON LTD	74100 - specialised design activities
28	A PRACTICE FOR EVERYDAY LIFE LIMITED	74100 - specialised design activities
29	KONSIDER LTD.	74100 - specialised design activities
30	POOLSIDE CREATIVE LTD.	74100 - specialised design activities
31	KIRKWOOD MCCARTHY LIMITED	74100 - specialised design activities
32	LIVE ART DEVELOPMENT AGENCY	90010 - Performing arts
33	DEAD CITY RADIO LTD	90010 - Performing arts
34	SKEWBALD THEATRE	90010 - Performing arts
35	ICE AND FIRE THEATRE COMPANY LIMITED	90010 - Performing arts
36	STUDIO SIMON HEIJDENS LTD	90030 - Artistic creation
37	HIPROJECT LTD	90030 - Artistic creation
38	REALISE CREATIVE LTD	90030 - Artistic creation
39	W.A. DANIELS LIMITED	90030 - Artistic creation
40	MCLEANS ARTIST MALTS LIMITED	90030 - Artistic creation
41	PREM SAHIB STUDIO LIMITED	90030 - Artistic creation
42	AVCO PRODUCTIONS LIMITED	90030 - Artistic creation
43	FRASER MUGGERIDGE STUDIO LIMITED	90030 - Artistic creation
44	JARI LAGER GALLERY LIMITED	90040 - Operation of arts facilities
45	UNION LONDON LIMITED	90040 - Operation of arts facilities
46	POLIMEKANOS LTD	90040 - Operation of arts facilities

The largest refurbished building, the former factory, is now Winkley Studios, opened in 2015, as a ‘co-working’ or shared office space, of a type popular with small start-up businesses, particularly in the IT industry. Anecdotal evidence from local people suggests that rising rents are beginning to displace the artists and makers who arrived at the start of the area’s recent regeneration. There has been significant investment in the repair and refurbishment of the Winkley estate buildings. The original houses are occupied and well-maintained. Most of the shop and workshop units are in use. Keeling House, as noted, is now a gated block of luxury private apartments.

The remainder of the conservation area, and the surrounding post-war housing estates, appear largely unaffected by the arrival of the ‘creative industries’, and the diverse ethnic makeup of the newcomers is visibly different from, for example, that of the largely Muslim local school population.

Figure 18: Creative industry organisations in Old Bethnal Green Road Conservation Area



2.3 SEVEN DIALS

2.3.1 LOCATION, ORIGINS AND ARCHITECTURAL CHARACTER

Seven Dials Conservation Area is in central London, on the southern boundary of the London Borough of Camden. It covers much of the northern half of the Covent Garden neighbourhood and extends to 0.1km^2. It contains 71 statutorily listed buildings and a substantial proportion of its other pre-1914 buildings are identified as making a positive contribution to its special character. To the south, it adjoins the closely-related Covent Garden Conservation Area, within the City of Westminster. Despite this administrative division, the area has a strong communal and historic identity as a whole.

The westernmost margin of the conservation area and the part to the east of Neale Street were developed by the 17th century, as residential suburbs between the cities of London and Westminster. The Seven Dials area was laid out at the end of the 17th century as a speculative development for Thomas Neale, MP, creator of the national lottery, on the then open St Giles's Fields. His estate had an unusual radial street plan, to maximise its street frontage. Just to its south, Covent Garden fruit and vegetable market grew steadily after its foundation c.1650, to dominate the local economy. The Royal Opera House opened in Drury Lane in 1732. Although initially popular with artists and dramatists, the area's social status declined in favour of western districts such as Mayfair during the 18th century.

By c.1800 the neighbourhood (especially St Giles, just to the north) was notorious for its poverty, street crime and prostitution. Many of the original houses were replaced during the 19th century but the historic street plan, building scale and plot sizes were generally retained. Endell Street was cut through the area in the 1840s when New Oxford Street was created, and Shaftesbury Avenue was formed c.1880 by widening the existing streets. These 19th century improvements were intended both to improve traffic routes and to clear the slums. Several blocks of philanthropic and municipal housing were built in the last decades of the century. At the same time, the area became well known for theatres, of which there are several within the conservation area and many more nearby.

A rich mixture of uses including the market, theatres, shops, housing, offices and commercial premises characterised the area in the first half of the 20th century.

Architecturally, the primary pattern of Thomas Neale's Seven Dials estate, comprising 4-5 storey terraced houses on narrow frontages with ground floor shops, survives. There are 18th century houses throughout the area, often with 19th century shop-fronts. Although some sites were amalgamated in the later 19th century for larger industrial concerns such as the brewery warehouses in Earlham Street, building heights remained similar. The 1994 eastward extension of the conservation area is architecturally more diverse, including 18th century houses and the enormous early 20th century Masonic Hall in Great Queen Street, and 19th century industrial buildings, schools, alms-houses and tenements in the area to its north; even so their scale is relatively modest. The Victorian buildings facing Shaftesbury Avenue are larger blocks of 5-6 storeys. Only the large late-20th century blocks in Drury Lane and Newton Street seriously intrude on the area's modest historic scale.

2.3.2 POST-1945 CHANGES

Compared to many other districts, the conservation area was not badly damaged in the Blitz, but after the war many of the old houses and Victorian tenements were in poor condition. By the 1960s, the resident population was aging and much of the housing was substandard.

There were almost no owner-occupiers and a good deal of vacant residential property. The area was overshadowed by the chaotic and congested market, but it was still very mixed, and many long-established businesses remained; notably publishers, printers and companies associated with the theatre and music. There were many independent shops, especially in streets off Seven Dials. Despite its central location, large-scale redevelopment during the 1960s was restricted to the area's margins.

2.3.3 CONSERVATION AND PLANNING POLICIES

The neighbourhood was generally treated as a single entity in strategic planning terms by the Greater London Council (GLC) until its abolition in 1989, working in partnership with the Boroughs. Covent Garden Market had long been regarded as anachronistic in central London and when the GLC acquired the site in 1962 it began to plan its relocation and redevelopment. In 1968 the GLC, Westminster City Council and LB Camden published a comprehensive redevelopment plan for c.80a of Covent Garden, which aimed to separate people and traffic and increase the residential population. The historic buildings and street plan of what is now Seven Dials CA would largely have been swept away and many of the (then) 50 listed buildings in the study area would have been demolished.

Although well-regarded at the time, the 1968 plan provoked a storm of protest from local residents and a wide range of influential supporters. Following a public enquiry in 1971 the Secretary of State for the Environment, while upholding the principle of redevelopment, agreed to the listing of 250 individual buildings in the area, which effectively prevented any such mass-clearance scheme from going forward. In 1974 Seven Dials CA was designated by the GLC (and the Covent Garden CA extended), and both were declared 'outstanding' by the Historic Buildings Council, and hence eligible for central government grant aid.

Thus, when the market finally closed in 1974, a new approach was required. A new GLC Area Action Plan of 1978 included a detailed analysis of the historic buildings and streetscape. Extensive redevelopment was still proposed, in areas excluded from the conservation areas, for example in several blocks between Shelton Street and Long Acre, but the plan was essentially conservation-based. It preserved existing buildings and streets and reinvented the market area as a destination for shoppers and tourists, and the London Transport Museum moved into the former flower market. Among the first private developments to reflect the new ideals was the 'Comyn Ching Triangle' scheme, designed by Terry Farrell & Partners (1978-88) which repaired and converted old buildings to new mixed uses with a central public open space.

A local community group (now the Seven Dials Trust) campaigned successfully for the reinstatement of the Seven Dials Monument in 1988 and published Seven Dials Renaissance, (1992, 1998) a detailed study of the area and guidelines for its conservation with a strong focus on public realm improvement. It was supported by public bodies including DCMS, charities and private developers. In 1998 the conservation area was extended eastwards, and a CA Statement and development guidelines were adopted by Camden Council.

The key recent strategic planning documents affecting the area are the Mayor's Central Activity Zone SPD (2016) and The Camden Plan (2017). The Mayor's SPD identifies Covent Garden as a 'strategic cluster' of 'cultural, entertainment and visitor attractions'; it is part of the West End Special Retail Policy Area.

The SPD acknowledges the extent and importance of small offices and that historic buildings provide some protection for their occupiers, but it notes that such uses are increasingly [also] found in large 'multi-let' buildings, and that between 2010 and 2015 the number of small office units declined in the Covent Garden/St. Giles area. It does not identify Covent Garden specifically as a 'hub' or 'cluster' of creative industries separate from Soho/West End. However, it recognises that London's range of social and cultural activities may attract creative industries. The Camden Plan identifies Covent Garden as a 'specialist shopping area'; the Borough's 'creative industry hub' is Kings Cross.

2.3.4 EMERGENCE OF CREATIVE INDUSTRIES IN THE AREA

The Covent Garden area has been associated with the theatrical and literary worlds since at least the 18th century. The relocation of the market meant that long-established 'creative industries' could consolidate and expand in this central location, rather than relocate, and they have been joined in the 20th century by related businesses such as theatre and music agents and film and TV production and facilities houses. Conservation-based planning policies of the 1970s preserved buildings suitable for small offices and helped to protect independent shops. Whilst unsuited to the heavy market traffic, the area is exceptionally well-connected by public transport.

Environmental improvements and traffic-free spaces attracted well-known retailers around the refurbished market, and the late-20th century success of the West End theatre has helped sustain the area's bars and restaurants.

2.3.5 THE AREA TODAY

Figure 20 lists companies in creative industries in the area and Figure 23 maps them. There is detail about occupation of historic buildings in the area in Appendix 4.2.

Figure 19 shows that the area has big clusters of companies involved in performing arts and media, with a sizable group of publishing companies.

Figure 19: Summary of Creative Industry companies in Seven Dials CA

	Companies	% of Total	Per Sq Km	National Ranking
Music, Performing & Visual Arts	45	**31%**	303	**5**
Film, TV, Video, Radio, Photography	37	**25%**	249	**11**
IT, Software & Computer Services	21	14%	142	26
Advertising & Marketing	18	12%	121	19
Publishing	16	11%	108	**8**
Architecture	5	3%	34	35
Design	3	2%	20	45
Crafts	1	1%	7	**12**
Museums, Galleries, Libraries	0	0%	0	106
TOTAL	146	100%	984	17

Creative industries are spread across the area. There is a substantial concentration in Macklin House, an early 20th Century warehouse building.

Figure 20: Creative industries companies in Seven Dials Conservation Area

1	LAURA LEE JEWELLERY LIMITED	32120 - Manufacture of jewellery and related articles
2	SOPRIS VENTURES LTD	58110 - Book publishing
3	WORLD SCIENTIFIC PUBLISHING (UK) LIMITED	58110 - Book publishing
4	WORLD SCIENTIFIC PUBLISHING EUROPE LTD	58110 - Book publishing
5	FOOTLOOSE ASSOCIATES LIMITED	58142 - Publishing of consumer and business journals and periodicals
6	INCISIVE BUSINESS MEDIA (IP) LIMITED	58190 - Other publishing activities
7	INCISIVE BUSINESS MEDIA LIMITED	58190 - Other publishing activities
8	INCISIVE PRIVATE EQUITY INFORMATION LIMITED	58190 - Other publishing activities
9	PLEDGEMUSIC PUBLISHING LTD	58190 - Other publishing activities
10	GRAND LODGE PUBLICATIONS LIMITED	58190 - Other publishing activities
11	COVENT GARDEN PARTNERSHIP LIMITED	58190 - Other publishing activities
12	BREAKING STORIES LTD	59111 - Motion picture production activities
13	BROGUE ELEMENT LTD	59111 - Motion picture production activities
14	ROBOMOCO LTD	59111 - Motion picture production activities
15	ST ELMO PRODUCTIONS LIMITED	59111 - Motion picture production activities
16	MFTK LIMITED	59111 - Motion picture production activities
17	THE INK FACTORY LIMITED	59111 - Motion picture production activities
18	CHILTON MEDIA LAW LIMITED	59111 - Motion picture production activities
19	AGATHA CHRISTIE PRODUCTIONS LIMITED	59113 - Television programme production activities
20	PLAYGROUND TELEVISION UK (LEAR) LIMITED	59113 - Television programme production activities
21	PLAYGROUND TELEVISION UK LIMITED	59113 - Television programme production activities
22	PLAYGROUND TELEVISION UK (HOWARDS END) LI	59113 - Television programme production activities
23	WANDERING STAR PRODUCTIONS LIMITED	59113 - Television programme production activities
24	STEP BY STEP PRODUCTIONS LIMITED	59113 - Television programme production activities
25	VENTRICOLEE PRODUCTIONS LTD	59113 - Television programme production activities
26	THE NIGHT MANAGER LIMITED	59113 - Television programme production activities
27	SECRET PETER LIMITED	59113 - Television programme production activities
28	THE NIGHT MANAGER DISTRIBUTION LIMITED	59133 - Television programme distribution activities
29	ANGER MANAGEMENT LIMITED	59200 - Sound recording and music publishing activities
30	I BLAME COCO LTD	59200 - Sound recording and music publishing activities
31	VEDIC BROADCASTING NETWORK (UK) LIMITED	60200 - Television programming and broadcasting activities
32	NARRATIO LTD.	62011 - Ready-made interactive leisure and entertainment software development
33	CYGNECODE LTD	62011 - Ready-made interactive leisure and entertainment software development
34	SOFTLY SOLVING LIMITED	62012 - Business and domestic software development
35	THE IDEAS PLACE LIMITED	62012 - Business and domestic software development
36	MILLIMEEP LIMITED	62012 - Business and domestic software development
37	LAUNDRAPP LIMITED	62012 - Business and domestic software development
38	NUSYNERGI LIMITED	62020 - Information technology consultancy activities
39	MERSONIC LIMITED	62020 - Information technology consultancy activities
40	MEDIA RELATIONS MANAGEMENT LIMITED	70210 - Public relations and communications activities
41	2 X 2 ARCHITECTS LIMITED	71111 - Architectural activities
42	GMW ARCHITECTS INTERNATIONAL LIMITED	71111 - Architectural activities
43	SCOTT BROWNRIGG LIMITED	71111 - Architectural activities
44	BRIMELOW MCSWEENEY ARCHITECTS LIMITED	71111 - Architectural activities
45	FCB INFERNO LIMITED	73110 - Advertising agencies
46	INFERNO LIMITED	73110 - Advertising agencies
47	THE BIG RD LIMITED	73110 - Advertising agencies
48	AKA PROMOTIONS LIMITED	73110 - Advertising agencies
49	AKA NYC LIMITED	73110 - Advertising agencies
50	CP STUDIO LIMITED	73110 - Advertising agencies
51	AKA GROUP LIMITED	73110 - Advertising agencies
52	VISION NINE HQ LIMITED	73110 - Advertising agencies
53	STRETCH COMMUNICATIONS LTD	73110 - Advertising agencies
54	IPS 2000 LIMITED	73120 - Media representation services
55	PARADISE LONDON LIMITED	74100 - specialised design activities
56	CURIOUS LIMITED	74100 - specialised design activities
57	SHE WAS ONLY LTD	74100 - specialised design activities
58	THE LISA GORMAN AGENCY LIMITED	74209 - Photographic activities not elsewhere classified
59	THE PRODUCTION FACTORY LONDON LIMITED	74209 - Photographic activities not elsewhere classified
60	ACTORS' WORKSHOPS (LONDON) LIMITED	85520 - Cultural education

61	ACTORS PROFESSIONAL CENTRE LIMITED(THE)	85520 - Cultural education
62	HRH THEATRICALS LIMITED	90010 - Performing arts
63	COTTON BLOSSOM LTD	90010 - Performing arts
64	RENT 20TH ANNIVERSARY PRODUCTION LIMITED	90010 - Performing arts
65	THE WASP LONDON LTD	90010 - Performing arts
66	WICKED LONDON PRODUCTION LIMITED	90010 - Performing arts
67	WICKED UK TOUR PRODUCTION LIMITED	90010 - Performing arts
68	PLEDGEMUSIC RECORDINGS LIMITED	90020 - Support activities to performing arts
69	PLEDGEMUSIC.COM LIMITED	90020 - Support activities to performing arts
70	POETRY SOCIETY(INCORPORATED)(THE	90030 - Artistic creation
71	CARTWRIGHT PRODUCTIONS LTD	90030 - Artistic creation
72	CANNED LAUGHTER LTD	90030 - Artistic creation
73	NEIL LAIDLAW PRODUCTIONS LTD	90030 - Artistic creation
74	SAPLING AND COLT LTD	90030 - Artistic creation
75	ZORRO (LONDON) LIMITED	90030 - Artistic creation
76	ACT TWO LIMITED	90030 - Artistic creation
77	VSA LIMITED	90030 - Artistic creation
78	S.M.THEATRE LIMITED	90030 - Artistic creation
79	POETRY PLACE LIMITED	90040 - Operation of arts facilities

Figure 21: Creative Industry companies in Listed Buildings

1	187	Drury Lane	CARTWRIGHT PRODUCTIONS LTD
2	22	Endell St	PLEDGEMUSIC PUBLISHING LTD
3	22	Endell St	PLEDGEMUSIC RECORDINGS LIMITED
4	22	Endell St	PLEDGEMUSIC.COM LIMITED
5	27	Great Queen St	IPS 2000 LIMITED
6	31	Great Queen St	FCB INFERNO LIMITED
7	31	Great Queen St	INFERNO LIMITED
8	42	Monmouth St	LAURA LEE JEWELLERY LIMITED
9	48	Monmouth St	COVENT GARDEN PARTNERSHIP LIMITED
10	68A	Neal St	VEDIC BROADCASTING NETWORK (UK) LIMITED
11	68A	Neal St	SECRET PETER LIMITED

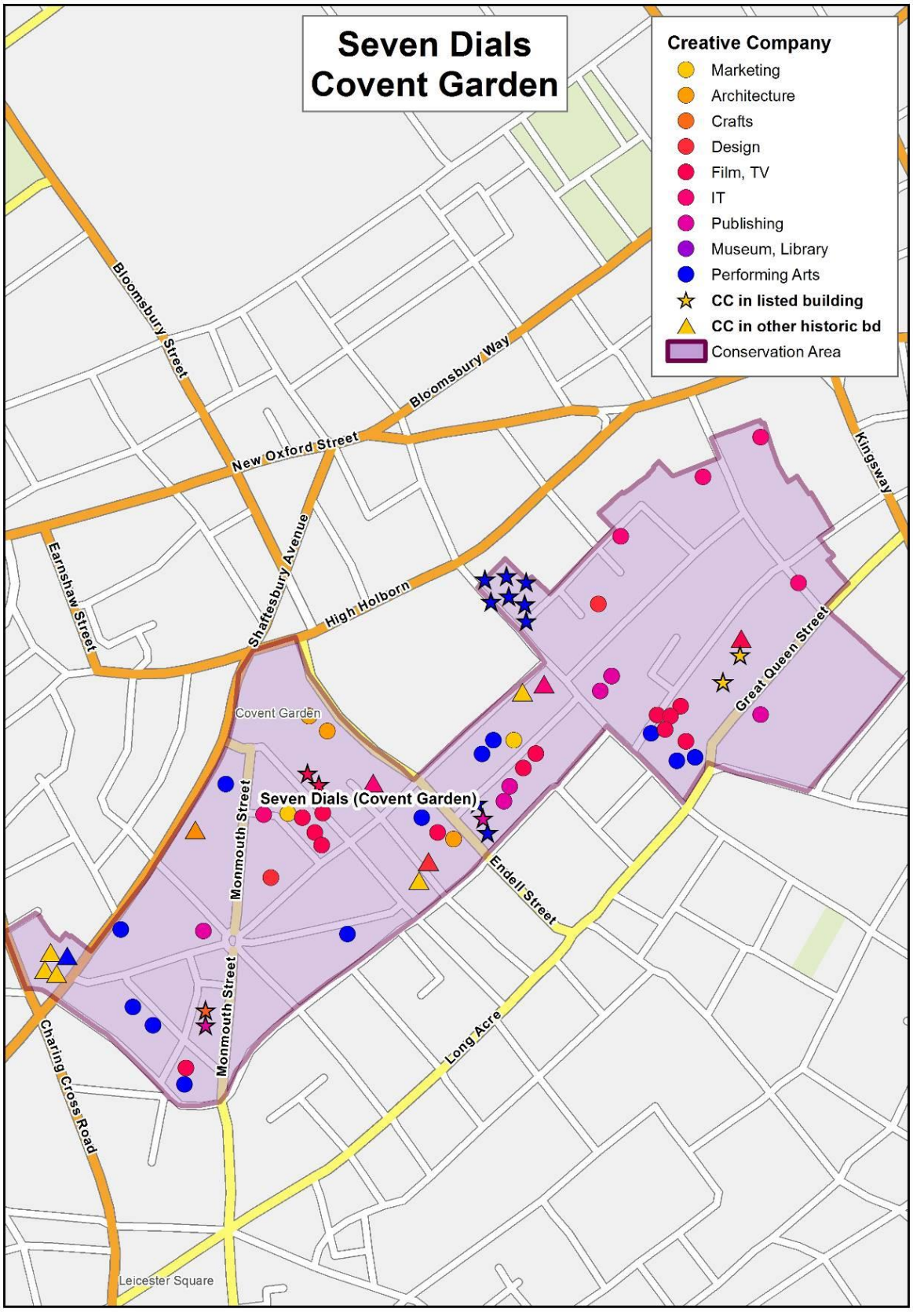
Figure 22: Creative industry companies in other historic buildings

1	BRIMELOW MCSWEENEY ARCHITECTS LIMITED	26	Great Queen Street
2	AKA PROMOTIONS LIMITED	115	Shaftesbury Avenue
3	AKA NYC LIMITED	115	Shaftesbury Avenue
4	ZORRO (LONDON) LIMITED	115	Shaftesbury Avenue
5	CP STUDIO LIMITED	115	Shaftesbury Avenue
6	VISION NINE HQ LIMITED	37	Shelton Street
7	CURIOUS LIMITED	41	Shelton Street
8	MILLIMEEP LIMITED	45	Shorts Gardens
9	LAUNDRAPP LIMITED	62-70	Shorts Gardens
10	STRETCH COMMUNICATIONS LTD	62-70	Shorts Gardens
11	FRONT PAGE FILMS LIMITED	20-22	Stukeley Street
12	PROSPECTUS LIMITED	20-22	Stukeley Street

Rents for new leases in the area are about £70psf, with average rents on existing leases in historic buildings being about £44 psm, considerably higher than other study areas.

Covent Garden's shops, theatres and restaurants are a now thriving, a world-famous tourist attraction. Alongside large numbers of small businesses and private residential developments, there remains a good deal of social housing and a diverse residential population. The area's historic built fabric is central to its appeal and has some protection from unsympathetic redevelopment but there is considerable development pressure. Covent Garden is essentially a single neighbourhood, but within it, Seven Dials has some distinctive features.

Figure 23: Creative Industry organisations in Seven Dials Conservation Area



There has been relatively little redevelopment of its historic buildings. Alterations to the Comyn Ching Triangle scheme were proposed, and rejected, in 2016, and the site was subsequently listed grade II as 'an early and exemplary project in urban contextualism, reflecting the emerging philosophy towards conservation and regeneration'. The largest single landowner in Seven Dials is now Shaftesbury PLC, a property rental company that invests exclusively in London's West End and this may offer a slightly greater degree of protection to historic fabric than in other parts of Covent Garden where large scale development, even behind retained facades, is changing its use and character, if not its appearance. Shaftesbury plc, who also own large tracts of Chinatown and the Carnaby Street area in Soho, are well known for their imaginative estate management, optimising the historic character of urban areas to make them more enticing to visitors and businesses alike and increasing rents in doing so.

2.4 SOUTH SHOREDITCH

2.4.1 LOCATION, ORIGINS AND ARCHITECTURAL CHARACTER

South Shoreditch Conservation Area is within the London Borough of Hackney, immediately to the north of the City of London. The conservation area extends to 2.72 km2 and has 52 listed buildings. It is within the 'City Fringe' strategic planning area that extends around the north and east of the City, into three other local authority areas: Tower Hamlets, Islington and the City of London. The 'City Fringe' includes several nearby conservation areas with broadly similar historic and economic characteristics to South Shoreditch, as well as undesignated areas.

Shoreditch developed at the junction of two roads of Roman origin; Kingsland Road and Old Street. Nothing survives of its medieval origins, when it emerged as one of the City's earliest suburbs. The area was urbanised from the late 17th century and had a population of 10,000 by 1750. This had risen tenfold by 1850, reflecting shift from residential to industrial occupation. The area became a centre for manufacturing and industry, particularly furniture production and printing, over mid-late 19th century.

Architecturally, the area is dominated by industrial buildings of c1870-1900. Much of the dense late Victorian urban grain survives today. The principal streets are typically lined by four- and five-storey former furniture showrooms, warehouses or factories; a few early 19th century houses survive. The network of small cross-streets contains smaller commercial buildings, workshops and artisan housing. The larger buildings are notably consistent in form, with large windows, regular, tall, ceiling heights and uninterrupted internal spaces. Many of the ground floors are shops or showrooms.

2.4.2 POST-1945 CHANGES

Manufacturers began to move out of the area to larger, suburban premises before the Second World War. The Blitz hastened this. By the 1960s, manufacturing was in steep decline, and by c.1980 most factories and workshops had gone; part of a trend to move such activities out of central London- seen also in the Docklands. Land use planning policy at this period generally aimed to retain employment by resisting the conversion of former commercial premises to residential use. Consequently, there was a surplus of vacant commercial space at this period even on the edge of the City.

By c.1980s the City required more commercial office buildings, putting pressure on adjacent areas for redevelopment, but the need was for large buildings of a particular type with big trading floors.

Therefore, much of the demand for new offices was met at Canary Wharf, where new buildings were designed specifically to meet the City's commercial requirements, and planning controls were relaxed (under LDDC) to this end. Moreover, there was some capacity for large-scale development between the City and South Shoreditch such as Broadgate (1985-91). In contrast, sites in South Shoreditch were relatively small, constrained by the historic street pattern, and therefore, for the time being, less attractive to developers.

South Shoreditch is in a highly desirable central London location, but development pressure from the expanding City was relatively limited until well into the 1980s. The subsequent increase in demand for commercial offices, came after the introduction of strict planning controls, including CA designation, to protect its historic architectural character.

From the mid-1980s to 2008 there was an economic boom in London, in which three elements - finance, the arts, and property- were driving forces.

Combined with the increasingly cosmopolitan nature of London following the Maastricht Treaty (1991), South Shoreditch was able to capitalize on all three. Its location next to the City was ideal; the area was attractive to creative industries for its fashionable, artistic and culturally open reputation, suitable buildings were available, and funding accessible. At the same time there was a strong commitment to conservation-based planning, which was well-resourced through the combination of adjacent LPA including the City, with EH support. Conservation objectives were deliverable because of increasing land values from the 1980s.

A dense concentration of the dominant local historic building type, of small industrial premises with open plans, was well-suited to re-use by small businesses that value face-to-face engagement with their peers, such as the 'creative industries'. The key architectural feature of such buildings is highly visible: the street elevations, which collectively create the distinctive neighbourhood. Most of the buildings are protected as positive contributors to the conservation area, but few are listed, so internal conversion is free from conservation-based planning constraints. (Were more buildings listed in order to save internal features of industrial archaeology, re-use would have been more difficult.)

2.4.3 EMERGENCE OF CREATIVE INDUSTRIES IN THE AREA

During the 1980s many former industrial buildings were available cheaply and became artists' studios, galleries, informal bars and nightclubs, establishing the area as fashionable locale, supported by the proximity of the City and new employment-generating developments like Broadgate.

At the same time there was a growing awareness of the special architectural character of the area, which led to the designation of conservation areas and the adoption of a range of conservation-based planning controls by LB Hackney and the adjacent Councils.

As land values and rents increased, artists' studios were replaced by 'creative industries', such as designers and architects; and small IT companies ranging from financial support services associated with the City, to software and games developers, which now make up a large proportion of local businesses. Many former commercial premises have been converted to residential use since the 1990s, although South Shoreditch CA is (and will continue to be under an Article 4 Direction) exempt from the 2015 Order allowing such changes of use 'permitted development'.

2.4.4 CONSERVATION AND PLANNING POLICIES

The catalyst for the conservation of the built environment in South Shoreditch was a report South Shoreditch: Historic and Industrial Buildings by the Hackney Society in 1986. It was prepared in the context of growing pressure for redevelopment as the City sought to expand. It recommended that Shoreditch be protected through conservation area designation. Hackney Council designated Sun Street CA, just north of Broadgate in 1987. As an historic area immediately abutting the City, this was subject to the greatest pressure for redevelopment. South Shoreditch and Shoreditch High Street CAs were designated in 1991. The Council produced Urban Design Guidance for the areas the same year.

In 2003 the GLA, English Heritage (as then) and the four local planning authorities commissioned a City Fringe Urban Planning Policy Framework, including a section dedicated to South Shoreditch (2004 by Urban Practitioners / Alan Baxter Associates). This formed the basis of the South Shoreditch Supplementary Planning Document, adopted by LB Hackney as part of its Local Development Framework in 2006, to guide development in the area; containing detailed polices for conserving its special architectural and historic character. It remains current within the Hackney Local Plan 2010.

Concurrently, the special architectural character of the area was studied in detail by English Heritage, resulting in a report entitled An Industrial Suburb': The Commercial Buildings of South Shoreditch 1850-1980 (2004), followed by a published summary Behind the Veneer – The South Shoreditch Furniture Trade and its Buildings, in 2006. Building on this research LB Hackney prepared a conservation area appraisal, recommending the expansion and amalgamation of South Shoreditch and Shoreditch High Street CAs, which was done in 2009.

Bishopsgate/Shoreditch is in the 2011 Mayor's London Plan City Fringe/Tech City Opportunity Area. Hackney Council is (2018) preparing an area action plan for Shoreditch, called Future Shoreditch.

2.4.5 CURRENT SITUATION

Figure 28 lists creative industry companies in the area and Figure 25 maps them. There is detail of historic buildings in Appendix 4.1. Figure 24 shows that, while there are many companies involved in all types of creative industries (other than artists, who have long been forced out by rising rents), including dense concentrations, by comparison to other conservation areas, of design and advertising/ marketing companies. The area is a notable hub for IT related businesses and is well- known as such.

Figure 24: Nature of Creative Industry companies in South Shoreditch

	Companies	% of Total	Per Sq Km	National Ranking
IT, Software & Computer Services	128	**32%**	464	**2**
Film, TV, Video, Radio, Photo	74	18%	268	10
Advertising & Marketing	70	17%	254	**5**
Music, Performing & Visual Arts	62	15%	225	11
Architecture	24	6%	87	11
Design	23	6%	83	**3**
Publishing	22	5%	80	14
Museums, Galleries, Libs	3	1%	11	8
Crafts	0	0%	0	64
TOTAL	406	100%	1,471	7

There is big concentration of creative industries, about 50 companies in all, in 134-136 Curtain Road, a classic of the type of building that appeals to smaller companies in the sector. It is a former showroom / warehouse built for the furniture dealer C&R Light between 1881 and 1887 to the designs of Richard Crease Hamilton. It has large windows, high ceilings and wide floorplates. There are clusters of companies in other similar buildings.

The increasingly residential character of the area (including a large number of new student accommodation units) has led to a contraction of the night-time economy, which is now being discouraged by the Council for reasons of residential amenity. However, the perception of South Shoreditch as a fashionable area associated with artists and nightlife survives, even if it is now largely historic, and still appears to be a significant factor in the area's continuing appeal to industries (like IT) that cherish an informal and youthful self-image.

Figure 25: Creative industry companies in South Shoreditch CA

1	SOCIABILITY LTD	58110 - Book publishing
2	WIN-WIN HEALTH INTELLIGENCE LIMITED	58110 - Book publishing
3	PINE TRIBE LTD	58110 - Book publishing
4	THOROGOOD PUBLISHING LIMITED	58110 - Book publishing
5	I AM SQUAREHEAD LIMITED	58110 - Book publishing
6	TOUCAN BOOKS LIMITED	58110 - Book publishing
7	GOLF COWS LTD	58110 - Book publishing
8	ASIAN BUSINESS PUBLICATIONS LIMITED	58130 - Publishing of newspapers
9	PLAYERS PUBLISHING LIMITED	58142 - Publishing of consumer and business journals and periodicals
10	PORT PUBLISHING LTD	58142 - Publishing of consumer and business journals and periodicals
11	WATERFRONT PUBLISHING LTD	58142 - Publishing of consumer and business journals and periodicals
12	76 MANAGEMENT LTD	58190 - Other publishing activities
13	THE CHURCH OF LONDON PUBLISHING LIMITED	58190 - Other publishing activities
14	LONDONIST LTD	58190 - Other publishing activities
15	TOUCHLINE PUBLISHING LIMITED	58190 - Other publishing activities
16	CULTURE COVER (MEDIA) LTD	58190 - Other publishing activities
17	DMC DIGITAL LIMITED	58190 - Other publishing activities
18	READ-ONLY MEMORY LTD	58190 - Other publishing activities
19	MINDAPPLES TRADING LTD	58290 - Other software publishing
20	ILLY SYSTEMS LIMITED	58290 - Other software publishing
21	NO AGENT TECHNOLOGIES LIMITED	58290 - Other software publishing
22	OFFBEAT MOVES LTD	59111 - Motion picture production activities
23	WIGWAM FILMS LTD	59111 - Motion picture production activities
24	VEXED PIXIE LIMITED	59111 - Motion picture production activities
25	JUST SO FILMS LIMITED	59111 - Motion picture production activities
26	CORONA PICTURES LIMITED	59111 - Motion picture production activities
27	THE LIABILITY FILM LIMITED	59111 - Motion picture production activities
28	NEXT GOAL WINS LTD	59111 - Motion picture production activities
29	THE DARKEST UNIVERSE LTD	59111 - Motion picture production activities
30	ARCHER'S MARK INTERNATIONAL LIMITED	59111 - Motion picture production activities
31	NATIVE VOICE FILMS LIMITED	59111 - Motion picture production activities
32	THE ANGEL HOTEL FILM PRODUCTION LIMITED	59111 - Motion picture production activities
33	CODED PICTURES LIMITED	59111 - Motion picture production activities
34	VCL VIDEO LIMITED	59112 - Video production activities
35	BLACK CAB SESSIONS LTD.	59112 - Video production activities
36	SEENIT DIGITAL LIMITED	59112 - Video production activities
37	GAINSBURY AND WHITING LIMITED	59112 - Video production activities
38	GARDEN WALK LTD	59112 - Video production activities
39	SCREENCULT LTD	59112 - Video production activities
40	TINY CINEMA LIMITED	59112 - Video production activities
41	SALT TV LTD	59112 - Video production activities
42	SHORTS INTERNATIONAL LIMITED	59112 - Video production activities
43	JW PRODUCTIONS LONDON LIMITED	59112 - Video production activities
44	VELO PRODUCTION LTD	59112 - Video production activities
45	XPONO LTD	59112 - Video production activities
46	GEOCAST TV LIMITED	59112 - Video production activities
47	RESIST PRODUCTIONS LTD	59112 - Video production activities
48	REBELLION DESIGN LIMITED	59112 - Video production activities
49	TAYLOR MADE MEDIA TV LIMITED	59113 - Television programme production activities
50	TV AUDIO MIX LIMITED	59113 - Television programme production activities
51	CORONA TELEVISION LIMITED	59113 - Television programme production activities
52	LIVERPOOL STREET PRODUCTIONS LTD	59113 - Television programme production activities
53	BOSSACO LIMITED	59113 - Television programme production activities
54	DIRTY LTD	59120 - Motion picture, video and television programme post-production activities
55	POSTMEN LTD	59120 - Motion picture, video and television programme post-production activities
56	SURFACE LONDON LTD	59120 - Motion picture, video and television programme post-production activities
57	REBEL POST PRODUCTION LTD	59120 - Motion picture, video and television programme post-production activities
58	PECCADILLO PICTURES LIMITED	59131 - Motion picture distribution activities
59	TRISTAN GODEFROY LTD	59131 - Motion picture distribution activities
60	ONEFOLD DIGITAL LIMITED	59200 - Sound recording and music publishing activities

61	INGROOVES U.K., LTD.	59200 - Sound recording and music publishing activities
62	DEEP INSIDE YOU LIMITED	59200 - Sound recording and music publishing activities
63	ITH LIMITED	59200 - Sound recording and music publishing activities
64	BELLA UNION LIMITED	59200 - Sound recording and music publishing activities
65	MAKE MY DAY LIMITED	59200 - Sound recording and music publishing activities
66	MAKE MY DAY PUBLISHING LIMITED	59200 - Sound recording and music publishing activities
67	OPERA RARA	59200 - Sound recording and music publishing activities
68	FAIRSPLIT MUSIC LIMITED	59200 - Sound recording and music publishing activities
69	ARISION RECORDINGS LIMITED	59200 - Sound recording and music publishing activities
70	ARISION EDITIONS LIMITED	59200 - Sound recording and music publishing activities
71	LIME BLUE MUSIC LIMITED	59200 - Sound recording and music publishing activities
72	SUPERHYPE TAPES LIMITED	59200 - Sound recording and music publishing activities
73	MIXCLOUD LTD	60100 - Radio broadcasting
74	GROUP K BROADCASTING LIMITED	60200 - Television programming and broadcasting activities
75	SHORTSTV FRANCE LIMITED	60200 - Television programming and broadcasting activities
76	NGW.DIGITAL LTD	62011 - Ready-made interactive leisure and entertainment software development
77	DEV2RIGHTS LTD	62011 - Ready-made interactive leisure and entertainment software development
78	BOSSA STUDIOS LIMITED	62011 - Ready-made interactive leisure and entertainment software development
79	HUTCH DRIVES LIMITED	62011 - Ready-made interactive leisure and entertainment software development
80	HUTCH WHEELS LIMITED	62011 - Ready-made interactive leisure and entertainment software development
81	HUTCH HILL LIMITED	62011 - Ready-made interactive leisure and entertainment software development
82	USTWO GAMES LTD	62011 - Ready-made interactive leisure and entertainment software development
83	BAR PASS LIMITED	62011 - Ready-made interactive leisure and entertainment software development
84	GUMBUG LIMITED	62011 - Ready-made interactive leisure and entertainment software development
85	TYK TECHNOLOGIES LIMITED	62012 - Business and domestic software development
86	BLUE RONIN LTD	62012 - Business and domestic software development
87	FINCODE LIMITED	62012 - Business and domestic software development
88	TAP IT HOLDINGS LIMITED	62012 - Business and domestic software development
89	TF TECH LTD	62012 - Business and domestic software development
90	VANILR LTD	62012 - Business and domestic software development
91	ENNELIN LTD	62012 - Business and domestic software development
92	LIFESCALE LIMITED	62012 - Business and domestic software development
93	HOMEWINGS LTD	62012 - Business and domestic software development
94	AIRE LABS LTD	62012 - Business and domestic software development
95	FINTEK SOFTWARE LIMITED	62012 - Business and domestic software development
96	WEALTH DYNAMICS LIMITED	62012 - Business and domestic software development
97	CO & CO (UK) LIMITED	62012 - Business and domestic software development
98	LIFECAKE LIMITED	62012 - Business and domestic software development
99	RED C MOBILE LTD	62012 - Business and domestic software development
100	GLOOP LABS LIMITED	62012 - Business and domestic software development
101	ILLY COMPUTER SYSTEMS LIMITED	62012 - Business and domestic software development
102	LOCI SYSTEMS LTD	62012 - Business and domestic software development
103	MEDIASTERLING LIMITED	62012 - Business and domestic software development
104	INCTECH LIMITED	62012 - Business and domestic software development
105	FORTITUDE WORLDWIDE LTD	62012 - Business and domestic software development
106	APPFLY LTD	62012 - Business and domestic software development
107	ADDIN365 LIMITED	62012 - Business and domestic software development
108	CROWDOSCOPE LTD	62012 - Business and domestic software development
109	SEBAZZO LTD.	62012 - Business and domestic software development
110	GLINT PAY SERVICES LTD	62012 - Business and domestic software development
111	GLINT PAY UK LTD	62012 - Business and domestic software development
112	USTWO LONDON LTD	62012 - Business and domestic software development
113	COMUZI LTD.	62012 - Business and domestic software development
114	OMETRIA LTD	62012 - Business and domestic software development
115	CONNECTED RETAIL LIMITED	62012 - Business and domestic software development
116	CRONYCLE LTD	62012 - Business and domestic software development
117	MANIFESTO DIGITAL LIMITED	62012 - Business and domestic software development
118	THOUGHT&FUNCTION LTD.	62012 - Business and domestic software development
119	RAISING IT LIMITED	62012 - Business and domestic software development
120	EXPEND LIMITED	62012 - Business and domestic software development

121	CAST SOFTWARE LIMITED	62012 - Business and domestic software development
122	MBA MICHAEL BAILEY ASSOCIATES PLC	62020 - Information technology consultancy activities
123	MICHAEL BAILEY ASSOCIATES LIMITED	62020 - Information technology consultancy activities
124	WEBSTARS LTD	62020 - Information technology consultancy activities
125	WITH REASON LTD	62020 - Information technology consultancy activities
126	EHD DIGITAL MARKETING LIMITED	62020 - Information technology consultancy activities
127	THE DEXTROUS WEB LTD	62020 - Information technology consultancy activities
128	BYNG SERVICES LIMITED	62020 - Information technology consultancy activities
129	BYNG GROUP LIMITED	62020 - Information technology consultancy activities
130	PROFILEGURU LIMITED	62020 - Information technology consultancy activities
131	CLOUD DIGITAL RESEARCH LTD	62020 - Information technology consultancy activities
132	LDN CREATIVE LTD	62020 - Information technology consultancy activities
133	DAVID COPELAND LIMITED	62020 - Information technology consultancy activities
134	FAT BEEHIVE LIMITED	62020 - Information technology consultancy activities
135	PUSHER LIMITED	62020 - Information technology consultancy activities
136	WORLD ALLIANCE LABORATORIES LTD	62020 - Information technology consultancy activities
137	SNOWPLOW ANALYTICS LIMITED	62020 - Information technology consultancy activities
138	NORMALLY LTD	62020 - Information technology consultancy activities
139	EAVO LIMITED	62020 - Information technology consultancy activities
140	XERVIO TECHNOLOGY LIMITED	62020 - Information technology consultancy activities
141	GUESTY MEDIA LIMITED	70210 - Public relations and communications activities
142	PALM-PR LTD	70210 - Public relations and communications activities
143	WONDER LONDON LIMITED	70210 - Public relations and communications activities
144	DECEMBER CONSULTANCY LTD	70210 - Public relations and communications activities
145	BEETROOT PUBLISHING LIMITED	70210 - Public relations and communications activities
146	SPLENDID COMMUNICATIONS GROUP LIMITED	70210 - Public relations and communications activities
147	SPLENDID COMMUNICATIONS LIMITED	70210 - Public relations and communications activities
148	KINGDOM COLLECTIVE LONDON LTD	70210 - Public relations and communications activities
149	INDIGOFERA PR LIMITED	70210 - Public relations and communications activities
150	CROUD INC LTD	70210 - Public relations and communications activities
151	ADAM RICHARDS ARCHITECTS LIMITED	71111 - Architectural activities
152	AZMAN ASSOCIATES ARCHITECTS LTD	71111 - Architectural activities
153	COMMUNITY CAPITAL LIMITED	71111 - Architectural activities
154	INTERNATIONAL NETWORK FOR TRADITIONAL BUIL	71111 - Architectural activities
155	THE PRINCE'S FOUNDATION	71111 - Architectural activities
156	HASSELL LTD	71111 - Architectural activities
157	GIBBERD LIMITED	71111 - Architectural activities
158	AZPML LIMITED	71111 - Architectural activities
159	STUDIO 1 ARCHITECTS LTD	71111 - Architectural activities
160	FFE CONSULTING LTD	71111 - Architectural activities
161	MICHAEL O'SULLIVAN DESIGN LIMITED	71111 - Architectural activities
162	LAURENT MOT LIMITED	71111 - Architectural activities
163	FORTY FIVE DEGREES LTD	71111 - Architectural activities
164	WAUGH THISTLETON ARCHITECTS LIMITED	71111 - Architectural activities
165	UBER RAUM LIMITED	71111 - Architectural activities
166	MILK ARCHITECTURE & DESIGN LIMITED	71111 - Architectural activities
167	CLEMENTS & PORTER LIMITED	71111 - Architectural activities
168	AFTERHOURSTUDIO LTD	71111 - Architectural activities
169	KYSON DESIGN LIMITED	71111 - Architectural activities
170	KYSON GROUP LIMITED	71111 - Architectural activities
171	WEBB YATES ENGINEERS LIMITED	71111 - Architectural activities
172	MOLYNEUX KERR ARCHITECTS LIMITED	71111 - Architectural activities
173	TEWKSBURY DESIGN LIMITED	71112 - Urban planning and landscape architectural activities
174	CLUBHOUSE STUDIOS LIMITED	73110 - Advertising agencies
175	CAIRBLAN LIMITED	73110 - Advertising agencies
176	NADSTAR LTD	73110 - Advertising agencies
177	PARTIZAN INTERNATIONAL LIMITED	73110 - Advertising agencies
178	PD 3 LIMITED	73110 - Advertising agencies
179	IMPERIAL LEISURE LIMITED	73110 - Advertising agencies
180	CREATURE LONDON LIMITED	73110 - Advertising agencies

181	SARTRE GROUP LTD	73110 - Advertising agencies
182	COLLINS WINNING LIMITED	73110 - Advertising agencies
183	PABLO LONDON LIMITED	73110 - Advertising agencies
184	THE CROCODILE INTEGRATED MARKETING LIMITEI	73110 - Advertising agencies
185	ALFRED LONDON LTD	73110 - Advertising agencies
186	SEVEN STAR DIGITAL LTD	73110 - Advertising agencies
187	PROTEIN AGENCY UK LTD.	73110 - Advertising agencies
188	M COM ONE LIMITED	73110 - Advertising agencies
189	POCKETMATH LIMITED	73110 - Advertising agencies
190	MOTHER HOLDINGS LIMITED	73110 - Advertising agencies
191	MOTHER LONDON LIMITED	73110 - Advertising agencies
192	ERIC MORECAMBE LIMITED	73110 - Advertising agencies
193	BLACKBRIDGE COMMUNICATIONS LIMITED	73110 - Advertising agencies
194	BATS IN BELFRIES LIMITED	73110 - Advertising agencies
195	HRVILLE LIMITED	73110 - Advertising agencies
196	BUONGIORNO UK LIMITED	73110 - Advertising agencies
197	ANYMEDIA LIMITED	73110 - Advertising agencies
198	HOMETOWN ADVERTISING LIMITED	73110 - Advertising agencies
199	START JG MIDDLE EAST LIMITED	73110 - Advertising agencies
200	START JUDGEGILL LIMITED	73110 - Advertising agencies
201	LIVING DESIGNS ASSOCIATES LIMITED	73110 - Advertising agencies
202	LIVING GROUP LIMITED	73110 - Advertising agencies
203	LIVING REPORTING LIMITED	73110 - Advertising agencies
204	COMMUNICATOR LONDON LIMITED	73110 - Advertising agencies
205	HEY STYLE LIMITED	73110 - Advertising agencies
206	ALBION BRAND COMMUNICATION LIMITED	73110 - Advertising agencies
207	MISSOURI ONE LTD	73110 - Advertising agencies
208	SEEN PRESENTS LTD	73110 - Advertising agencies
209	CAPTIVATE GROUP LIMITED	73110 - Advertising agencies
210	STIR PUBLIC RELATIONS LTD	73110 - Advertising agencies
211	GILL TURNER LIMITED	73120 - Media representation services
212	ESSENCE PR LIMITED	73120 - Media representation services
213	WELLCOM LONDON LIMITED	73120 - Media representation services
214	THIS PLACE LIMITED	73120 - Media representation services
215	THIS PLACE RULES LIMITED	73120 - Media representation services
216	NOAHS MEDIA LIMITED	73120 - Media representation services
217	KO MEDIA (UK) LIMITED	73120 - Media representation services
218	SUGARBEAN MEDIA LIMITED	73120 - Media representation services
219	KOTA CREATIVE LTD	73120 - Media representation services
220	WSRW LIMITED	73120 - Media representation services
221	AFFECTV LTD	73120 - Media representation services
222	UNDER COVER (MEDIA) LTD	73120 - Media representation services
223	FUSED7 LTD	73120 - Media representation services
224	CLARITY LONDON LTD	73120 - Media representation services
225	THE MEDIA TREE PROJECT LIMITED	73120 - Media representation services
226	FLYNET PICTURES UK LIMITED	73120 - Media representation services
227	GOOD, FORM & SPECTACLE LIMITED	74100 - specialised design activities
228	RADLEY YELDAR LIMITED	74100 - specialised design activities
229	DILIGENT COMMERCE LTD	74100 - specialised design activities
230	KLINICAL LTD	74100 - specialised design activities
231	DTWO DESIGN LIMITED	74100 - specialised design activities
232	SITE SPECIFIC LIMITED	74100 - specialised design activities
233	THE LIGHT LAB LIMITED	74100 - specialised design activities
234	APPLIED WORKS UK LIMITED	74100 - specialised design activities
235	GRIZZLE LIMITED	74100 - specialised design activities
236	LACUNA LONDON LTD	74100 - specialised design activities
237	ALEXANDER WATERWORTH INTERIORS LTD.	74100 - specialised design activities
238	PETER LINNETT LIMITED	74100 - specialised design activities
239	SCIENCE PRACTICE LTD	74100 - specialised design activities
240	AMANDA SVART LTD	74100 - specialised design activities

241	YOUR STUDIO LTD	74100 - specialised design activities
242	BLOND LTD	74100 - specialised design activities
243	NEWL&POTTER LIMITED	74100 - specialised design activities
244	SPORT A SMILE LIMITED	74100 - specialised design activities
245	KELLENBERGER-WHITE LIMITED	74100 - specialised design activities
246	JUDGEGILL LIMITED	74100 - specialised design activities
247	SEEN DISPLAYS LTD	74100 - specialised design activities
248	IMG 1ST LIMITED	74201 - Portrait photographic activities
249	COCOON CREATIVE LIMITED	74209 - Photographic activities not elsewhere classified
250	RETOUCH AND POST LTD	74209 - Photographic activities not elsewhere classified
251	THE POST ROOM LONDON LTD	74209 - Photographic activities not elsewhere classified
252	INVISIBLE INC CREATIVE LIMITED	74209 - Photographic activities not elsewhere classified
253	ELEMENTS CREATIVE RETOUCHING LTD	74209 - Photographic activities not elsewhere classified
254	LONDON MAKEOVERS LTD	74209 - Photographic activities not elsewhere classified
255	TIM FLACH PHOTOGRAPHY LIMITED	74209 - Photographic activities not elsewhere classified
256	TOUCHNOTE LIMITED	74209 - Photographic activities not elsewhere classified
257	THE OPERATORS CREATIVE LIMITED	74209 - Photographic activities not elsewhere classified
258	HITCH VENTURES LTD	74209 - Photographic activities not elsewhere classified
259	BRUCE ANDERSON PHOTOGRAPHIC LIMITED	74209 - Photographic activities not elsewhere classified
260	JAPANEEDS LIMITED	74300 - Translation and interpretation activities
261	MIMBRE LIMITED	85520 - Cultural education
262	MUSEUM IN A BOX LTD.	85520 - Cultural education
263	THE ROYAL DRAWING SCHOOL	85520 - Cultural education
264	LONDON HAIR & BEAUTY LIMITED	85520 - Cultural education
265	MORO PRODUCTIONS LTD.	90010 - Performing arts
266	MOR OR LES PRODUCTIONS LIMITED	90010 - Performing arts
267	FEVERED SLEEP	90010 - Performing arts
268	CLASSICBERRY LIMITED	90010 - Performing arts
269	ROLL OVER RECORDS LIMITED	90010 - Performing arts
270	TROLCHARM LIMITED	90010 - Performing arts
271	HESSO MEDIA LTD	90020 - Support activities to performing arts
272	DERAILED THEATRE PRODUCTION LIMITED	90020 - Support activities to performing arts
273	SHOREDITCH TOWN HALL TRADING LIMITED	90020 - Support activities to performing arts
274	WE FUND LIMITED	90020 - Support activities to performing arts
275	INTO DARKNESS LIMITED	90030 - Artistic creation
276	NOTOWN LIMITED	90030 - Artistic creation
277	PROP STUDIOS LIMITED	90030 - Artistic creation
278	SAMANTHA GAINSBURY LTD	90030 - Artistic creation
279	MONOKOTO LTD	90030 - Artistic creation
280	LIVE ENGINEERING LTD	90030 - Artistic creation
281	NATIVE DESIGN LIMITED	90030 - Artistic creation
282	ROS LITTLE LIMITED	90030 - Artistic creation
283	BOOK WORKS (UK) LTD	90030 - Artistic creation
284	RKA TALENT LTD	90030 - Artistic creation
285	TOEPLUSBEE LTD	90030 - Artistic creation
286	JULIAN OPIE LIMITED	90030 - Artistic creation
287	COLLAGE BOY ART LTD	90030 - Artistic creation
288	JACKY TSAI LIMITED	90030 - Artistic creation
289	WARM STREET LIMITED	90030 - Artistic creation
290	MY ACCOMPLICE LIMITED	90030 - Artistic creation
291	INIVA ENTERPRISES LIMITED	90030 - Artistic creation
292	SPARKS STUDIO LIMITED	90030 - Artistic creation
293	THE INSTITUTE OF INTERNATIONAL VISUAL ARTS	90030 - Artistic creation
294	THE SOCIETY OF DESIGNER-CRAFTSMEN	90030 - Artistic creation
295	GRAFFITI KINGS LIMITED	90030 - Artistic creation
296	MONOGRAM LTD	90030 - Artistic creation
297	BUNCH LIMITED	90030 - Artistic creation
298	HUTCH GAMES LTD	90030 - Artistic creation
299	BREED LIMITED	90030 - Artistic creation
300	PEEPSHOW COLLECTIVE LTD	90030 - Artistic creation
301	GRIMM PRODUCTIONS LTD	90040 - Operation of arts facilities
302	DEGREEART ASIA LTD	90040 - Operation of arts facilities
303	STANDPOINT STUDIOS	90040 - Operation of arts facilities
304	VILLAGE UNDERGROUND LIMITED	90040 - Operation of arts facilities
305	VILLAGE UNDERGROUND PROJECTS LTD	90040 - Operation of arts facilities
306	DITCH PRODUCTIONS LIMITED	90040 - Operation of arts facilities
307	SHOREDITCH TOWN HALL TRUST	90040 - Operation of arts facilities
308	AUTOGRAPH ABP	90040 - Operation of arts facilities
309	ALPINE CLUB LIBRARY	91011 - Library activities
310	AUTOGRAPH MEDIA LTD	91012 - Archives activities

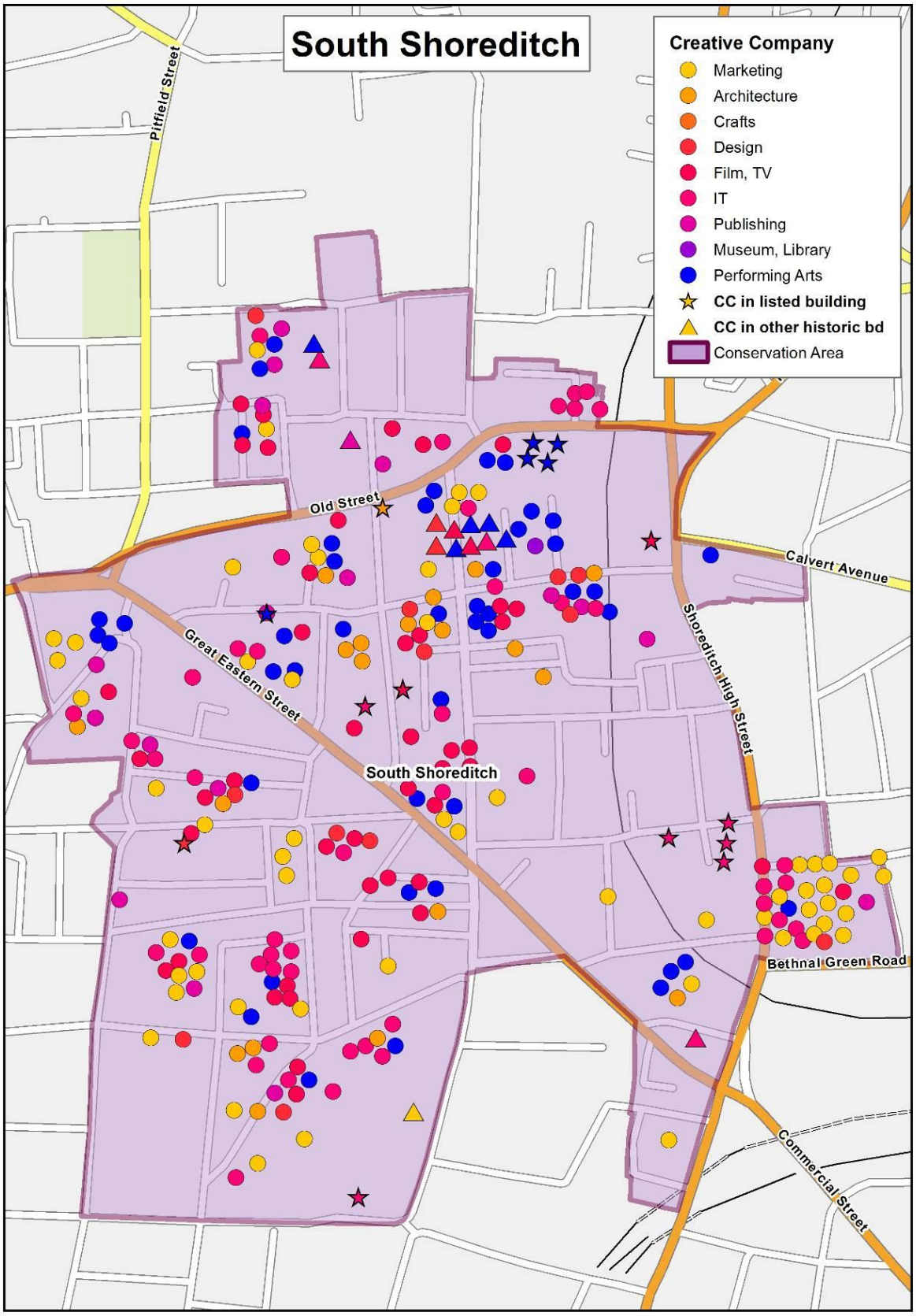
Figure 26: Creative industry companies in listed buildings

1	45-46	Charlotte Road	FINCODE LIMITED
2	45-46	Charlotte Road	BLUE RONIN LTD
3	45-46	Charlotte Road	DIRTY LTD
4		Mark St	PETER LINNETT LIMITED
5	36-42	New Inn Yard	UBER RAUM LIMITED
6	36-42	New Inn Yard	MEDIASTERLING LIMITED
7	380	Old St	DITCH PRODUCTIONS LIMITED
8	380	Old St	SHOREDITCH TOWN HALL TRADING LIMITED
9	380	Old St	MY ACCOMPLICE LIMITED
10	380	Old St	FEVERED SLEEP
11	380	Old St	SHOREDITCH TOWN HALL TRUST
12	24	Rivington St	THE SOCIETY OF DESIGNER-CRAFTSMEN
13	189	Shoreditch High St	BAR PASS LIMITED
14	189-190	Shoreditch High St	EAVO LIMITED
15	189-190	Shoreditch High St	RAISING IT LIMITED
16	126	Shoreditch High St	BRUCE ANDERSON PHOTOGRAPHIC LIMITED
17	342	Shoreditch High St	MILK ARCHITECTURE & DESIGN LIMITED
18	99-101	Worship St	XERVIO TECHNOLOGY LIMITED

Figure 27: Creative industry companies in other historic buildings

1	CREATURE LONDON LIMITED	21	Curtain Road
2	MICHAEL O'SULLIVAN DESIGN LIMITED	134-146	Curtain Road
3	OPERA RARA	134-146	Curtain Road
4	POSTMEN LTD	134-146	Curtain Road
5	GAINSBURY AND WHITING LIMITED	134-146	Curtain Road
6	SAMANTHA GAINSBURY LTD	134-146	Curtain Road
7	MAKE MY DAY LIMITED	134-146	Curtain Road
8	MAKE MY DAY PUBLISHING LIMITED	134-146	Curtain Road
9	FINTEK SOFTWARE LIMITED	134-146	Curtain Road
10	DTWO DESIGN LIMITED	134-146	Curtain Road
11	SITE SPECIFIC LIMITED	Curtain House	Curtain Road
12	EHD DIGITAL MARKETING LIMITED	2-4	Great Eastern Street
13	TOEPLUSBEE LTD	8-9	Hoxton Square
14	TOEPLUSBEE LTD	8-9	Hoxton Square
15	THE DEXTROUS WEB LTD	8-9	Hoxton Square
16	THE DEXTROUS WEB LTD	8-9	Hoxton Square
17	PORT PUBLISHING LTD	43-44	Hoxton Square

Figure 28: Creative Industry companies in South Shoreditch Conservation Area



3 CASE STUDIES – OUTSIDE LONDON

3.1 CHELTENHAM CENTRAL

3.1.1 LOCATION, ORIGINS AND ARCHITECTURAL CHARACTER

The Cheltenham Central Conservation Area covers the whole centre of the town and most of its inner suburbs. It is unusually large, at c.6km² and is said to be the largest designated historic area in Europe. It contains 873 statutorily listed buildings and 205 on the local list. The area is covered by 19 separate conservation area appraisals, which identify a substantial number of other buildings as making a positive contribution to the area's special architectural or historic character or appearance.

Cheltenham lies in the flat lands of the Vale of Severn, just below the NW edge of the Cotswold escarpment. The town has early origins and was granted a market charter in 1226. It was small and unremarkable until discovery of mineral water springs in the early 18th century. From c.1840 the town was developed as a spa with houses, hotels, assembly rooms, a theatre and landscaped gardens. Its reputation as an exclusive summer resort was sealed when George III and his family stayed in 1788; its subsequent growth was dramatic. Its population of c.3,000 in 1801 had increased ten-fold by 1841.

Its fashionable heyday had passed by the mid-19th century, but suburban development continued throughout the Victorian period. The town remained popular for convalescence, retreat and retirement well into the 20th century. As it declined as a resort it became known for its private boarding schools, for which its many large houses were ideally suited, and which helped to preserve its social exclusivity. Until the start of the 20th century Cheltenham had almost no industry and relatively little workers' housing. In the first half of the 20th century light industries such as the production of aeroplane components developed on the edge of the town, stimulated by the demands of the two world wars, when many of the large old houses served as convalescent homes.

The outstanding architectural significance of Cheltenham entirely results from development as a spa. It is characterised by wide tree-lined streets of villas and terraces predominantly in the 'Regency' neo-classical style, complemented by numerous Gothic revival churches. From the outset development was private and speculative, typically in planned estates of houses in landscaped settings, often with vistas along the streets out into the surrounding countryside. Even areas close to the centre of the town are, in effect, distinctive suburban neighbourhoods, with extensive public and private gardens.

Key areas of architectural significance include the two earliest spa districts: Montpellier, which became a part of commercial and retail core of the town in the 20th century; and Pittville, which retains an exclusive residential character. A high proportion of their buildings is listed and splendid early 19th century Pump Rooms (listed grade I) survive in both places. The Old Town encompasses the medieval settlement, church and street pattern, although it was largely rebuilt in the Regency period. Sydenham is a Regency suburb with numerous of listed houses. Other areas have less significance. Leckhampton and Tivoli (among the few areas of 19th century artisan terraced housing), and the 19th century retail area of Bath Road, contain only a handful of listed buildings although many of the others are identified as making a positive contribution to the architectural character of each area. Eldorado, Dean Close and Hatherley Park to the west are red-brick late-Victorian and Edwardian suburbs, also with few listed buildings. Cheltenham can justifiably claim, as a whole, to be 'the most complete Regency town in England'.

3.1.2 POST-1945 CHANGES

The town was away from the main targets for bombing in the Second World War and its economy benefitted from this degree of safety. In the second half of the 20th century, alongside engineering, warehousing and other service industries on the edge of the town, retail, financial services, administration and professional activities expanded in the historic core. Many large Georgian houses became offices: for example, much of the Promenade - one of the town's great architectural set-pieces - is now occupied by the Council's offices. The Government Communications Headquarters (GCHQ) moved to a site west of the town in 1951 and is now the county's largest employer, with c.5,800 staff.

The Council's desire to encourage new economic activities was sometimes at the expense of historic buildings during the post-war period. Commercial development, along the main roads and in the town centre, includes the visually intrusive Eagle Star Insurance tower (1968) on Bath Road, and several multi-storey car parks and architecturally banal retail developments in the town centre. Since the 1970s the value of the town's historic architecture and environment to the local economy has been increasingly well-recognised and the 'visitor economy' has been maintained and developed in this context. Numerous festivals of music, science and literature are held in the town, as well as the annual National Hunt Festival. The University of Gloucester has several sites in the conservation area including the former Zoological Gardens in The Park. It was established in 2001 by the amalgamation of several existing institutions and now has c.8,000 students.

3.1.3 CONSERVATION AND PLANNING POLICIES

The conservation area was designated in 1973 and extended in 1987 and 2009. It was an early recipient of government grant for building conservation: first, under the auspices of the Historic Buildings Council for England, through the 'Town Scheme' which made grants to outstanding groups of buildings; and, after 1983, from its successor body, English Heritage, through its 'Programme Town' grant scheme for key historic areas.

In 2001, the Council published an Urban Design Framework, which identified 19 character areas within the central conservation area. 19 conservation area appraisals produced between 2006-8 were based on these areas. The Council has recently indicated that it is considering dividing Cheltenham Conservation Area into a number of smaller designations, possibly along the lines of the 19 character areas. Building on the appraisals, the Council adopted the Cheltenham Civic Pride Urban Design Framework in 2008, with urban design, transport and public realm strategies, and development proposals for key sites.

The Strategic Economic Plan for Gloucestershire (2014) noted the importance of cyber security and information technology to the local economy. A Joint Core Strategy (JCS) adopted with Gloucester City and Tewksbury Borough Councils in 2017 also identifies these as key growth areas. There is no explicit local policy or strategy to develop creative industries in the town centre, but development of a new out-of-town 'national cyber hub' near Cheltenham is currently under consideration by the Borough and County Councils.

The Pre-Submission Version (Regulation 19) of the Cheltenham Plan was issued in February 2018. It restates the policies of the JCS with respect to cyber security and information technology industries.

Policy EM1 is aimed at protecting employment uses and states that the Council will resist changes of use to employment land except where a new use 'provides new high-skilled jobs such as those associated with knowledge-based service and technology industries.' The Council will consider making an Article 4 Direction to remove permitted development rights for change of use.

3.1.4 EMERGENCE OF CREATIVE INDUSTRIES IN THE AREA

It is difficult to point to any particular moment at which Cheltenham became a centre for creative industries, or to any strategic plan to encourage them. Cheltenham's history as an upmarket resort town means that activities related to cultural entertainment, such as music, theatre and visual arts, have always had a significant role in the local economy. By far the largest category of 'creative industries' in the town today are those related to information technology, particularly cyber security (which is within the 'creative industry' category) and is probably linked the presence of GCHQ nearby.

3.1.5 THE AREA TODAY

Figure 28 lists creative industries companies in the area and Figure 25 maps them. Figure 29 shows that the cluster is dominated by IT related companies, although the area also has a notable concentration of companies involved in advertising and marketing,

Figure 29: Summary of Creative Industry Companies in Cheltenham Central

	Companies	% of Total	Per Sq Km	National Ranking
IT, Software & Computer Services	110	**52%**	19	**196**
Advertising & Marketing	27	13%	5	**197**
Music, Performing & Visual Arts	23	11%	4	255
Design	15	7%	3	206
Publishing	14	7%	2	**179**
Architecture	10	5%	2	219
Film, TV, Video, Radio, Photograph	9	4%	2	264
Crafts	1	0%	0	234
Museums, Galleries, Libraries	1	0%	0	93
TOTAL	210	100%	35	246

Creative industries are distributed widely throughout the town, but the principal concentrations are in the town centre and on commercial sections of the arterial roads.

Cheltenham is a prosperous town, and its historic buildings are now generally regarded as an asset by residents, by the Council and to the 'visitor economy'. It has not experienced dramatic social or economic changes during the past century. The historic inner suburbs were built as upmarket residential neighbourhoods and they remain as such. The town, as much as the surrounding Cotswolds region, is a popular place to live. Residential property is relatively expensive by national standards. There is some evidence of loss of employment floorspace in the town, but this does not seem to be a major problem. Local policy is, broadly, to develop new employment uses on rural sites, whilst preserving, but not necessarily increasing, employment uses within the town centre.

Figure 30: Creative industry companies in Cheltenham Central CA

1	AARDVARK JEWELLERY LIMITED	32120 - Manufacture of jewellery and related articles
2	CRICKITEACHER LTD	58110 - Book publishing
3	EDWARD ELGAR PUBLISHING LIMITED	58110 - Book publishing
4	PERENDALE PUBLISHERS LIMITED	58120 - Publishing of directories and mailing lists
5	MCBILL ILLUSTRATION LTD	58141 - Publishing of learned journals
6	HESA SERVICES LIMITED	58190 - Other publishing activities
7	HIGHER EDUCATION STATISTICS AGENCY LIMITED	58190 - Other publishing activities
8	SOPUBLISHING LTD	58190 - Other publishing activities
9	DESITO LTD	58190 - Other publishing activities
10	FARQUHAR'S VOCABULARY FLASH CARDS LTD	58190 - Other publishing activities
11	JUNO PUBLISHING & MEDIA SOLUTIONS LIMITED	58190 - Other publishing activities
12	CHARLES FORRINGTON AND PARTNERS LIMITED	58190 - Other publishing activities
13	PAGES CREATIVE (CHELTENHAM) LTD	58190 - Other publishing activities
14	HACCHE RETAIL LIMITED	58190 - Other publishing activities
15	IPIPELINE LIMITED	58290 - Other software publishing
16	IBIDEM CAPITAL LIMITED	58290 - Other software publishing
17	ARCHIMEDIA PRODUCTIONS LIMITED	59111 - Motion picture production activities
18	CINEMISSION PRODUCTIONS LIMITED	59111 - Motion picture production activities
19	PINPOINTUK LIMITED	59112 - Video production activities
20	DAWBELL CONSULTING LIMITED	59113 - Television programme production activities
21	ALMIGHTY RECORDS LIMITED	59200 - Sound recording and music publishing activities
22	OVER THE TOP ...SOUND LIMITED	59200 - Sound recording and music publishing activities
23	CUBE-METIER LIMITED	59200 - Sound recording and music publishing activities
24	CHASE THE ACE LTD	59200 - Sound recording and music publishing activities
25	PAPER LABEL RECORDS LIMITED	59200 - Sound recording and music publishing activities
26	SPYSCAPE LTD	62011 - Ready-made interactive leisure and entertainment software development
27	CURTIS FITCH LIMITED	62011 - Ready-made interactive leisure and entertainment software development
28	CYLESTIAL LIMITED	62011 - Ready-made interactive leisure and entertainment software development
29	IKONIK ENTERTAINMENT LTD	62011 - Ready-made interactive leisure and entertainment software development
30	COMPASS PROJECT MANAGEMENT CONSULTANC	62012 - Business and domestic software development
31	EDGECOTE CONSULTING LIMITED	62012 - Business and domestic software development
32	ENTERPRISE STUDY LIMITED	62012 - Business and domestic software development
33	D.G.R. GROUP LIMITED	62012 - Business and domestic software development
34	LATERAL TECHNOLOGY LIMITED	62012 - Business and domestic software development
35	MINSTER VENTURES LTD	62012 - Business and domestic software development
36	TRILOGY BUSINESS SUPPORT LIMITED	62012 - Business and domestic software development
37	CLOUD CENTRIC LTD	62012 - Business and domestic software development
38	RIPJAR LTD	62012 - Business and domestic software development
39	MATCHRIVER INTELLECTUAL PROPERTY RIGHTS LI	62012 - Business and domestic software development
40	MATCHRIVER ANALYSIS LIMITED	62012 - Business and domestic software development
41	OCULUS MEDIA LIMITED	62012 - Business and domestic software development
42	LINAC LIMITED	62012 - Business and domestic software development
43	STARFISH CI LTD	62012 - Business and domestic software development
44	16 MANAGEMENT LTD	62012 - Business and domestic software development
45	TARPLEE SERVICES LIMITED	62012 - Business and domestic software development
46	NIVATN LIMITED	62012 - Business and domestic software development
47	REP CODE ELEVEN LIMITED	62012 - Business and domestic software development
48	SOZO DESIGN LIMITED	62012 - Business and domestic software development
49	VPRESS LIMITED	62012 - Business and domestic software development
50	BLUELINEMEDIA LIMITED	62012 - Business and domestic software development
51	APPTIGENT LIMITED	62012 - Business and domestic software development
52	PHOTOCOMPSOFTWARE LIMITED	62012 - Business and domestic software development
53	RESOLUTION DATA MANAGEMENT LIMITED	62012 - Business and domestic software development
54	CRANHAM HAIG LIMITED	62012 - Business and domestic software development
55	EXPATIA LTD	62012 - Business and domestic software development
56	GOLDWOOD STRATEGIC SERVICES LTD.	62012 - Business and domestic software development
57	VOLO COMMERCE LIMITED	62012 - Business and domestic software development
58	IDM LIMITED	62012 - Business and domestic software development
59	TELEMATICA LTD.	62012 - Business and domestic software development
60	ENVIVO LTD	62012 - Business and domestic software development

61	D G TRAVERS LIMITED	62012 - Business and domestic software development
62	VIVIDSKY SOLUTIONS LTD	62012 - Business and domestic software development
63	ACCELLIER LIMITED	62012 - Business and domestic software development
64	CYBERMATICS LIMITED	62012 - Business and domestic software development
65	BINARY CONSULTING LIMITED	62020 - Information technology consultancy activities
66	BESPOKIA LTD	62020 - Information technology consultancy activities
67	EXPERT FUSION BI CONSULTANCY LTD	62020 - Information technology consultancy activities
68	HAPPYJACK SOLUTIONS LTD	62020 - Information technology consultancy activities
69	LAMARTINE LTD	62020 - Information technology consultancy activities
70	MOUSETRONICS LIMITED	62020 - Information technology consultancy activities
71	OAKEY CONSULTING LIMITED	62020 - Information technology consultancy activities
72	ORCA TECHNOLOGY LIMITED	62020 - Information technology consultancy activities
73	RED BLOSSOM LIMITED	62020 - Information technology consultancy activities
74	RONDO ENGINEERING SERVICES LIMITED	62020 - Information technology consultancy activities
75	SHADOREX LTD	62020 - Information technology consultancy activities
76	DK DIGITAL SERVICES LIMITED	62020 - Information technology consultancy activities
77	HJBB CONSULTING LIMITED	62020 - Information technology consultancy activities
78	IJD SOFTWARE LIMITED	62020 - Information technology consultancy activities
79	MOHIO CONSULTING LIMITED	62020 - Information technology consultancy activities
80	IRONMULL LTD	62020 - Information technology consultancy activities
81	GRID IT LIMITED	62020 - Information technology consultancy activities
82	INFORMATION RISK MANAGEMENT LIMITED	62020 - Information technology consultancy activities
83	CASSIDIAN CYBERSECURITY LIMITED	62020 - Information technology consultancy activities
84	GRAFX DIGITAL TECHNOLOGIES LTD.	62020 - Information technology consultancy activities
85	RICHOLINE LIMITED	62020 - Information technology consultancy activities
86	MTX ASSOCIATES LIMITED	62020 - Information technology consultancy activities
87	WESTMORE-ELLIOTT SYSTEM TECHNOLOGIES LIMI	62020 - Information technology consultancy activities
88	RADLEY HUDSON LTD	62020 - Information technology consultancy activities
89	VELOCITY QA LIMITED	62020 - Information technology consultancy activities
90	NEW WAYS SOLUTIONS LIMITED	62020 - Information technology consultancy activities
91	SLAYYER CONSULTANCY LIMITED	62020 - Information technology consultancy activities
92	CMJ CONSULTING SOLUTIONS LIMITED	62020 - Information technology consultancy activities
93	CONCORDIA DISCORS LTD	62020 - Information technology consultancy activities
94	VCUBE IT SOLUTIONS LIMITED	62020 - Information technology consultancy activities
95	TCCS ELECTRONICS LIMITED	62020 - Information technology consultancy activities
96	KABANSKI ASSOCIATES LTD	62020 - Information technology consultancy activities
97	HITKEY CONSULTING LIMITED	62020 - Information technology consultancy activities
98	VIDEL COMPUTER SERVICES LIMITED	62020 - Information technology consultancy activities
99	WEBCRAFT COMPUTER SERVICES LIMITED	62020 - Information technology consultancy activities
100	WILLIAM CHUBB LIMITED	62020 - Information technology consultancy activities
101	INSPIRATION TECHNOLOGY LIMITED	62020 - Information technology consultancy activities
102	SAM HUB LIMITED	62020 - Information technology consultancy activities
103	XINARY LIMITED	62020 - Information technology consultancy activities
104	PAUL LEIGHTON LIMITED	62020 - Information technology consultancy activities
105	WYSON LANE LIMITED	62020 - Information technology consultancy activities
106	R J B COMPUTING LTD	62020 - Information technology consultancy activities
107	SHAREPOINT ASSIST LIMITED	62020 - Information technology consultancy activities
108	ALDERSTONE CONSULTING LTD.	62020 - Information technology consultancy activities
109	ACCURATE INTERNATIONAL LIMITED	62020 - Information technology consultancy activities
110	LOGICALLY SECURE LTD	62020 - Information technology consultancy activities
111	SAFAM 786 LIMITED	62020 - Information technology consultancy activities
112	BRIGHT I.T. LIMITED	62020 - Information technology consultancy activities
113	ACHROMATIC SECURITY LTD.	62020 - Information technology consultancy activities
114	LOWES LYONS LIMITED	62020 - Information technology consultancy activities
115	JP EMBEDDED SOLUTIONS LIMITED	62020 - Information technology consultancy activities
116	A I K A T E K LTD	62020 - Information technology consultancy activities
117	MACSOFT LIMITED	62020 - Information technology consultancy activities
118	STADDON CONSULTING LTD	62020 - Information technology consultancy activities
119	JAXTECH LIMITED	62020 - Information technology consultancy activities
120	CARPATHIA CONSULTANCY LTD	62020 - Information technology consultancy activities

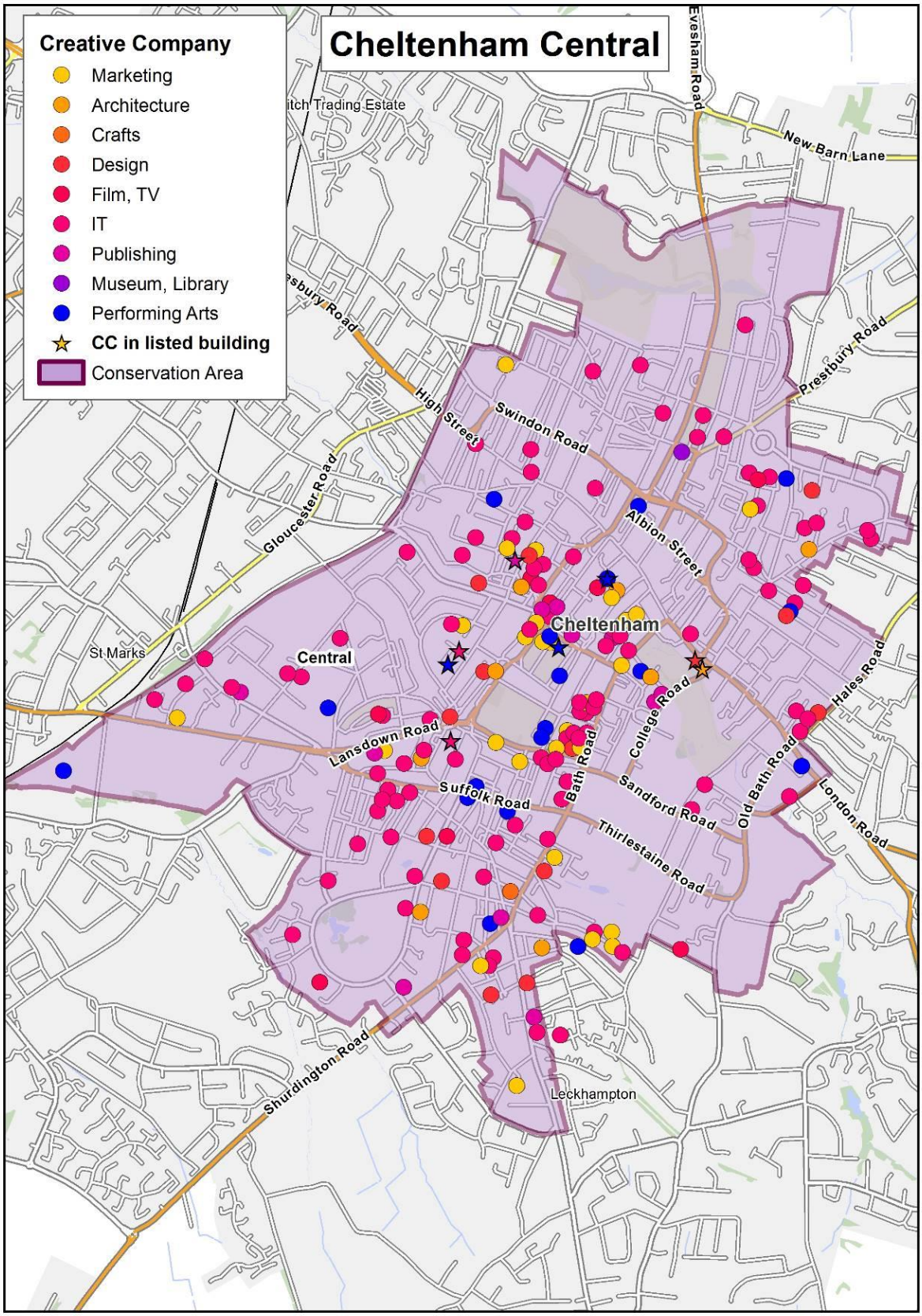
121	DETIRI LTD	62020 - Information technology consultancy activities
122	CLEVERTECH LIMITED	62020 - Information technology consultancy activities
123	MR SIX CONSULTING LIMITED	62020 - Information technology consultancy activities
124	123R LIMITED	62020 - Information technology consultancy activities
125	TULLULAH PIG LTD	62020 - Information technology consultancy activities
126	ORSUS LIMITED	62020 - Information technology consultancy activities
127	COMMITTED RESEARCH LTD	62020 - Information technology consultancy activities
128	RUN YOUR BUSINESS ONLINE LIMITED	62020 - Information technology consultancy activities
129	GRAHAM ROSS CONSULTING SERVICES LIMITED	62020 - Information technology consultancy activities
130	PRADO INFORMATION SYSTEMS LIMITED	62020 - Information technology consultancy activities
131	SYSTEMIC AFFINITY LIMITED	62020 - Information technology consultancy activities
132	FTP SOFTWARE CONSULTANTS LIMITED	62020 - Information technology consultancy activities
133	OZYMANDIAS LIMITED	62020 - Information technology consultancy activities
134	CJWK LIMITED	62020 - Information technology consultancy activities
135	DAVID THOMPSON CONSULTING LIMITED	62020 - Information technology consultancy activities
136	PENN CONSULTING LIMITED	62020 - Information technology consultancy activities
137	MCET SOLUTIONS LIMITED	62020 - Information technology consultancy activities
138	SLAM CONSULTANTS LIMITED	62020 - Information technology consultancy activities
139	PAAZ CONSULTING LTD	62020 - Information technology consultancy activities
140	FONDA CONSULTING LIMITED	62020 - Information technology consultancy activities
141	HOT HEAD MEDIA LIMITED	62020 - Information technology consultancy activities
142	SOFTLOGIC SOLUTIONS LIMITED	62020 - Information technology consultancy activities
143	EXND LIMITED	62020 - Information technology consultancy activities
144	TWICE CREATIVE LIMITED	62020 - Information technology consultancy activities
145	CAMARGUE GROUP LIMITED	70210 - Public relations and communications activities
146	GREEN & BROWN CONSULTANCY LIMITED	70210 - Public relations and communications activities
147	AXIOM COMMUNICATIONS MANAGEMENT LTD	70210 - Public relations and communications activities
148	MONTPELLIER PUBLIC RELATIONS LIMITED	70210 - Public relations and communications activities
149	GAP SALES & MARKETING SERVICES LIMITED	70210 - Public relations and communications activities
150	BIG RED BOX PR LIMITED	70210 - Public relations and communications activities
151	JHE SERVICES LIMITED	71111 - Architectural activities
152	A S & ASSOCIATES LTD	71111 - Architectural activities
153	TOBY FALCONER ARCHITECTS LIMITED	71111 - Architectural activities
154	MARK DAVIS LTD.	71111 - Architectural activities
155	JOHN SHARP DESIGN LIMITED	71111 - Architectural activities
156	EDGE DESIGN WORKSHOP LIMITED	71111 - Architectural activities
157	MATT RAWLINSON DESIGN LIMITED	71111 - Architectural activities
158	LANSDOWN BUTLER DESIGN LIMITED	71111 - Architectural activities
159	HUNTER PAGE PLANNING LIMITED	71112 - Urban planning and landscape architectural activities
160	MATTHEW WIGAN ASSOCIATES LTD	71112 - Urban planning and landscape architectural activities
161	BLUE SHEEP HOLDINGS LIMITED	73110 - Advertising agencies
162	FACTOR 3 COMMUNICATIONS LIMITED	73110 - Advertising agencies
163	BLUE SHEEP AND MUTTON LIMITED	73110 - Advertising agencies
164	DIRECT MARKETING STRATEGIES LIMITED	73110 - Advertising agencies
165	BAM AGENCY LIMITED	73110 - Advertising agencies
166	BAM ADVERTISING HOLDINGS LIMITED	73110 - Advertising agencies
167	ITS MY MONEY LIMITED	73110 - Advertising agencies
168	OPTIMA PRODUCTION SERVICES LIMITED	73110 - Advertising agencies
169	CAMPFIRE MARKETING LTD	73110 - Advertising agencies
170	NOW MEDIA LIMITED	73110 - Advertising agencies
171	BRIGHTSOURCE LIMITED	73110 - Advertising agencies
172	NISA MEDIA LIMITED	73110 - Advertising agencies
173	DESIGN SANCTUARY LIMITED	73110 - Advertising agencies
174	REDMOND MARKETING AND CONSULTING LIMITED	73110 - Advertising agencies
175	COTSWOLD ONLINE LIMITED	73110 - Advertising agencies
176	G DESIGN & ART DIRECTION LIMITED	73110 - Advertising agencies
177	LIQUORICE MARKETING LIMITED	73110 - Advertising agencies
178	CHARTERHOUSE MARKETING LTD	73120 - Media representation services
179	DAIR LIMITED	73120 - Media representation services
180	COTSWOLD CONSULTING SOLUTIONS LIMITED	73120 - Media representation services

181	HELEN LAURENCE COMMUNICATIONS LIMITED	73120 - Media representation services
182	DESIGN AV EUROPE LIMITED	74100 - specialised design activities
183	JAMES FORD DESIGN LTD.	74100 - specialised design activities
184	MAPLE ROCK DESIGN LIMITED	74100 - specialised design activities
185	TOKYO TATTOO LTD	74100 - specialised design activities
186	WONDERCLUB LIMITED	74100 - specialised design activities
187	SPENCER MAYES LIMITED	74100 - specialised design activities
188	MICHAEL ELLYATT LTD	74100 - specialised design activities
189	RETRO PRESS LIMITED	74100 - specialised design activities
190	ROUND CIRCLE DESIGN LTD	74100 - specialised design activities
191	JOANNE ALDERSON DESIGN LIMITED	74100 - specialised design activities
192	FEATHER STUDIOS LTD	74100 - specialised design activities
193	TUSCAN DESIGN LIMITED	74100 - specialised design activities
194	AWP CREATIVE LTD	74100 - specialised design activities
195	CHELTENHAM SIGN STUDIO LTD	74100 - specialised design activities
196	INDESIGN STUDIO LIMITED	74100 - specialised design activities
197	REVOLVE STUDIOS LIMITED	74201 - Portrait photographic activities
198	TWO FRONT TEETH PHOTOGRAPHY LIMITED	74201 - Portrait photographic activities
199	QUADCAM LTD	74202 - Other specialist photography
200	SHOOTINGFOOD LTD	74202 - Other specialist photography
201	CHRISTOPHER CORNWELL PHOTOGRAPHY LIMITED	74209 - Photographic activities not elsewhere classified
202	MASTERMIND TRANSLATIONS LTD	74300 - Translation and interpretation activities
203	LINGUISTICA-GLOBAL LIMITED	85520 - Cultural education
204	RENDEZVOUS SOCIETY(THE)	85520 - Cultural education
205	DB PARTNERSHIP LIMITED	90010 - Performing arts
206	SCARLET CARMINA LIMITED	90010 - Performing arts
207	FOOD FESTIVALS LTD	90020 - Support activities to performing arts
208	HIGHFIELD PRODUCTIONS LIMITED	90020 - Support activities to performing arts
209	BOXCITEMENT LTD	90030 - Artistic creation
210	D'ARCY GALLERY LIMITED	90030 - Artistic creation
211	THE GLOUCESTERSHIRE EVERYMAN THEATRE PR	90030 - Artistic creation
212	CHELTENHAM FESTIVALS	90030 - Artistic creation
213	SARAH MASON LIMITED	90030 - Artistic creation
214	KATALISYS LIMITED	90030 - Artistic creation
215	GLOUCESTERSHIRE EVERYMAN THEATRE COMPA	90040 - Operation of arts facilities
216	THE CHELTENHAM TRUST	90040 - Operation of arts facilities
217	FLONYX CREATIVE LIMITED	90040 - Operation of arts facilities
218	DEAN CLOSE SERVICES LIMITED	90040 - Operation of arts facilities
219	CHELTENHAM ART SCHOOL LIMITED	90040 - Operation of arts facilities
220	THE GARDENS GALLERY CIC	90040 - Operation of arts facilities
221	THE HOLST BIRTHPLACE TRUST	91020 - Museums activities

Figure 31: Creative industry companies in other historic buildings

1		High St	MAPLE ROCK DESIGN LIMITED
2	7	Regent St	THE GLOUCESTERSHIRE EVERYMAN THEATRE PRODUCTIONS
3		Imperial Square	THE CHELTENHAM TRUST
4		Lypiatt Road	WILLIAM CHUBB LIMITED
5		Bayshill Road	ALDERSTONE CONSULTING LTD.
6		Windsor House	HIGHFIELD PRODUCTIONS LIMITED
7	7	St. Georges Terrace	PERENDALE PUBLISHERS LIMITED
8	7	St. Georges Terrace	PERENDALE PUBLISHERS LIMITED
9	18	High St	HUNTER PAGE PLANNING LIMITED

Figure 32: Creative Industry organisations in Cheltenham Central



Because of the way in which Cheltenham has been developed (and its historic buildings conserved) there is a high density of historic buildings in its central areas, many of which are suitable for small office use, even if they were built as houses. However, it is notable, for example, that a number of creative industries are also located in the modern Eagle Tower. Far fewer are located in the predominantly residential areas, and in the outer suburbs which are later in date with fewer historic buildings. Only a few are located in listed buildings.

3.2 CULTURAL INDUSTRIES QUARTER, SHEFFIELD

3.2.1 LOCATION, ORIGINS AND ARCHITECTURAL CHARACTER

The Cultural Industries Quarter (CIQ) Conservation Area lies between the historic core and modern shopping centre of Sheffield to the west, and the main line Midland Station to the east. It extends to 0.2 km² and contains 16 listed buildings. Some 40 other buildings, including almost all those dating from before 1939, have been identified as making a positive contribution to the special architectural or historic character of the area.

In the 17th century the area was open farmland, with some small forges and mills along the Porter Brook, which runs roughly from the south-west to the north-east of the area. During the 1780s, the landowner, the Duke of Norfolk, commissioned the architect James Paine to design an exclusive residential suburb on a formal, hierarchical grid-plan, comparable with Bath or Edinburgh New Town. The initial scheme was unsuccessful although some of the streets had been laid out. Instead the area was developed with houses on the main streets and workshops off parallel rear alleys, for the metalwork and cutlery craftsmen for which Sheffield is famous: the ‘little mesters’. They were either independent master-craftsmen or small-scale manufacturers, who lived adjacent to their workshops, often renting a workshop within a large complex. The area also included extensive back-to-back terraces of workers’ housing. Development began in the northern part of the area, where the grid-plan is still clearest. The southern and eastern parts of the area were developed after 1830, on a less formal grid, and only fully built up after the Midland Station was opened in 1870.

From the mid-19th century the industrial complexes became larger and many of the earlier terraced houses and workshops were replaced. The new works were typically of three or four storeys, enclosing a central courtyard. The traditional pattern of small-scale craft-based manufacturing declined during the 20th century, and large factories were increasingly located outside the city centre.

The CIQ area does not have a distinctive architectural character; rather, within its historic grid-plan, a relatively small number of buildings of considerable significance to the city’s industrial heritage survive. The most prominent is Butcher Works, a large factory with a central chimney, listed grade II*, mainly of c.1835 and c.1875. The adjacent Sterling Works (c.1850) is listed grade II. 92 and 92A Arundel Street are early 19th century little mesters’ workshops and a master’s house, which with the adjacent Challenge Works (c1870), are listed grade II and form an important group. Truro Works, Matilda Street also dates to the 1830s and is also listed grated II. All of the other listed buildings are related to the metal trades, as are most of the significant unlisted ones. A few late 18th century Norfolk estate houses survive, in Howard Street and Arundel Street, and some fragments of mid-late 19th century terraces and pubs; none is listed.

3.2.2 POST-1945 CHANGES

The area was damaged by bombing during the second world war, but the city centre was changed more radically by the slum clearance that had begun in the 1930s and accelerated after the war and especially during the 1960s. A major new road system around the city centre was created at the same date. As a result, by the 1970s, much of the area was derelict, vacant or cleared, and it was largely cut off from the city centre.

3.2.3 EMERGENCE OF CREATIVE INDUSTRIES IN THE AREA

The CIQ had its origins in Sheffield City Council's post-industrial regeneration initiatives in the 1980s. The CIQ concept was developed during the 1990s with a number of strategic studies commissioned by the Council and its partners, particularly the City Centre Strategy (1994) which identified eleven inner city 'quarters' for each of which a particular approach to economic regeneration would be encouraged. The CIQ was intended to create conditions that would attract cultural industries - primarily music, art, film and performance - in place of the traditional industries that had declined over the preceding decades. By the mid-1990s several arts and cultural organisations, mostly with some element of public or charitable funding, were established in the area; including Red Tape Studios, Site Gallery, Sheffield Independent Film and the Showroom Cinema and Workspace (the latter explicitly aimed at providing space for creative industries). At that time there was no explicit 'heritage' component to the CIQ's regeneration.

3.2.4 CONSERVATION AND PLANNING POLICIES

The CIQ is the result of proactive 'top-down' planning strategy, comparable to those in Dundee and Wolverhampton at the same period, rather than the spontaneous colonisation of a derelict area by artists, or gradual 'gentrification'. From 1999-2006 the area's regeneration was led by the CIQ Agency, set up as a partnership between the Council, Sheffield Hallam University and a number of the arts and media companies that were by then located in the area.

Sheffield's industrial built heritage did not receive serious attention until the late 1990s. The significance of CIQ's historic buildings and the potential for conservation area designation were recognised in the CIQ Action Plan (2000). A conservation area appraisal was undertaken in 2001 and the conservation area designated the same year. Three other former industrial areas were designated at the same time. The CIQ CA appraisal and management guidelines were adopted in 2002. Concurrently, English Heritage produced an historical study; 'One Great Workshop': The Buildings of the Sheffield Metal Trades. Seven buildings in the conservation area were added to the statutory list between 2004 and 2006, nearly doubling their number. The conservation area was extended to include the area bounded by Suffolk Road, Turner Street and Cross Turner Street in 2008.

In 2002 the Council and CIQ Agency made a successful bid for an HLF Townscape Heritage Initiative scheme, securing c.£2 million grant (one of the scheme's largest) matched by c£1m from EU and UK government (Objective One and Single Regeneration Budget) and Local Transport Plan funds, and c£15m of private investment. SCC provided administrative support.

Between 2002 and 2007 the THI supported the repair of seven key listed buildings including Butcher Works, Challenge Works and Columbia Place Works (all now primarily residential), Sterling Works (now Freeman College for young people with special learning needs), Scotia Works (for organisations working towards social inclusion) and 92 Arundel Street (now offices for a number of creative companies). Private developers also supported public realm improvements.

The 2009 Local Plan Core Strategy restated the CIQ principle, as does the emerging draft This is Sheffield: City Centre Plan (subject to consultation during 2018). Both emphasise the importance of providing affordable small workspaces for creative industries close to the city centre.

3.2.5 THE AREA TODAY

Since 2000 the conservation area has been transformed. A substantial proportion of the sites that were then vacant have been redeveloped. Sheffield Hallam University has expanded to occupy a large part of the north of the conservation area and a number of new developments have provided student accommodation. The National Centre for Popular Music, a £15m Millennium Commission project funded by the National Lottery, opened in 1998 and closed in 2003. It is now the University Student Union. New public spaces have been created around the University and the neglected area around the Porter Brook is being reclaimed as a linear park.

Figure 34 lists creative industry companies in the area and Figure 35 maps them. Figure 33 shows that the mix is orientated towards Arts and Media, with a substantial IT component.

Figure 33: Summary of Creative Industry companies in CIQ

	Companies	% of Total	Per Sq Km	National Ranking
Music, Performing & Visual Arts	18	**34%**	73	204
IT, Software & Computer Services	13	**25%**	53	171
Film, TV, Video, Radio, Photograph	9	17%	37	**9**
Design	5	9%	20	**44**
Publishing	4	8%	16	70
Crafts	2	4%	8	84
Advertising & Marketing	1	2%	4	69
Architecture	1	2%	4	150
Museums, Galleries, Libraries	0	0%	0	**47**
TOTAL	53	100%	216	75

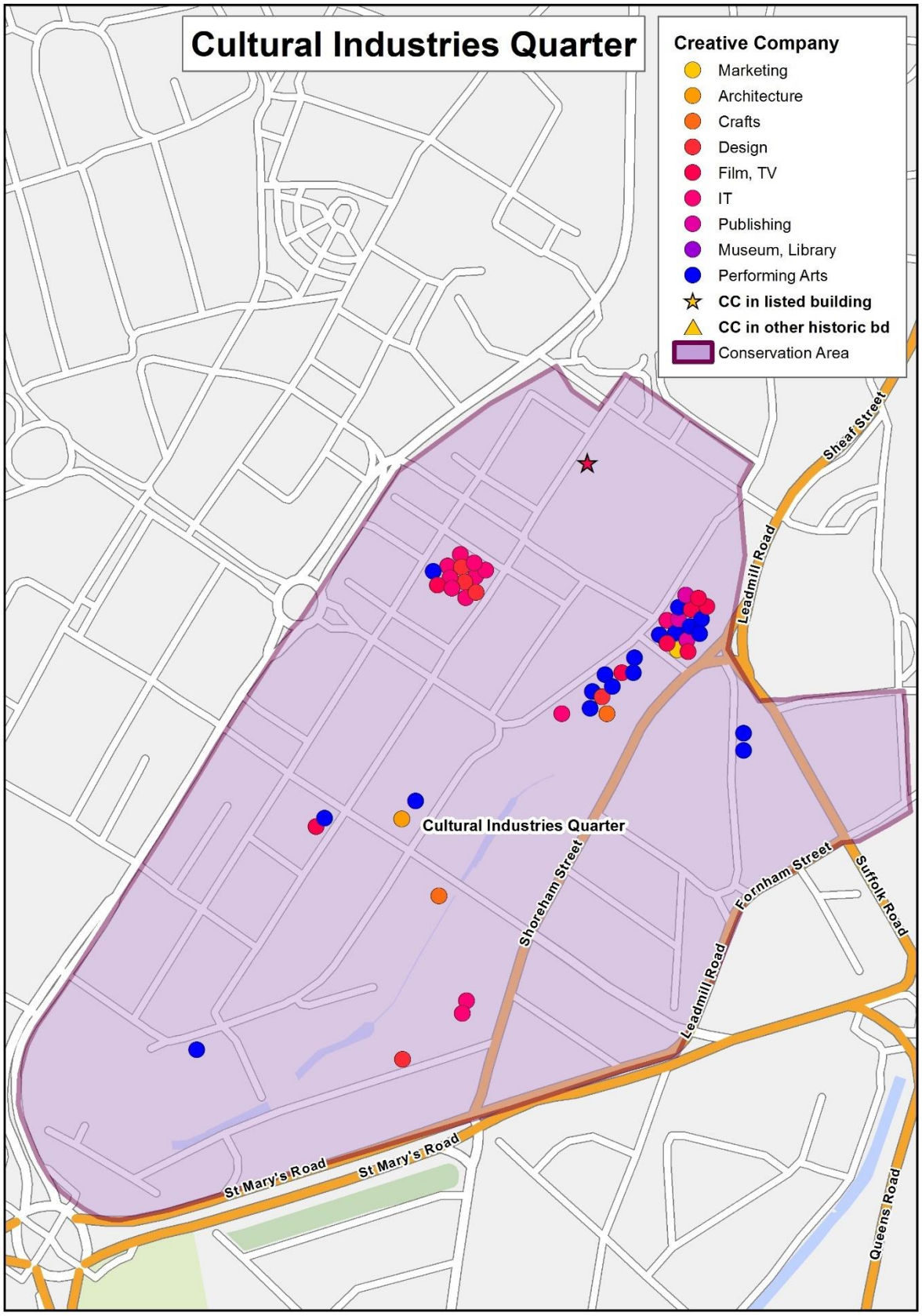
This is not an historic area in the conventional sense, because the majority of its buildings are new. Rather, CA designation (and Townscape Heritage grant) meant that the economic regeneration of the area was not at the expense of its remaining historic buildings, although conserving them has required a major subvention from public funds to cover the deficit arising from the additional cost of their repair to conservation standards. Several of the grant-aided developments included affordable workspaces aimed at small scale and creative industries, but such uses were not central to the projects. There is little remaining historic floorspace to be converted, or public funding for further similar developments. Most new development is either related to the University, or is commercial residential, and there is pressure to build on a much bigger scale than has previously been the case.

Although historic buildings make up a relatively small proportion of the area's stock, those that survive have mostly been now been repaired, and this has ensured that the area retains a visible connection with the industrial past that is a vital part of Sheffield's local identity and sense of place.

Figure 34: Creative industry companies in Cultural Industries Quarter

1	JENNIE GILL LIMITED	32120 - Manufacture of jewellery and related articles
2	RAVEN SILVERWARE COMPANY LIMITED	32120 - Manufacture of jewellery and related articles
3	EQUINOX PUBLISHING LIMITED	58190 - Other publishing activities
4	PRYCE-WILLIAMS LIMITED	58190 - Other publishing activities
5	BLOODCURDLING FILMS LTD.	59111 - Motion picture production activities
6	INDEPENDANT MEDIA INVESTMENTS LIMITED	59111 - Motion picture production activities
7	STUDIO OF THE NORTH LIMITED	59111 - Motion picture production activities
8	THE SOUTH YORKSHIRE FILMMAKERS' NETWORK	59112 - Video production activities
9	LUNAR LANDER FILMS LIMITED	59112 - Video production activities
10	LET THERE BE LIGHT PRODUCTIONS LIMITED	59112 - Video production activities
11	SHEFFIELD LOCAL TELEVISION LTD	59113 - Television programme production activities
12	THE SHEFFIELD MEDIA AND EXHIBITION CENTRE LI	59131 - Motion picture distribution activities
13	JUNIOR PARK MUSIC LIMITED	59200 - Sound recording and music publishing activities
14	NINEFRUIT RECORDS LIMITED	59200 - Sound recording and music publishing activities
15	SOUNDBYTES MEDIA LIMITED	59200 - Sound recording and music publishing activities
16	COMMEDIA SHEFFIELD	60100 - Radio broadcasting
17	STRIPEY DESIGN LIMITED	62011 - Ready-made interactive leisure and entertainment software development
18	LOCUM SOFTWARE SERVICES LIMITED	62012 - Business and domestic software development
19	DATA SYNERGY UK LTD	62012 - Business and domestic software development
20	FLOW SIMULATION LIMITED	62012 - Business and domestic software development
21	MAGNIFICA TECHNOLOGIES LTD	62012 - Business and domestic software development
22	PACE SOFTWARE DEVELOPMENT LIMITED	62012 - Business and domestic software development
23	LLAMA DIGITAL LIMITED	62012 - Business and domestic software development
24	APPT ONLINE SOLUTIONS LTD	62012 - Business and domestic software development
25	HEALTHWARE LIMITED	62012 - Business and domestic software development
26	KPMD IT SOLUTIONS LIMITED	62012 - Business and domestic software development
27	RAZOR LTD	62020 - Information technology consultancy activities
28	CASTUS LIMITED	62020 - Information technology consultancy activities
29	BIRCHENALLHOWDEN LTD	62020 - Information technology consultancy activities
30	JEFFERSON SHEARD LIMITED	71111 - Architectural activities
31	DIVA CREATIVE LIMITED	73110 - Advertising agencies
32	REBECCA JOSELYN DESIGNS IN SILVER LIMITED	74100 - specialised design activities
33	LITECOOL LIMITED	74100 - specialised design activities
34	SURECORE LIMITED	74100 - specialised design activities
35	DED ASSOCIATES LTD	74100 - specialised design activities
36	ROCCA CREATIVE LIMITED	74100 - specialised design activities
37	WOHANKA AND ASSOCIATES LIMITED	74300 - Translation and interpretation activities
38	T-WORKS LIMITED	74300 - Translation and interpretation activities
39	CINEMA FOR ALL LTD	85520 - Cultural education
40	YOUNG MUSIC CIC	90020 - Support activities to performing arts
41	YORKSHIRE ARTSPACE SOCIETY LIMITED	90030 - Artistic creation
42	YORKSHIRE ARTSPACE GALLERY	90030 - Artistic creation
43	SHEFFIELD INDEPENDENT FILM AND TELEVISION L	90030 - Artistic creation
44	FORCED ENTERTAINMENT LIMITED	90030 - Artistic creation
45	ASSURED PRODUCTIONS LIMITED	90030 - Artistic creation
46	104 FILMS SHORT FILM LIMITED	90030 - Artistic creation
47	ECLIPSE THEATRE COMPANY LTD	90030 - Artistic creation
48	ART SHEFFIELD LIMITED	90030 - Artistic creation
49	BLOC STUDIOS LIMITED	90040 - Operation of arts facilities
50	BLOC PROJECTS LTD	90040 - Operation of arts facilities
51	SITE GALLERY (MEDIA, ART, PHOTOGRAPHY) LTD.	90040 - Operation of arts facilities
52	THE LEADMILL HOLDINGS LIMITED	90040 - Operation of arts facilities
53	THE LEADMILL LIMITED	90040 - Operation of arts facilities

Figure 35: Creative Industry companies in Cultural Industries Quarter, Sheffield



3.3 DIGBETH / DERITEND, BIRMINGHAM

3.3.1 LOCATION, ORIGINS AND ARCHITECTURAL CHARACTER

The Digbeth / Deritend Conservation area lies just to east of the present-day centre of Birmingham. It covers 2.67 km^2 and contains 12 statutorily listed buildings and 42 others on the local list. Warwick Bar Conservation Area abuts Digbeth/Deritend to the north. The local planning authority is Birmingham City Council, which administers the largest population (c1million) of any council in Britain.

Birmingham developed in the 12th century on the slope to the west of the River Rea, around the present Bullring. What is now Digbeth and Deritend High Street bridged the river and was the principal route from the south-east. By the 14th century, Digbeth was urbanised and lined with buildings on burgage plots. Deritend was sufficiently well-established to have its own chapel. The late 15th century Old Crown public house, the city's only medieval secular building, listed grade II*, was built as its hall by the Guild of St John the Baptist, illustrating the civic importance of the area.

Metal working had become the dominant local industry by the late 16th century. In the late 18th century the industrial character of the district was underlined by the creation of the Digbeth Branch (1790) and Warwick and Birmingham (1793) canals and the extant grid of principal streets between Digbeth/Deritend High Street and Fazeley Street established. In the first half of the 19th century the back-lands were infilled with densely-packed artisan housing and small workshops. The railways transformed the area in the mid-19th century. The first main line from London, to Curzon Street Station, (1838) was followed by several other routes into the city from the south east, for which the great brick viaducts that now dominate the streetscape were constructed. The River Rea was largely culverted. Numerous public and philanthropic institutions were opened to serve the working population.

In the later 19th century local industry, still primarily metal-working, was on an increasingly large scale. During the first half of the 20th century it became strongly linked to the new motor industry and large factories and canal warehouses replaced housing and small workshops. New buildings of this period included include the Typhoo Tea complex, Fellows, Morton, Clayton's warehouse, and the municipal bus depot on Liverpool Street.

The present architectural character of the area comprises mainly 19th and 20th century buildings, set within an earlier infrastructure of streets, canals and railways. Its key features are the long, mixed, commercial and industrial High Street corridor where the medieval pattern of burgage plots is still discernible, and the large early-20th century industrial buildings to its north. The monumental railway viaducts dominate the skyline, and the arches and stone-setted streets beneath them are highly atmospheric. The factories typically comprise an office block on the street frontage with single-storey sheds behind; earlier examples have 'saw-tooth' north light roofs; canted street-corner entrances are a distinctive feature of the later sites. A handful of 19th century pubs survive, but almost no housing.

3.3.2 POST-WAR CHANGES

Digbeth's its character as an industrial suburb, separated from the adjacent city centre was reinforced by mid-20th century traffic engineering. The south side of the High Street corridor was demolished during the 1950s for road was widening and the Inner Ring Road opened in 1960. This came to be known as the 'concrete collar' because it of the way in which it restricted expansion of the city centre. From the 1970s the decline in British manufacturing left many buildings and sites vacant.

Some industrial activity has continued in the area, but attempts to resist the loss of traditional industries, for example by relaxing planning controls by designating Digbeth an industrial improvement area (1978), were unsuccessful.

3.3.3 EMERGENCE OF CREATIVE INDUSTRIES IN THE AREA

Bird's Devonshire Works was refurbished and extended from 1993, with grant aid, to provide studios, galleries, shops and offices. Under the name 'Custard Factory' it now extends over 15 acres, incorporating the historic former Deritend Library, and houses some 400 businesses with a focus on creative and IT/digital industries. Its developer has since taken over nearby Fazeley Studios, creating similar accommodation.

Figure 36: The Custard Factory

www.custardfactory.co.uk

The 15-acre site was originally the Bird's Custard Factory. The main head office and the old library were listed. It was derelict and empty when purchased by Bennie Gray in 1989. Bennie was part of the 1970s conservation movement, including people like Simon Jenkins and Chris Bocker to save buildings of architectural merit, especially those from the Victorian era. He had previously redeveloped a derelict chocolate factory in North Kensington called Canelot, which is home to media, TV and film creative. He had also redeveloped a derelict building on Davies Street in Mayfair, London, into Grays Antique Market. He became interested in on a visit to Birmingham at the invitation of the City Council. He was attracted by "a group of magical, beautiful buildings with tremendous spirit".

He bought the site freehold. There was no public sector involvement in the purchase. He employed a talented young architect, Glen Howells, to develop plans. Howells has gone on to develop a large practice. The development was done at low cost. Funding was largely via commercial development finance, but there were grants.

The Head Office building was completed in 1993 and fully let immediately by over 100 companies with 1,000 people. Tenants were attracted by the creative environment and being part of a community that has a sense of identity. Greenhouse Studios completed 2003, and Zellig completed in 2011 (with funding from European Regional Development Fund and the Regional Development Agency).

It now has over 750,000 m² of developed space in and around the Custard Factory site. It includes nearby Fazeley Studios, where various TV programmes are produces, and creative workspace and incubation at Boxxed. Tenants at the Custard Factory now also include some major brands like ASOS.

The Custard Factory now forms the heart of a creative quarter of creative and digital businesses, independent shops and event venues. It has a permanent outdoor cinema space and crazy golf centre with artwork and nightclub element. There is venue hire space available for live music, exhibitions and other events. The Factory hosts its own events, including a street food battle, free music and film events and an open studio event where visitors can meet resident artists. Around 5 of the shops enable visitors to both purchase and watch products being made.

More typical of this phase of regeneration was the conversion of industrial buildings such as The Bond, Fazeley Street (1988) and The Arch, Floodgate Street (1992-1998) to offices. During the 1990s empty industrial buildings in Digbeth were used as informal nightclubs but these uses have not survived. A number of arts-related organisations including the Ikon Gallery, Vivid media workshop and Eastside Arts moved into the area during the early 2000s.

3.3.4 PLANNING POLICIES AND STRATEGIES

A series of strategic plans in the 1980s-90s, such as the *Digbeth Millennium Quarter Plan* (1996), identified Digbeth's potential for regeneration, but they were primarily economic, rather than conservation-led, strategies. Concurrently there was a growing appreciation of the architectural and historic qualities of former industrial areas and Warwick Bar Conservation Area was designated in 1987. Since 1990 the City Council has regenerated the Bullring and re-established links between the city and its inner suburbs by downgrading the inner ring road and encouraging pedestrian links across it (with ERDF funding).

Digbeth/Deritend Conservation Area was designated in 2000 and an English Heritage/BCC-funded HERS grant scheme was initiated the same year, focussing on the High Street corridor where it supported the repair of a number of buildings. *The Eastside Development Framework* (2001) identified the historic character of the conservation area as an asset in its regeneration strategy, an approach restated in the 2005 *UDP*. In 2009 the City Council adopted the Digbeth, Deritend and Bordesley High Streets Conservation Area Appraisal, including conservation-based supplementary planning policies. The *Birmingham Big City Plan: City Centre Masterplan* (2011) restated the Council's intention to protect the historic architectural character of the area, in which, for example, tall buildings would be inappropriate. The 2017 *Birmingham Development Plan* explicitly identifies Digbeth as the location for a 'creative and cultural hub'.

In 2012 Digbeth Local Development Order reduced the need for planning permission for changes of use. Following the decision to build the new HS2 (high speed train) terminus at Moor Street, the *Curzon HS2 Masterplan* (2015) set out the Council's vision for the regeneration of the Eastside, building on the opportunity of the new transport hub.

Digbeth is identified as a 'place for growth': a new mixed-use neighbourhood with an explicitly 'creative' character. In the same context, an Historic England Historic Area Assessment of Digbeth/Deritend was produced in 2018.

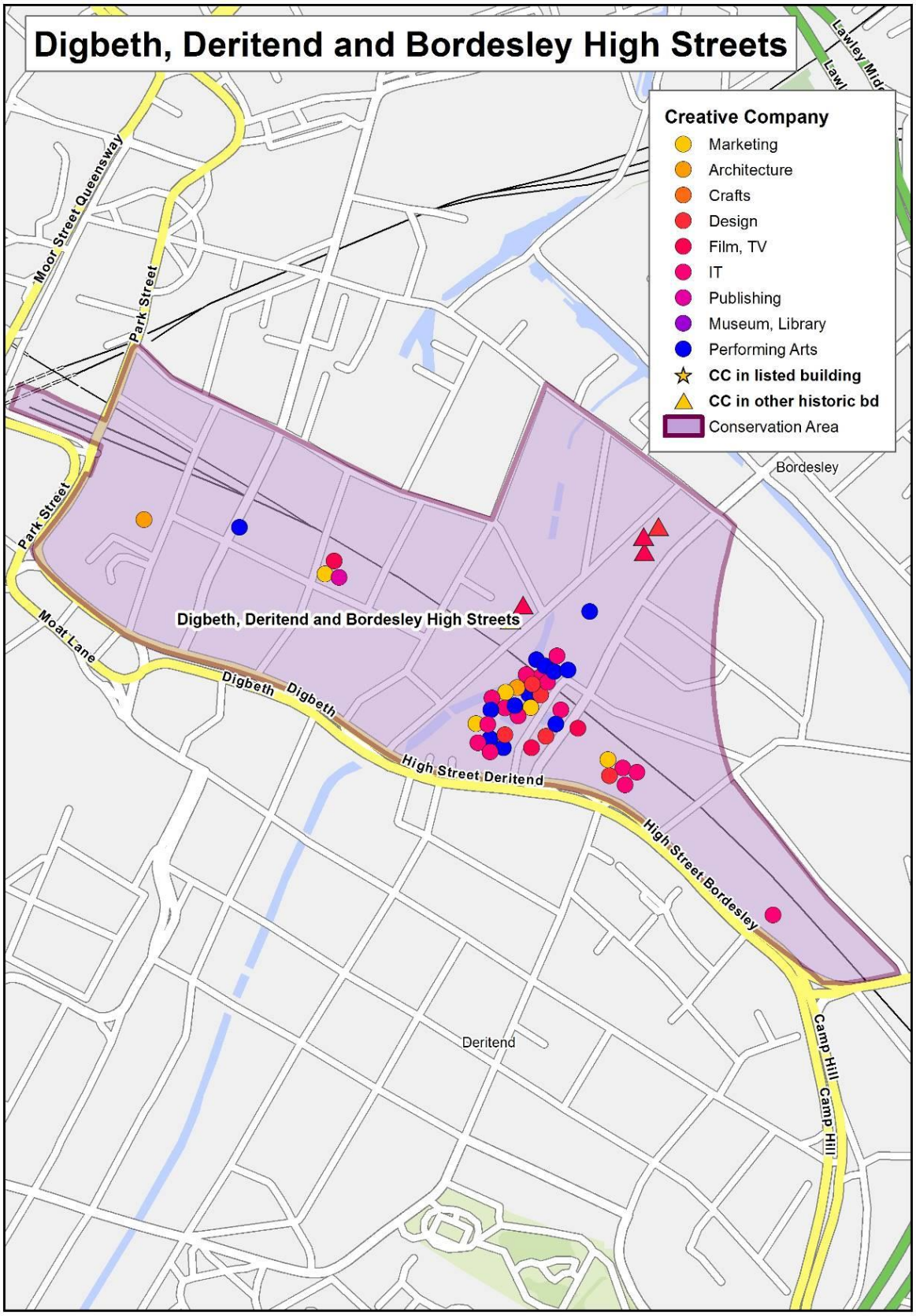
3.3.5 CURRENT SITUATION

Figure 37 lists creative industries companies in the area and Figure 38 maps them. There is detail about occupation of historic buildings in the area in Appendix 4.6.

Figure 37: Creative industry companies in Digbeth, Deritend & Bordesley High Streets CA

POW-WOW DIGITAL LTD	58110 - Book publishing
SECOND HOME STUDIOS LTD	59111 - Motion picture production activities
HTF MEDIA LIMITED	59112 - Video production activities
RIVER REA FILMS LIMITED	59112 - Video production activities
EMBER REGIS GROUP LIMITED	59112 - Video production activities
DROP MUSIC DIGITAL LTD	59112 - Video production activities
MEDIA DOG LIMITED	59120 - Motion picture, video and television programme post-production activities
TRACER MANAGEMENT SYSTEMS LIMITED	62012 - Business and domestic software development
JOBLOGIC LIMITED	62012 - Business and domestic software development
SECOND CITY SOFTWARE COMPANY LIMITED	62012 - Business and domestic software development
INDUSTRIAL DATA CAPTURE LIMITED	62012 - Business and domestic software development
ESSENTIAL LOGIC LIMITED	62012 - Business and domestic software development
TABIAS LIMITED	62012 - Business and domestic software development
KUBIX MEDIA LIMITED	62012 - Business and domestic software development
HOMER CREATIVE LIMITED	62012 - Business and domestic software development
DIGITAL RAINBOW PROJECT CONSULTANTS LIMITE	62012 - Business and domestic software development
PENGOWER LIMITED	62012 - Business and domestic software development
PENGOWER TECHNOLOGY LIMITED	62012 - Business and domestic software development
DIGITAL NATIVE (UK) LIMITED	62020 - Information technology consultancy activities
GRITNET LIMITED	62020 - Information technology consultancy activities
HAZEL COMPUTING LIMITED	62020 - Information technology consultancy activities
BUSINESS SOLUTIONS-GLOBAL LTD	62020 - Information technology consultancy activities
PODNOSH LIMITED	70210 - Public relations and communications activities
COHERENT COMMS LIMITED	70210 - Public relations and communications activities
FOOTPRINT WORKSHOP LIMITED	71111 - Architectural activities
APEC ARCHITECTS LIMITED	71111 - Architectural activities
DONTFRET MEDIA LIMITED	73110 - Advertising agencies
PARTNERSHIPS FOR MARKETING LIMITED	73110 - Advertising agencies
PINGPONG DIGITAL LTD.	73110 - Advertising agencies
DINING DESIGNS LIMITED	73110 - Advertising agencies
TOP DRAW GRAPHIC DESIGN ASSOCIATES LIMITED	74100 - specialised design activities
DSD DESIGN CONSULTANTS LIMITED	74100 - specialised design activities
COMMON CURIOSITY LIMITED	74100 - specialised design activities
DCD ADVERTISING LIMITED	74100 - specialised design activities
SHADED ROSE DESIGN & PRINT LTD	74100 - specialised design activities
WILD ILK LIMITED	74100 - specialised design activities
THE WEST MIDLANDS CREATIVE ALLIANCE LIMITED	85520 - Cultural education
WRITING WEST MIDLANDS LTD	85520 - Cultural education
AFRICAN CULTURAL EXCHANGE LIMITED	90010 - Performing arts
MY OPTIONS WERE LIMITED	90010 - Performing arts
ASSOCIATED BOARD OF DANCE LTD	90010 - Performing arts
TWO POINT ZERO MANAGEMENT LIMITED	90020 - Support activities to performing arts
KAMBE EVENTS LIMITED	90020 - Support activities to performing arts
SIMMER DOWN FESTIVALS CIC	90020 - Support activities to performing arts
NO. 11 ARTS LTD	90030 - Artistic creation
MIDLAND CREATIVE PROJECTS LTD	90030 - Artistic creation
EASTSIDE PROJECTS LIMITED	90030 - Artistic creation
PUNCH RECORDS LIMITED	90030 - Artistic creation
CAPSULE UK LIMITED	90030 - Artistic creation
CAPSULE EVENTS LIMITED	90030 - Artistic creation
VIVID PROJECTS LIMITED	90040 - Operation of arts facilities

Figure 38: Creative Industry organisations in Digbeth, Deritend & Bordesley High Streets CA



The area has a broad mix of types of creative company. Rent is about £15 psf.

Figure 39: Creative industry companies in Digbeth-Deritend CA

	Companies	% of Total	Per Sq Km	National Ranking
IT, Software & Computer Services	18	**29%**	63	75
Music, Performing & Visual Arts	15	24%	52	63
Film, TV, Video, Radio, Photograph	10	16%	35	78
Advertising & Marketing	9	15%	31	**54**
Design	6	10%	21	**42**
Architecture	2	3%	7	124
Publishing	2	3%	7	137
Crafts	0	0%	0	117
Museums, Galleries, Libraries	0	0%	0	152
TOTAL	62	100%	215	77

Despite Digbeth's considerable historic interest, many of the development opportunities are in vacant post-industrial sites or buildings whose intrinsic heritage significance is limited. Digbeth's built heritage is robust and adaptable, and it contains few buildings of very high architectural quality, or sensitive streetscapes. Those that survive are now recognised and protected. There is less necessity to protect the settings of historic buildings here than is often the case elsewhere.

Digbeth is not to any significant extent an area to which 'creatives' moved in the vanguard of regeneration and have subsequently been pushed out. The 'creative industries' need affordable space, which Digbeth can provide, but as, or more, importantly here, they help to create living places rather than lifeless housing estates. A large proportion of the creative industries now in Digbeth are at the Custard Factory or its offshoots, and, ironically, the developer of the Custard Factory complex has said his original purchase of the site in 1988 was 'accidental'- he was actually trying to buy a site in the Jewellery Quarter from the same owner. Nonetheless, the development evidently answered a need for affordable small workspaces, and its bars and galleries, and European-style 'industrial chic', have set the tone for other commercial developments.

The regeneration of Digbeth has been shaped significantly by availability of grant aid but this can only be a catalyst. The HERS grant scheme was limited in its scope but drew attention to the historic quality and potential of the area. Eastside Arts remains open having secured Arts Council funding, but the loss of grant aid led to the closure of the Ikon (Eastside) Gallery in 2011 and the Vivid media arts project in 2012. New galleries, offices and studios developed in 2007 at Devonshire House, Deritend High Street and at Fazeley Street Studios received Regeneration Zone funding, and several current schemes include public sector partners or funding. The City Council's long-term strategy to regenerate Digbeth has necessarily changed in response to such economic factors. Allowing the 27-storey tower at the west end of Digbeth was at odds with the 2009 SPD policies but it secured the reuse of the grade II listed Coldstore of 1900. Only planning control can counter the developers' understandable desire to build residential schemes, because they deliver the best return, so the charge that Council sometimes disregards its own conservation policies could here be regarded as appropriately flexible.

3.4 FRIAR GATE, DERBY

3.4.1 LOCATION, ORIGINS AND ARCHITECTURAL CHARACTER

The Friar Gate Conservation Area lies just to the west of the centre of Derby, along one of the principal routes out of the city. It covers 0.2 km² and a majority (79 in total) of the buildings in the area are listed, including one at grade I and seven at grade II*. Many of the other buildings in the area are considered to be of some architectural or historic merit.

The conservation area is linear and reflects the westward expansion of the city between the 17th and 20th centuries. The east and west parts of the conservation area have quite different architectural and urban characters. Closest to the centre, Friar Gate is wholly urban, and part of the historic city centre now known as the 'Cathedral Quarter'. The earliest buildings in the conservation area are located here. St Werburgh's church occupies an ancient site although most of its fabric is post-medieval. (It is now redundant and maintained by the Churches Conservation Trust and included in Derbyshire CC's Register of Historic Buildings at risk.) On Friar Gate to the west of the church is variety of 17th, 18th and 19th century buildings, some on still-discernable burgage plots. A large early 18th century house named the Friary on the south side of the road occupies the site of the medieval Dominican Friary from which the street takes its name. Beyond it, the road is a crossed by the great, now disused, cast iron railway bridge of 1878, listed grade II and included in the local register of heritage at risk. West of the bridge is a fine stretch of Georgian houses and terraces including the Pickford House Museum, all of red brick, built after common land here was released for development in 1768 with restrictions intended to ensure that the houses were of high quality and of no more than three storeys. There is an impressive row of mature trees on the south side of the road.

Further west, Friar Gate and its continuation, Ashbourne Road, become progressively more suburban, with a mixture of villas, small terraces and commercial buildings predominantly of the 19th and 20th centuries. Vernon Street, South Street and the former County Gaol (now listed), were built in in the 1820s on a formal plan. The Gaol was largely demolished in 1928; only the façade was retained. The land to its rear became a greyhound track and is now occupied by modern housing. There was little residential development in Ashbourne Road before the mid-19th century, although there were two breweries. The neighbourhood was developed mainly in the later 19th century, with schools, alms-houses and other institution and small-scale commercial and residential infill; although are still several substantial houses is spacious grounds.

The character of the area changed after the railway was built and the city expanded at the end of the 19th century. The eastern end of the conservation area became fully absorbed in the urban centre, with a number of new commercial buildings. The formerly exclusive Georgian houses of Friar Gate were now adjacent to a major railway station, which was probably the catalyst for a gradual process by which houses were converted to commercial uses during the 20th century. A similar process occurred in Vernon Street. In the early 20th century, road widening led to the loss of several Georgian houses around the Friar Gate/Stafford Street/Ford Street junction, leaving a large gap in the urban fabric.

3.4.2 POST-1945 CHANGES

The railway closed in 1968 leaving the former goods yard - a large area south-east of the conservation area- vacant apart from the listed former railway warehouse (now derelict) and engine house.

A number of 18th and 19th century buildings in Friar Gate were demolished during the 1950s and 60s. Several substantial low-rise blocks of modern flats were built on the south side of Friar Gate in the later 20th century. The most significant recent development was the re-establishment of Derby Technical College (1892) as the University of Derby in 1992 on a campus immediately abutting the northern boundary of the conservation area. Parts of the conservation area have been developed for student accommodation. A number of the Georgian houses on the north side and around the Friary have large commercial office extensions at the rear, such as the six-storey former HM Customs and Revenue Offices to the rear of 46 Friar Gate. The former rear gardens of these (now) commercial buildings are mainly turned over to car parking.

The inner urban part of the conservation area is within the city's retail core. Along with the city centre as a whole, it experienced decline leading to vacancy, as a result of the general contraction of the independent retail sector during the final quarter of the 20th century. This decline was exacerbated by the establishment the Westfield (now Intu) shopping centre (opened 1975 and greatly enlarged 1990) close to the city centre. The City Centre Conservation area was declared a conservation area 'at risk' by Historic England in 2009.

3.4.3 CONSERVATION AND PLANNING POLICIES

Friar Gate CA was designated in 1969 as Derby's first conservation area and has subsequently been extended to the west. An HLF-funded Townscape Heritage (TH) grant scheme operated in Derby city centre from 2000-2004, which included a small area of Friar Gate CA, as far west as 31-39 Friar Gate. The largest single TH grant was for the repair of the tower of St Werburgh's church. Grants were made to buildings throughout the eligible area, rather than grouped together and it was felt that this may have failed to generate the sort of critical mass needed to stimulate regeneration. Consequently, a second TH scheme in 2013 was restricted to a much smaller area of the city centre, the 'St Peter's Quarter'. In 2008 a 'Partnership Scheme in Conservation Areas' (PSiCA) grant programme was established jointly by HE and Derby City Council to provide repair grants for historic buildings in the city centre, primarily shop-fronts. It included the part of Friar Gate CA closest to the centre. 97 buildings were repaired under the scheme, including 40 Curzon Street, 21-32 and 16-17 Friar Gate in the Friar Gate CA. The 'Connecting Derby' (inner ring road) scheme has funded some public realm works in the historic centre. The Council adopted the Friar Gate Conservation Area Appraisal and Management Plan in 2012.

Derby City Council is a partner the D2N2 Local Enterprise Partnership which has £17.8m to help deliver jobs and economic growth in Derbyshire and Nottinghamshire and published a Sector Strategic Action Plan for Creative and Digital Industries in 2015. The strategy does not mention Friar Gate but underlines the importance of developing creative industries in the region. One aspect of the strategy is to increase the currently low number (by national standards) of graduates of local universities who stay in the area.

The Council's 2006 Local Plan identified Derby's 'Northern Quarter' (the area between Sadler Gate and Ford St/St Alkmund's Way) as the location for a 'Creative Industries Cluster' and a notable group of creative industries has been established (with support from Historic England) at Darley Abbey Mills, north of the city centre.

The 2016 Core Strategy has a key spatial objective 'To strengthen Derby's economy by making the city an attractive location for major employers and inward investment, especially high tech and creative industries….' but again, this does not refer to Friar Gate. The Core Strategy identifies Friar Gate Goods Yard (just outside the CA) as one of the most important priorities for regeneration in the City Centre, with potential to develop as a new residential and mixed-use neighbourhood.

3.4.4 THE AREA TODAY

Figure 40 lists creative industries companies in the area and Figure 41 maps them. There is detail about occupation of historic buildings in the area in Appendix 4.7.

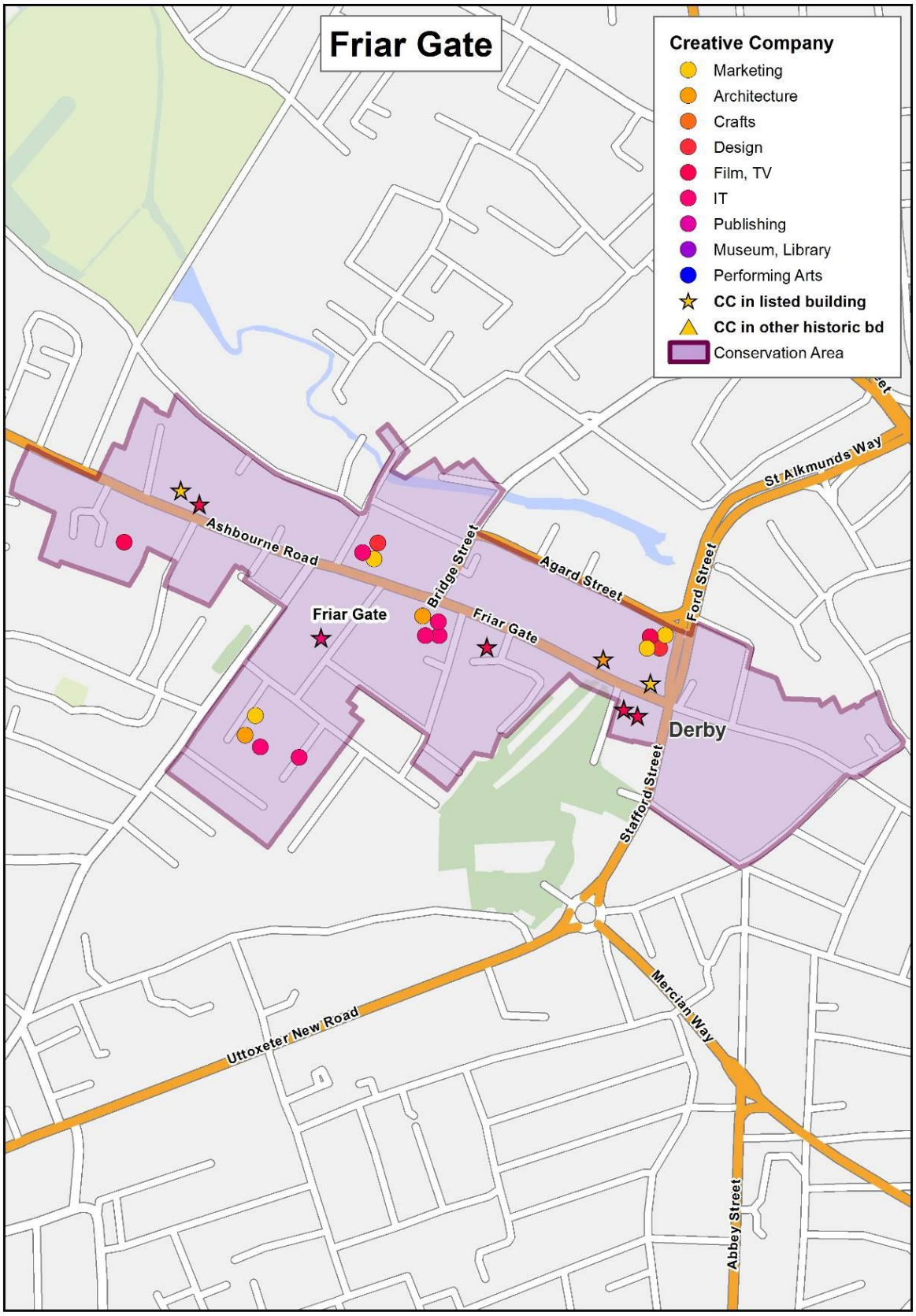
Figure 40: Creative industry organisations in Friar Gate CA

SODALITE FILMS LIMITED	59111 - Motion picture production activities
SOULDEEP LTD	59111 - Motion picture production activities
KATAPULT LIMITED	59112 - Video production activities
RG BROADCAST LIMITED	59120 - Motion picture, video and television programme post-production activities
STRAWDOG PRODUCTIONS LTD	59120 - Motion picture, video and television programme post-production activities
STRAWDOG STUDIOS LIMITED	59120 - Motion picture, video and television programme post-production activities
MOTOR ACCOUNTANCY PLUS SOLUTIONS LIMITED	62012 - Business and domestic software development
RDS GLOBAL LIMITED	62012 - Business and domestic software development
GENGAME LTD	62012 - Business and domestic software development
VERNON GATE SOFTWARE LIMITED	62012 - Business and domestic software development
FINANCIAL MODELLING SOLUTIONS LIMITED	62020 - Information technology consultancy activities
COMPLETE COMPUTER SOLUTIONS (DERBY) LIMITE	62020 - Information technology consultancy activities
TEAMSOLVE LIMITED	62020 - Information technology consultancy activities
PASKETT PUBLIC RELATIONS LIMITED	70210 - Public relations and communications activities
KATAPULT INBOUND LIMITED	70210 - Public relations and communications activities
GINO LOMBARDO ASSOCIATES LIMITED	71111 - Architectural activities
SIMON FOOTE ARCHITECTS LIMITED	71111 - Architectural activities
PLANNING & DESIGN PRACTICE LIMITED	71112 - Urban planning and landscape architectural activities
BLUE JALAPENO LTD	73110 - Advertising agencies
DE22 CREATIVE DESIGN SOLUTIONS LTD	73110 - Advertising agencies
INSIDEOUT IDEAS LIMITED	73110 - Advertising agencies
LICHFIELD MEDIA FACTORY LTD	73120 - Media representation services
NASH AT HOME LIMITED	74100 - specialised design activities
HALUK GURER DESIGN CONSULTANT LIMITED	74100 - specialised design activities

Figure 41: Creative industry companies in listed buildings

1	32	Friar Gate	BLUE JALAPENO LTD
2	42	Friar Gate	GINO LOMBARDO ASSOCIATES LIMITED
3	83	Friar Gate	SOULDEEP LTD
4	3	Vernon St	GENGAME LTD
5	28	Ashbourne Road	KATAPULT INBOUND LIMITED
6	28	Ashbourne Road	KATAPULT LIMITED
7	99	Friar Gate	STRAWDOG PRODUCTIONS LTD
8	99	Friar Gate	STRAWDOG STUDIOS LIMITED

Figure 42: Creative Industry Organisations in Friar Gate, Derby, Conservation Area



The area has a mixture of different types of creative industry.

Figure 43: Summary of Creative Industry companies in Friar Gate

	Companies	% of Total	Per Sq Km	National Ranking
IT, Software & Computer Services	7	**29%**	29	142
Advertising & Marketing	6	**25%**	25	**66**
Film, TV, Video, Radio, Photograph	6	25%	25	110
Architecture	3	13%	13	**88**
Design	2	8%	8	108
Crafts	0	0%	0	190
Publishing	0	0%	0	286
Museums, Galleries, Libraries	0	0%	0	214
Music, Performing & Visual Arts	0	0%	0	300
TOTAL	24	100%	101	161

Friar Gate cannot yet be said to have emerged as a creative industry hub, compared to places in the city such as Darley Abbey Mills; rather, it may have the potential to become one, benefitting in particular from the proximity of the new and expanding University.

The Friar Gate area is regarded by estate agents as a 'hotspot location for professional services', many in the relatively small historic former houses, but not with any explicit emphasis on the 'creative industries'. New developments are returning residential uses to the area, both for student accommodation and private housing such as that behind the former County Gaol, and St Christopher's Court off Ashbourne Road, but they do not appear to be displacing commercial uses to a significant degree. There is a group of creative industries, for example, in the Victorian house behind which St Christopher's Court has been built and another at Friar Gate Studios, a modern block on Ford Street to the rear of the listed 23 and 24 Friar Gate (now a restaurant) from which it is divided by a carpark.

In the part of Friar Gate closest to the city centre, the PSiCA grant scheme targeted retail frontages, and the eastern part of the city centre (including part of Friar Gate CA) has successfully been regenerated, most obviously with new bars and restaurants replacing former shops and commercial premises. Today the area has, primarily, a retail/night time economy. This process has doubtless been supported by the growth of the University, now with c34,000 students.

At the intersection of Friar Gate/Ashbourne Road/Uttoxeter Old Road are local shopping facilities and the area is recognised as a 'neighbourhood centre' in city council planning policy.

3.5 LOWER OUSEBURN VALLEY, NEWCASTLE UPON TYNE

3.5.1 LOCATION, ORIGINS AND ARCHITECTURAL CHARACTER

The Lower Ouseburn Valley Conservation Area lies c.1.5km east of Newcastle Upon Tyne city centre, just west of the residential suburbs of Byker and Walker. It is regarded part of the city's urban core. The area consists of a c.1km length of the Ouseburn valley, between the southern outfall of the culvert at Stepney Bank and its junction with the Tyne.

It contains nine entries on the statutory list, although of these only 30 and 36 Lime Street are historic industrial buildings. Another 21 buildings, including most of the surviving 19th century industrial buildings are identified as making a positive contribution to the special character or appearance of the conservation area. The northern edge of the area is within the Hadrian's Wall World Heritage Site, although the route of the wall here is not known.

The area was one of Newcastle's first industrial suburbs and its history is inseparable from Ouseburn river, which was fast-flowing, so it could be harnessed for power; and tidal, so its lower reaches were easily navigable by barges. The river's value diminished as railways were built and the ravine above Stepney Bank was infilled in 1907-8 for development and the upper river culverted, reducing the flow and navigability of the lower section, although the river banks remained an important industrial area.

Industrial development began here in the 17th century with glass and pottery manufacture, expanding by the 19th century into a wide range of activities that benefitted from the transport offered by the river and the region's natural resources, including shipbuilding, the production of lead, iron, paint and soap.

By the mid-19th century, a dense mix of industrial buildings lined the river bank, with areas of terraced housing higher up the slopes. A notable industrial relic is the Victoria Tunnel of 1839- 1842, built to transport coal 3.2 km from Spital Tongues colliery, inland, to the quayside. It closed in 1860 and it was listed grade II in 2003, since when small sections have been made publicly accessible by Ouseburn Trust with the support of HLF grant.

Some large 19th century industrial buildings remain, mainly on the west bank of the central section of the valley and its southern end, where the historic street layout survives best, but they are self-contained sites rather than a cohesive historic townscape. They include Upper Steenberg Yard, the Cluny Warehouse (36 Lime Street) and parts of the former Maynard's Toffee factory at Lower Steenberg Yard. The upper part of the valley is now largely open and green and even in the historic central part of the conservation area there are many open grassed spaces between the buildings. The deep valley is crossed by several visually impressive late 19th and 20th century bridges; those higher up spanning its full width. They include the grade II* listed railway viaduct (1869); and the Metro viaduct (1982) for which a substantial area was cleared.

3.5.2 POST-1945 CHANGES

By the end of the Second World War the area's traditional industries were in decline or had left. The local population was largely re-housed elsewhere during the 1940s and 1950s, and by c.2000 most of the valley's historic buildings had been demolished, including the few surviving 18th century terraces. Large areas were cleared, and concreted or used for dumping. Such new uses as there were tended to be secondary industrial activities such as scrap metal recycling, both in old buildings and modern purpose-built premises. Newcastle City Council (NCC) policy in the 1960s was to transform the valley into a green area, and they bought, cleared, and landscaped many former industrial sites.

3.5.3 CONSERVATION AND PLANNING POLICIES

A series of local community initiatives during the 1980s and early 1990s, with limited support from NCC, led to the formal establishment in 1996 of the Ouseburn Trust, a local development trust.

It made a successful bid for a five-year Single Regeneration Budget (SRB) grant in 1995 and set up the Ouseburn Partnership, with NCC involvement, to manage it. The Trust's programme explicitly sought to celebrate and conserve the area's heritage at the same time as regenerating it economically, with a vision for the valley based on heritage, open spaces, housing, pubs, music and small creative studios and workspaces. However, there was still considerable pressure to clear land for development and several industrial buildings were damaged by fire during this period.

The Ouseburn Conservation Area was designated in 2000 with the support of the Trust, and a conservation area character statement was adopted. In 2003 NCC produced the *Lower Ouseburn Valley Regeneration Strategy* (for an area including but larger than the conservation area) which recognised it as having economic and cultural potential, close to the city centre. The strategy proposed redevelopment of the area as a new 'urban village', anticipating further major investment from UK and EU structural regeneration funds including the SRB, European Regional Development Fund (ERDF), European Social Fund (ESF), National Lottery and the Arts Council. The mix of old buildings and development sites was considered especially suitable for live/work units that would attract creative, cultural and IT-based industries. NCC supported the cost of a heritage officer.

A Conservation Area Management Plan (CAMP) was produced in 2004, by which time further 19th century buildings had been demolished, notably the Ice Factory. It was clear by then there was a conflict between the steady demand for small business premises and the potential of many sites for lucrative residential development.

The Council produced an Urban Design Framework (UDF) for the valley in 2005, as an appendix to the CAMP, including design guidance for potential development sites. In 2008 an Ouseburn Central Master Plan was produced for NCC with detailed development guidelines for the largely vacant area bounded by the Ouseburn, Byker Bank and Leighton Street as the heart of the new 'urban village'. NCC dissolved its area-based regeneration teams in 2011 and a voluntary group, Ouseburn Futures (linked to Ouseburn Trust) was established to carry on working towards the objectives of the Regeneration Plan. A revised and updated *Ouseburn Regeneration Plan 2012-2020* was produced by Ouseburn Futures and NCC in 2012. Ouseburn is central to the Council's plans to support and develop creative industries, as set out in its 2015 *Core Strategy and Urban Core Plan 2010-2030.*

3.5.4 EMERGENCE OF CREATIVE INDUSTRIES IN THE AREA

During the 1980s a small number of arts and cultural activities were attracted to new commercial units in converted buildings: an art gallery and studios at 36 Lime Street, now known as The Cluny, a grade II listed former Flax Mill of 1848, designed by John Dobson, the area's leading 19th century architect; music studios at Off Quay Building and an IT cluster at the grade II* listed former Ouseburn School which became the Quayside Business Development Centre; but they sat awkwardly with the many car-related and scrap businesses. Following the establishment of the Ouseburn Trust, further cultural activities developed: in 2002, 30 Lime Street was acquired as the National Centre for the Childrens' Book (now 'Seven Stories'). In 2006 the Biscuit Factory art gallery opened; and in 2007, The Round (theatre) opened next door to The Cluny, although it closed the following year and is now a bar/restaurant. Tyne Tees TV had studios on the edge of the Ouseburn Valley until 2005 and there was a cluster of live music venues, which benefitted from the absence of a residential community that might have objected to the 'night-time economy'.

3.5.5 THE AREA TODAY

Figure 44 lists creative industries companies in the area and Figure 46 maps them.

Figure 44: Creative industry companies in the Lower Ouseburn Valley CA

PH IT SOLUTIONS LIMITED	62020 - Information technology consultancy activities
EXIGENT PLATFORM SERVICES LIMITED	62020 - Information technology consultancy activities
EVOLVED DIGITAL MARKETING LTD	62020 - Information technology consultancy activities
SORTED PR LIMITED	70210 - Public relations and communications activities
COOL BLUE BRAND COMMUNICATIONS LIMITED	70210 - Public relations and communications activities
POD NEWCASTLE LTD	71111 - Architectural activities
PB VISUALISATION LIMITED	71111 - Architectural activities
CEAD LIMITED	71111 - Architectural activities
INTERSECT ARCHITECTS LIMITED	71111 - Architectural activities
ONE ASSOCIATES LTD	71111 - Architectural activities
ONE LANDSCAPES LTD	71112 - Urban planning and landscape architectural activities
HUNTER JOHNSTONE MARKETING SOLUTIONS LIMI	73110 - Advertising agencies
HUNTER JOHNSTONE DIGITAL LTD	73110 - Advertising agencies
LITEWHITE LIMITED	73110 - Advertising agencies
KITTY AND SCARLET LIMITED	73120 - Media representation services
STRAWBERRY BANNERS LTD	73120 - Media representation services
EAST RIVER PR LTD	73120 - Media representation services
JIGSAW DESIGN STUDIOS LIMITED	74100 - specialised design activities
OCTO DESIGN LTD	74100 - specialised design activities
DAEDALUS DRONES LTD	74209 - Photographic activities not elsewhere classified
SEVEN STORIES, THE NATIONAL CENTRE FOR CHIL	85520 - Cultural education
CAP-A-PIE ENGAGEMENTS	90010 - Performing arts
PUPPETSHIP COMMUNITY INTEREST COMPANY	90030 - Artistic creation
RED OLIVE ART LIMITED	90030 - Artistic creation
STUDIO ALEC FINLAY LTD	90030 - Artistic creation
FACTORY 35 LIMITED	91011 - Library activities
SEVEN STORIES TRADING LIMITED	91020 - Museums activities

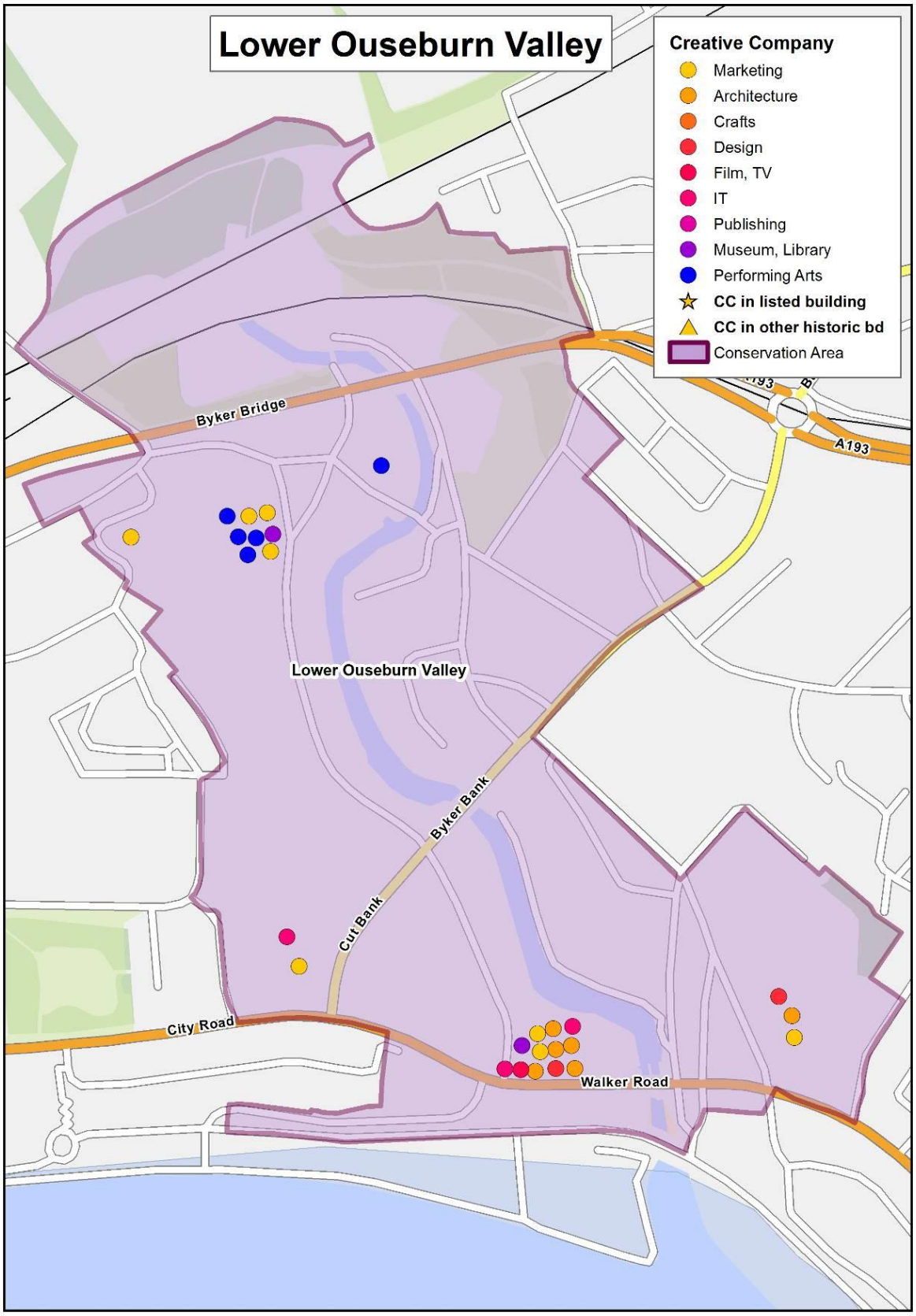
There is a distinct grouping of advertising / marketing and architecture companies in the area.

Figure 45: Summary of creative industry companies in Lower Ouseburn CA

	Companies	% of Total	Per Sq Km	National Ranking
Advertising & Marketing	8	**30%**	39	**41**
Architecture	6	22%	30	**40**
Music, Performing & Visual Arts	5	19%	25	129
IT, Software & Computer Services	3	11%	15	219
Design	2	7%	10	96
Museums, Galleries, Libraries	2	7%	10	**10**
Film, TV, Video, Radio, Photograph	1	4%	5	218
Crafts	0	0%	0	157
Publishing	0	0%	0	282
TOTAL	27	100%	133	125

Between 2003-12 an estimated that £67m was invested in Ouseburn, of which c.£25m was public money; mainly for new build, conversions and infrastructure projects. Private sector residential development has been slower to take place. The NCC Planning & Development Group is currently working on updates of the key Ouseburn planning documents, the Lower Ouseburn Conservation Area documents, the Ouseburn Design Framework, and the Ouseburn Regeneration Plan.

Figure 46: Creative Industries in Lower Ouseburn Valley Conservation Area



Regeneration and development since 2012 have focussed on several large sites, where progress had been slow. In 2010 a short-lived public sector regeneration company was established and acquired three key sites in Ouseburn.

A private sector partner (Carillion-Igloo) was appointed and commissioned a master-plan for the area with Urbed (2013) which provided the basis for the ongoing development of the area. The first phase, at part of Lower Steenberg's Yard, was successfully regenerated for small workspaces as The Toffee Factory. Another public/private partnership developed The Malings (2017), the first new housing scheme in the area, on the east bank of the river. There remain several very large industrial or former industrial sites in the area, and the second phase of the Lower Steenberg Yard is in development.

Ouseburn is now established as a hub for cultural industries and visitors, with galleries, bars and restaurants. A riverside walk, creating public spaces along the river bank for the first time, is gradually being secured as developments takes place. Victoria Tunnel is now a leading tourist attraction in the city and has won several awards. However, it appears that as public funding has shrunk, development has slowed significantly.

3.6 NORWICH CENTRAL

3.6.1 LOCATION, ORIGINS AND ARCHITECTURAL CHARACTER

The Norwich City Centre Conservation Area covers the whole area, of 2.3 km², within the medieval city walls. It contains 731 listed buildings, including: the Norman Castle, the medieval cathedral, palace and precinct buildings, more than thirty medieval churches (most now in secular use), at least twelve complete standing medieval houses and many more incorporated in later buildings (including some 70 medieval undercrofts and cellars), and more than 200 houses dating from before 1700.

Norwich lies on the River Wensum, historically a key transport link with the rural hinterland, for which the city was the principal market, and the sea. Urban development began in the 8th century on the north bank and was consolidated after the Norman conquest on the south bank, around the new royal castle and cathedral; the walls were built in the 13th century. Norwich was England's second city in population and wealth after London for much of the medieval period. Development intensified within the walls after the reformation, as former religious sites became available. During the 18th and 19th centuries older houses were subdivided or redeveloped as industry grew in importance.

The city's medieval wealth was based on wool trading and weaving. In the early modern period, industries based on the produce of the surrounding farmland emerged, such as leather-working, milling, brewing and food processing. In the 19th century Norwich also became a significant centre for iron-founding and machinery and large areas of the city centre and new suburbs were developed for workers' housing. Industrial activity within the city centre, particularly along the river, declined in mid-20th century. Slum clearance took place in the 1920s and 30s, with much of the replacement housing on suburban estates.

Unusually, the loss of historic buildings was challenged as early as 1927 when the 16th century houses in Elm Hill were scheduled for demolition; the Norwich Society was formed and campaigned successfully to preserve them.

No one architectural form characterises the conservation area, because it encompasses the whole of the medieval city centre. It has a range of urban building types, from great churches and civic monuments to mansions, terraced houses, shops and arcades, theatres, banks, warehouses and factories. Much of the ancient street pattern and many old frontages survive, but there has been extensive 20th century redevelopment, including large office blocks and housing estates, especially in the backlands. Some areas such as Ber Street and Anglia Square have little heritage significance. The cathedral, castle and churches are still pre-eminent in the cityscape and there are relatively few other tall buildings. Small-scale historic buildings survive throughout the conservation area.

3.6.2 POST-1945 CHANGES

Norwich suffered bomb damage in World War Two and with the decline of traditional industry, this resulted in numerous vacant sites on which redevelopment was largely unsympathetic. An inner link road (1968-75), although mostly outside the walls, cut through the ancient centre around Anglia Square. Bland and undistinguished buildings of the 1950s-80s are scattered across the city; including tower blocks and system-built housing estates, massive offices such as the Norwich Union (now Aviva) buildings on All Saints Green and Surrey Street, and several shopping malls.

The University of East Anglia was established in 1962 on a campus to the west of the city and while physically separate, it has had a major impact on the culture and economy of the whole city. Today it has c.17,000 students.

Recognition of the value of the city's historic environment grew during the 1960s. In 1966, the Council and the Norwich Society founded the Norwich Preservation Trust to preserve historic buildings and in 1973 the Norwich Historic Churches Trust was set up to look after 18 of the city's redundant medieval churches. The Council pioneered the pedestrianisation of historic shopping streets when it closed London Street to traffic in 1967. Norwich is the only English city in the World League of Historic Cities and Regions, housing its headquarters for some years. Norwich Heritage Economic and Regeneration Trust (HEART) was a charity that ran from 2004-2015 to champion local heritage and demonstrate best practice for heritage-led regeneration, securing £1m grant from the government's 'Invest to Save Budget' to promote the city's heritage. Redevelopment in the city centre since c1990s has generally respected its historic scale, grain and character.

3.6.3 CONSERVATION AND PLANNING POLICIES

The present conservation area was designated in 1992, incorporating several earlier designations, of which the first were made in 1970. A conservation area appraisal was prepared and adopted in 2006. The Regional Economic Strategy (2008) proposed inter alia that Norwich be developed as a nationally important centre for creative industries and the Northern City Centre Area Action Plan (2010) set out a framework for delivering the regional strategy locally. The Joint Core Strategy for Broadland, Norwich and South Norfolk (2011, 2014) and NCC's Development Management Policies (2014) stress the importance of creative industries in Norwich City Centre. The local plan is backed up by the City Council's Heritage Investment Strategy (2014) for the management of the heritage in partnership with the voluntary/charitable sector. A Neighbourhood Plan for the Cathedral, Magdalen and St Mary's area is in preparation (2018), including a focus on creative, cultural and information technology industries.

The City Council has prepared a Local List (2018) and keeps a local Register of Heritage at Risk. The local plan includes briefs for all of the key development sites in the city centre. It also notes that some 'older office premises will be suitable for beneficial conversion to housing' suggesting that there is an adequate supply of property in both categories.

Among numerous building conservation grants from which the area has benefitted are a joint English Heritage/HLF Conservation Area Partnership Scheme in 1998, major HLF grants for the repair of Dragon Hall (2005/6) and to create a cinema archive at the listed Norwich Cinema in 2014 and EH/HE/HLF grants to the cathedral and various historic churches. The Council has made significant investments in the historic public realm.

3.6.4 EMERGENCE OF CREATIVE INDUSTRIES IN THE AREA

Creative industries were well-established in Norwich before they were categorised as such. They include publishing (Jarrold's, HMSO and academic concerns) and the mass media; including local papers, BBC regional offices and local radio and TV stations. Therefore, planning policies and strategies have been aimed at sustaining and developing the creative industries rather than initiating new hubs or clusters. The creative industries are concentrated in the best-preserved areas of historic small-scale mixed-use buildings: for example, on Magdalen Street, Colgate and St Giles Street, which are largely of the 18th-early 19th centuries. Another group of creative industries occupies listed buildings on All Saints Green. Others occupy slightly larger, late-19th and early-20th century commercial buildings in the area between Castle and station (Prince of Wales Road).

The main creative industries are now publishing, IT/digital arts and media. The growth of publishing, with academic and literary elements, reflects the importance of the university- and notably its creative writing course. Several literary festivals are held in the city annually and Norwich was one of the UK's three UNESCO Cities of Literature (with Nottingham and Edinburgh) in 2006. Norwich University of the Arts has a comparably strong reputation in digital arts and there is an annual computer gaming festival. In 2006 the Council acquired the former Anglia TV studios were which were converted to Epic Studios (East of England Production Innovation Centre) supported by £4m from East of England Development Agency (EEDA), as an 'incubator' for small media businesses.

3.6.5 THE AREA TODAY

Figure 47 lists creative industries companies in the area and Figure 48 maps them.

Norwich is no longer a major administrative centre and today ranks only 38th by population among English cities; but by virtue of its history and location it is still a regional 'capital'. This significance is reflected in the age, richness and diversity of its architecture and urban form. Several recent reports have confirmed that creative industries are a significant and growing part of the local economy. They cluster in the historic areas of the city where there is a good supply of relatively small premises and a lively street scene of cafes, bars and independent shops. Individual buildings have demonstrated the synergy between heritage and creative industries. For example, the Dragon Hall, one of the most important medieval secular buildings in Norwich, became the National Centre for Writing in 2018.

Figure 47: Creative industry companies in Norwich City Centre CA

1	NICOLA BAXTER LTD	58110 - Book publishing
2	CURRAN PUBLISHING SERVICES LTD	58110 - Book publishing
3	OPEN TRADE NETWORK	58110 - Book publishing
4	ARCHANT COMMUNITY MEDIA LIMITED	58130 - Publishing of newspapers
5	ARCHANT COMMUNITY MEDIA HOLDINGS LIMITED	58130 - Publishing of newspapers
6	OUTLOOK PUBLISHING LTD	58142 - Publishing of consumer and business journals and periodicals
7	KK MEDIA LTD	58190 - Other publishing activities
8	LOVE NORWICH LTD	58190 - Other publishing activities
9	JIGSAW DESIGN & PUBLISHING LIMITED	58190 - Other publishing activities
10	SELESTI LIMITED	58290 - Other software publishing
11	FALCON GLOBAL LIMITED	58290 - Other software publishing
12	CUCKOO FILMS LIMITED	59111 - Motion picture production activities
13	ROCKSTAR FILMS LIMITED	59111 - Motion picture production activities
14	CODA FILMS LIMITED	59111 - Motion picture production activities
15	MR BOBSON LIMITED	59111 - Motion picture production activities
16	PAPILLON PICTURES LIMITED	59111 - Motion picture production activities
17	PUNK CINEMA LIMITED	59111 - Motion picture production activities
18	NATURAL LIGHTING LTD	59111 - Motion picture production activities
19	LAMBDA FILMS LTD	59112 - Video production activities
20	COMMUNITY MEDIA PRODUCTIONS & TRAINING LIMI	59112 - Video production activities
21	CURVEBALL MEDIA LTD	59112 - Video production activities
22	EYE FILM AND TELEVISION LIMITED	59112 - Video production activities
23	NDT TRAINING ACADEMY LIMITED	59112 - Video production activities
24	ACTION SPORTS TV LIMITED	59112 - Video production activities
25	BOURLEY LTD	59113 - Television programme production activities
26	WILDFIRE FILM RELEASING LIMITED	59131 - Motion picture distribution activities
27	PROTUNES LTD	59200 - Sound recording and music publishing activities
28	NAKED ELEMENT LIMITED	62012 - Business and domestic software development
29	DR ANDY SOUTH LTD	62012 - Business and domestic software development
30	EMPRESA LIMITED	62012 - Business and domestic software development
31	FXHOME LIMITED	62012 - Business and domestic software development
32	PELLCOMP SOFTWARE LIMITED	62012 - Business and domestic software development
33	SOFTWARE APPLICATIONS LIMITED	62012 - Business and domestic software development
34	PURPLE TUESDAY LIMITED	62012 - Business and domestic software development
35	SAXON SOLUTIONS LIMITED	62012 - Business and domestic software development
36	TELEOLOGIC LIMITED	62012 - Business and domestic software development
37	THYNGS LIMITED	62012 - Business and domestic software development
38	UNITED TAXI APP LIMITED	62012 - Business and domestic software development
39	TRINITY SOFTWARE LIMITED	62012 - Business and domestic software development
40	TRITON CONSULTING LIMITED	62020 - Information technology consultancy activities
41	INCEPTASYS LTD	62020 - Information technology consultancy activities
42	QUIITS CONSULTING LIMITED	62020 - Information technology consultancy activities
43	INTERNET GEEKS LIMITED	62020 - Information technology consultancy activities
44	NEO OPTIC LIMITED	62020 - Information technology consultancy activities
45	ICENI TECHNOLOGY LTD	62020 - Information technology consultancy activities
46	DELTASCOPE.COM LIMITED	62020 - Information technology consultancy activities
47	ASSURED IT SOLUTIONS LIMITED	62020 - Information technology consultancy activities
48	FAME CONSULTANCY LIMITED	62020 - Information technology consultancy activities
49	MERRIT TRAINING CONSULTANTS LTD	62020 - Information technology consultancy activities
50	POINTED PIXEL LTD	62020 - Information technology consultancy activities
51	WALNUT PARTNERSHIP LIMITED	62020 - Information technology consultancy activities
52	TIMEWELL CONSULTING LIMITED	70210 - Public relations and communications activities
53	API STONE LIMITED	71111 - Architectural activities
54	CAM ARCHITECTS LTD	71111 - Architectural activities
55	CREATE DESIGN LTD	71111 - Architectural activities
56	LSI ARCHITECTS (DESIGN) LIMITED	71111 - Architectural activities
57	NICHOLAS WARNS ARCHITECT LIMITED	71111 - Architectural activities
58	HUDSON ARCHITECTS LIMITED	71111 - Architectural activities
59	OWEN BOND PARTNERSHIP LIMITED	71111 - Architectural activities
60	TOWN & COUNTRY CONSERVATORIES LIMITED	71111 - Architectural activities

61	CAM ARCHITECTS (NORWICH) LIMITED	71111 - Architectural activities
62	LSI ARCHITECTS (UK) LIMITED	71111 - Architectural activities
63	OSBORNENASH LTD	73110 - Advertising agencies
64	CREATIVE SPONGE LIMITED	73110 - Advertising agencies
65	OPTIMISE MEDIA (LATAM) LIMITED	73110 - Advertising agencies
66	THE LINE AGENCY LIMITED	73110 - Advertising agencies
67	OKM MEDIA LTD	73110 - Advertising agencies
68	FOUNTAIN PARTNERSHIP LTD	73110 - Advertising agencies
69	GRAFIKLANGUAGE LTD	73110 - Advertising agencies
70	NOTICE MEDIA LTD	73110 - Advertising agencies
71	AGGREGATORS UK LIMITED	73110 - Advertising agencies
72	ASS -SAMEE LIMITED	73110 - Advertising agencies
73	BUSINESS EQUIP LIMITED	73110 - Advertising agencies
74	THE POINT (UK) LIMITED	73110 - Advertising agencies
75	BREVERAN GROUP LIMITED	73120 - Media representation services
76	THE MEDIA POINT (UK) LIMITED	73120 - Media representation services
77	PARTNERSHIP PLUS LIMITED	73120 - Media representation services
78	PRESS4GOLF LIMITED	73120 - Media representation services
79	ENTER THE VOID LIMITED	74100 - specialised design activities
80	PAULA GUNDRY INTERIORS LIMITED	74100 - specialised design activities
81	PRODUCT RESOLUTIONS LIMITED	74100 - specialised design activities
82	MATT WHITEHEAD LTD	74100 - specialised design activities
83	MADE AGENCY LTD	74100 - specialised design activities
84	LINE ONE INTERIORS LTD	74100 - specialised design activities
85	TECHNICAL DESIGN SERVICES (NORWICH) LIMITED	74100 - specialised design activities
86	BLUE PEARL PHOTOGRAPHIC LTD	74202 - Other specialist photography
87	PHOTO ELITE LIMITED	74203 - Film processing
88	EXTREME VIDEO LIMITED	74209 - Photographic activities not elsewhere classified
89	CULTURE CROSSROADS	85520 - Cultural education
90	THE GARAGE TRUST LIMITED	85520 - Cultural education
91	NORWICH SOUND & VISION CIC	85520 - Cultural education
92	COMMUNITY MUSIC EAST LIMITED	85520 - Cultural education
93	THE FLYING CLASSROOMS LIMITED	85520 - Cultural education
94	CAPOEIRA COMMUNITIES LIMITED	85520 - Cultural education
95	CULTURE WORKS (EAST) LTD.	85520 - Cultural education
96	ANTEROS ARTS LIMITED	85520 - Cultural education
97	NEW ROUTES INTEGRATION	85520 - Cultural education
98	NORWICH AND NORFOLK COMMUNITY ARTS LIMITE	85520 - Cultural education
99	THE CHALK CIRCLE THEATRE COMPANY LIMITED	90010 - Performing arts
100	IRONHEADS LTD	90010 - Performing arts
101	MARGARET HOWARD THEATRE SCHOOLS LIMITED	90010 - Performing arts
102	NORWICH PUPPET THEATRE TRUST LIMITED	90010 - Performing arts
103	LOESJE SANDERS LIMITED	90020 - Support activities to performing arts
104	EAST ALBION LTD	90020 - Support activities to performing arts
105	TURNING TIDE EVENTS LTD	90020 - Support activities to performing arts
106	NORWICH PLAYHOUSE ENTERPRISES LIMITED	90020 - Support activities to performing arts
107	ST ETHELDREDA ART STUDIO	90030 - Artistic creation
108	SLOW THEATRE COMPANY	90030 - Artistic creation
109	THE SAW TRUST	90030 - Artistic creation
110	MADDERMARKET THEATRE TRUST LIMITED(THE)	90030 - Artistic creation
111	THEATRE ROYAL (NORWICH) TRUST LIMITED	90030 - Artistic creation
112	LIAM BAILEY LTD	90030 - Artistic creation
113	DESIGN KITCHEN CIC	90030 - Artistic creation
114	WRITERS' CENTRE NORWICH	90040 - Operation of arts facilities
115	NORWICH ARTS CENTRE LIMITED	90040 - Operation of arts facilities
116	NORWICH PLAYHOUSE THEATRE LIMITED	90040 - Operation of arts facilities
117	THE ANTEROS ARTS FOUNDATION	90040 - Operation of arts facilities
118	NORFOLK MUSEUMS DEVELOPMENT FOUNDATION	91020 - Museums activities

Figure 48: Creative industry companies in listed buildings

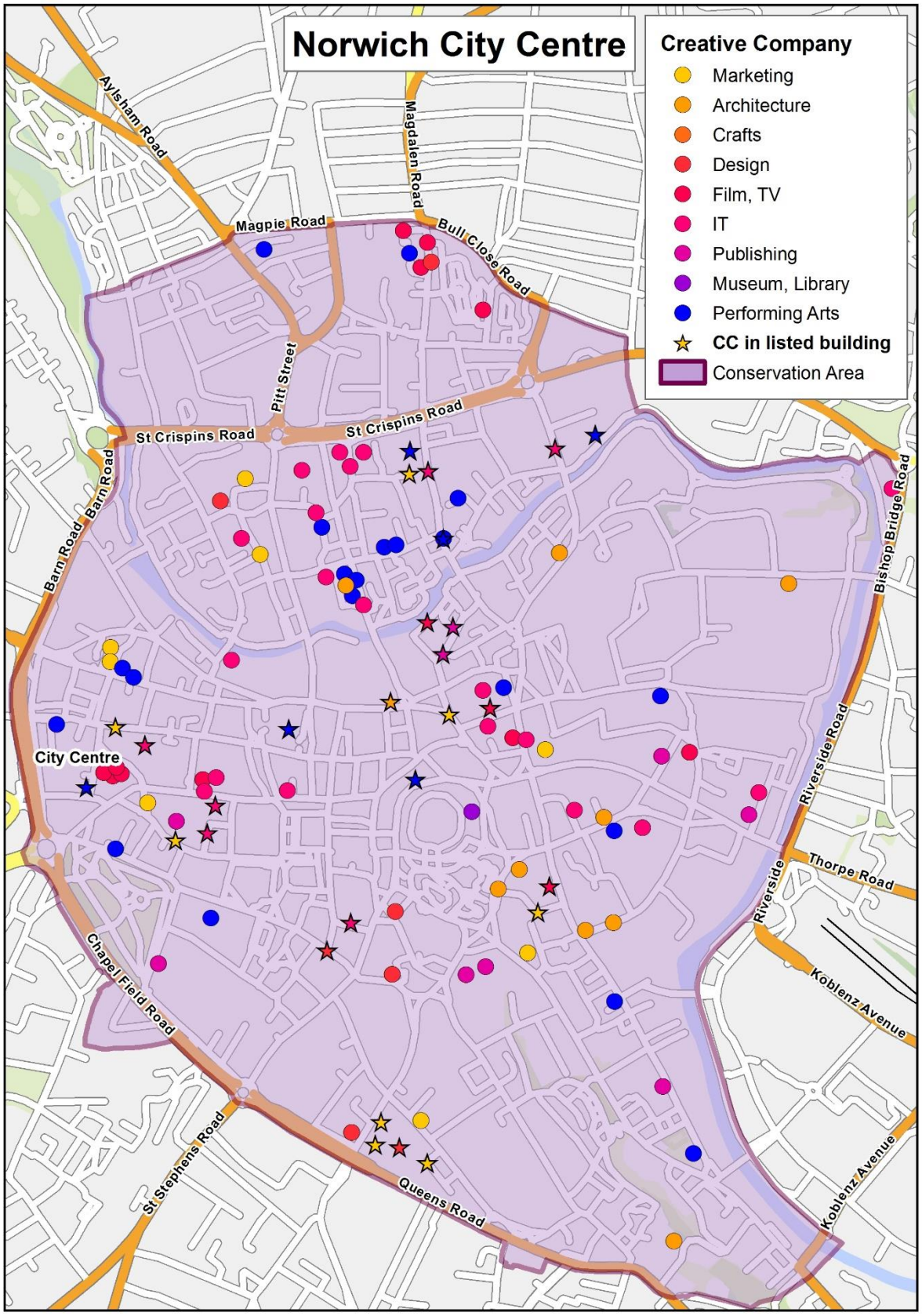
1	30	Elm Hill	CODA FILMS LIMITED
2	30	Elm Hill	JIGSAW DESIGN & PUBLISHING LIMITED
3	30	Elm Hill	OUTLOOK PUBLISHING LTD
4	43	All Saints Green	CREATIVE SPONGE LIMITED
5	43	All Saints Green	PARTNERSHIP PLUS LIMITED
6	43	All Saints Green	PRESS4GOLF LIMITED
7	28	St. Giles St	PELLCOMP SOFTWARE LIMITED
8	28	St. Giles St	TRINITY SOFTWARE LIMITED
9	41456	Orford Place	MADE AGENCY LTD
10	41456	Orford Place	MERRIT TRAINING CONSULTANTS LTD
11	68	Swan Yard	OSBORNENASH LTD
12	21-23	Castle Meadow	SLOW THEATRE COMPANY
13		St John's Alley	MADDERMARKET THEATRE TRUST LIMITED(THE)
14	83-87	Pottergate	EMPRESA LIMITED
15	83-87	Pottergate	THE LINE AGENCY LIMITED
16	3	Cow Hill	THE CHALK CIRCLE THEATRE COMPANY LIMITED
17		Queen St	NOTICE MEDIA LTD
18		Queen St	CURVEBALL MEDIA LTD
19	37	St. Andrews St	HUDSON ARCHITECTS LIMITED
20	44	Magdalen St	AGGREGATORS UK LIMITED
21		Magdalen St	CULTURE WORKS (EAST) LTD.
22		St James	NORWICH PUPPET THEATRE TRUST LIMITED
23	2	St James Mill	THYNGS LIMITED
24	38	Bethel St	FOUNTAIN PARTNERSHIP LTD
25	38	Bethel St	FOUNTAIN PARTNERSHIP LTD
26	43	All Saints Green	PRODUCT RESOLUTIONS LIMITED
27	44-48	Magdalen St	ICENI TECHNOLOGY LTD
28	7	Fye Bridge St	THE ANTEROS ARTS FOUNDATION
29	70	King St	BLUE PEARL PHOTOGRAPHIC LTD

There is a balanced mix of different types of creative industry, with a Music, Performing and Visual Arts being disproportionately strong.

Figure 49: Summary of creative industries in Norwich City Centre CA

	Companies	% of Total	Per Sq Km	National Ranking
Music, Performing & Visual Arts	30	**25%**	13	**179**
IT, Software & Computer Services	26	22%	11	244
Film, TV, Video, Radio, Photograph	18	15%	8	216
Advertising & Marketing	17	14%	7	230
Architecture	10	8%	4	188
Publishing	9	8%	4	290
Design	7	6%	3	184
Museums, Galleries, Libraries	1	1%	0	230
Crafts	0	0%	0	232
TOTAL	118	100%	51	212

Figure 50: Creative industry companies in Norwich City Centre CA



There is some pressure to relax the planning policies that have ensured that development in the past three decades has fitted to fit into the scale and intricacy of the historic city. There are several recent buildings of 10-12 stories, and the current proposal by Broadway Malayan for the Anglia Centre site includes 1250 residential units and a 25-storey tower. However, because the area is large, major redevelopment does not, so far, appear to threaten the supply of premises suitable for creative industries. A greater- if more distant- peril would arise if the erosion of the city's historic character as a result of major redevelopments led to a change in the perception of Norwich as an attractive, desirable location for small businesses.

3.7 RAMSGATE CONSERVATION AREA

3.7.1 LOCATION, ORIGINS AND ARCHITECTURAL CHARACTER

Ramsgate Conservation Area covers much of the historic town of Ramsgate. It extends to 12.2 km² and is the largest conservation area in Kent. It contains 333 listed buildings of which several are listed grade I or II*. The local authority is Thanet District Council, which also covers the nearby towns of Margate and Broadstairs and their rural hinterland. The council has not prepared a local list or formally identified unlisted buildings that make a positive contribution to the area, but a substantial number of those predating 1914 would probably fall into the latter category.

In the medieval period, Ramsgate was a limb (i.e. branch) of the Cinque Port of Sandwich, but it was essentially a fishing village until the 16th and 17th centuries. In 1749, a new stone pier was built so that the harbour was accessible at all states of tide and could serve the merchant and naval fleets as a 'Port of Refuge', subsequently becoming a 'Royal Harbour'. By the end of the 18th century it developed as one of the first English sea-bathing resorts, and was developed with numerous terraces of houses, Assembly Rooms and baths; although it still had a large fishing fleet.

The Royal Harbour with its breakwater and associated buildings, is the defining visual and historic architectural feature of the town. The principal commercial and residential streets occupy the shallow valley that surrounds the harbour. The residential core is comprised mainly of 18th and early 19th century terraced housing. Outside this, are extensive areas of 19th and early 20th century development. Grade I listed buildings include the group comprising The Grange, St Augustine's Church, cloister and presbytery, designed for himself by the greatest of English gothic revival architect, AWN Pugin, a romantic recreation of what he saw as the medieval ideal of a Christian community; and the early 19th century church of St George. The Royal Harbour is listed Grade II*.

Much of the 19th century townscape survives and, apart from a few intrusive modern exceptions, the town preserves its historic scale of 3-4-storey terraces, with ground floor shops in the main streets.

3.7.2 POST-1945 CHANGES

Ramsgate suffered much less bomb damage than nearby Margate, for example, but, as with other English seaside towns, it suffered a significant economic decline as the domestic holiday industry was replaced by the popularity of foreign holidays. A number of initiatives to regenerate the local economy have been made.

Several unsuccessful attempts to reintroduce cross-channel ferries led to a massive industrial site (the modern 'Port of Ramsgate') being developed on reclaimed land to the west of the Royal Harbour.

Although little used, it dominates the western approach to the historic harbour and town centre. The town still has the largest inshore fishing fleet in the region.

The railway station lies c.1 km inland from the town centre. Although rail was the main means of reaching the town from the mid-19th century, the extension of the HS1 High Speed (Channel Tunnel Rail Link) line to Ramsgate and Margate (opened 2009) has greatly improved the town's accessibility to and from London.

Several prominent sites were unsympathetically redeveloped with large modern buildings in the late 20th century, most aggressively around the Royal Harbour at the junction of Leopold Street and Royal Parade, but also in Queen Street, for example. These areas have been excluded from the conservation area, but as islands within it, their detrimental impact on the surrounding historic environment is undiminished.

3.7.3 EMERGENCE OF CREATIVE INDUSTRIES IN THE AREA

Creative industries appear to be distributed quite widely throughout the conservation area, including many in predominantly residential streets, and it is only starting to emerge as a creative industry cluster. This is happening largely so far on Military Road, where a group of creative industries are occupying recently renovated grade II listed arches belonging to Thanet District Council. They were previously below 50% occupancy, costing the council money, although they accommodated chandlery businesses essential to ensuring the harbour continued to be used for yachts and fishing. TDC invested in doing them up and they are now at 100% occupancy, with creative industry businesses alongside the chandlery businesses. https://suite.endole.co.uk/explorer/postcode/ct11-9lg

The long-stablished Ramsgate Maritime Museum occupies the grade II* listed Clock House at the centre of the Royal Harbour. It is run by a charitable trust, in succession to a Council-run museum on the same site that closed in 2008. It has c.8,000 visitors a year. Ramsgate is also home to the Micro Museum of vintage computers, video gaming and micro-electronics, a private collection started 40 years ago, but this does not appear to represent or have stimulated a cluster of related activities.

3.7.4 CONSERVATION AND PLANNING POLICIES

The conservation area was designated in 1970 and has been extended since then. The emerging draft Thanet local plan refers to creative industries only briefly, in connection a small emerging cluster in Margate Old Town. The local plan primarily supports leisure, tourism, retail and residential activities with an emphasis on maritime heritage. There is no conservation area appraisal for Ramsgate, nor any policies specifically encouraging creative industries in the town. The Council is committed to the development of the Council-owned Port of Ramsgate, as a commercial port operation. Its plans are set out in the Ramsgate Maritime Plan (2015).

An upsurge in creative activities that followed the opening of the Turner Contemporary Gallery in Margate has been supported by the Margate Arts Creativity and Heritage (MACH) programme, an initiative begun in 2010 which was jointly funded by Thanet District Council, Historic England and Arts Council England. One of its key objectives was to support the reuse of historic properties by the creative sector in Margate. The MACH approach is regarded as a model for culture- and heritage-based regeneration that could be applied elsewhere in the district, and for which Ramsgate in particular may be suitable.

HLF grants have been awarded for a Townscape Heritage scheme (£1.2m between 2008-2013) contributing to the cost of repairing historic buildings in the seafront area; and separately for the St Augustine's Centre (grant of £600,000) project, among others.

Ramsgate was chosen in 2016 as one of the first ten Historic England Heritage Action Zones (HAZ), places selected for targeted action by Historic England, to build on the heritage of the area to stimulate economic growth. The HAZ encompasses the whole town, within which Ramsgate CA lies.

An HLF funded project called 'Harbouring Hopes' is providing creative industries training to local school students.

3.7.5 THE AREA TODAY

Figure 51 summarises the creative industries in the conservation area. Figure 53 lists companies in creative industries across the Heritage Action Zone[11] and Figure 54 maps them.

Figure 51: Summary of creative industry companies in Ramsgate CA

	Companies	% of Total	Per Sq Km	National Ranking
IT, Software & Computer Services	6	**35%**	7	
Music, Performing & Visual Arts	5	**29%**	6	
Publishing	2	12%	2	
Advertising & Marketing	1	6%	1	
Architecture	1	6%	1	
Design	1	6%	1	
Film, TV, Video, Radio, Photograph	1	6%	1	
Crafts	0	0%	0	
Museums, Galleries, Libraries	0	0%	0	
TOTAL	17	100%	19	403

Ramsgate conservation area is neither economically booming or severely deprived. It has a long-standing reputation as a more genteel holiday resort than Margate, with many historic literary associations. The town has benefitted in recent years from an influx of Londoners, attracted by the relatively low prices of period property; many Georgian houses have recently been repaired, whereas a few years ago they might have been redeveloped. The changing demographic is reflected in newly established annual arts and film festivals. The central shopping area has a number of vacant premises, especially at its outer edges; but this appears to be consistent with the general, nation-wide contraction in the retail industry, rather than a result of problems specific to Ramsgate. The historic shops are typically small and therefore not well suited to the needs of the large 'multiple' retailers, so many are yet to find new uses, and retail trade in all of the Thanet towns has been affected by competition from the large out-of-town shopping centre at nearby Westwood Cross opened in 2005.

The HAZ supports a local project manager and a range of research and capacity-building projects, including the preparation of an historic character assessment and a gazetteer of the town's buildings to inform the preparation of a conservation area appraisal and management plan using local volunteers. The HAZ also co-ordinates work with local schools to increase understanding of, and engagement with, the heritage.

[11] As opposed to just the conservation area.

Figure 52: Creative Industry companies in Ramsgate Conservation Area

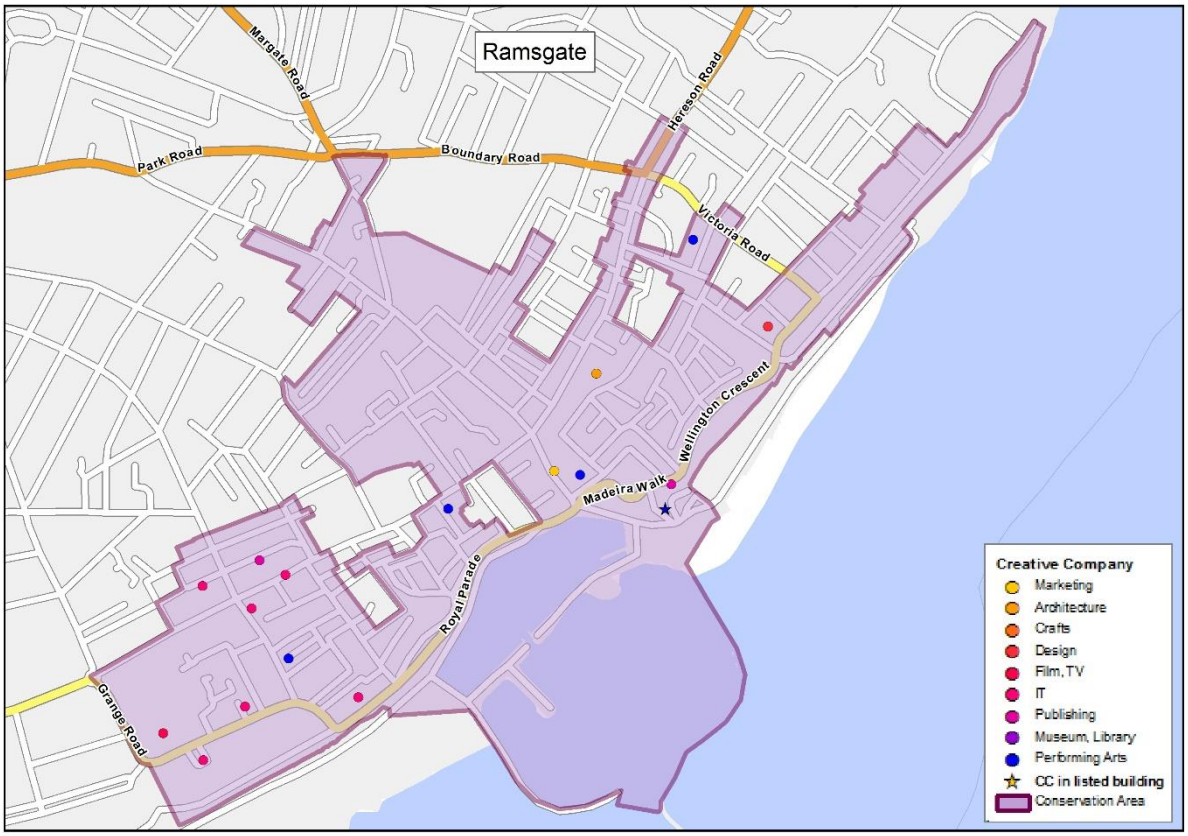
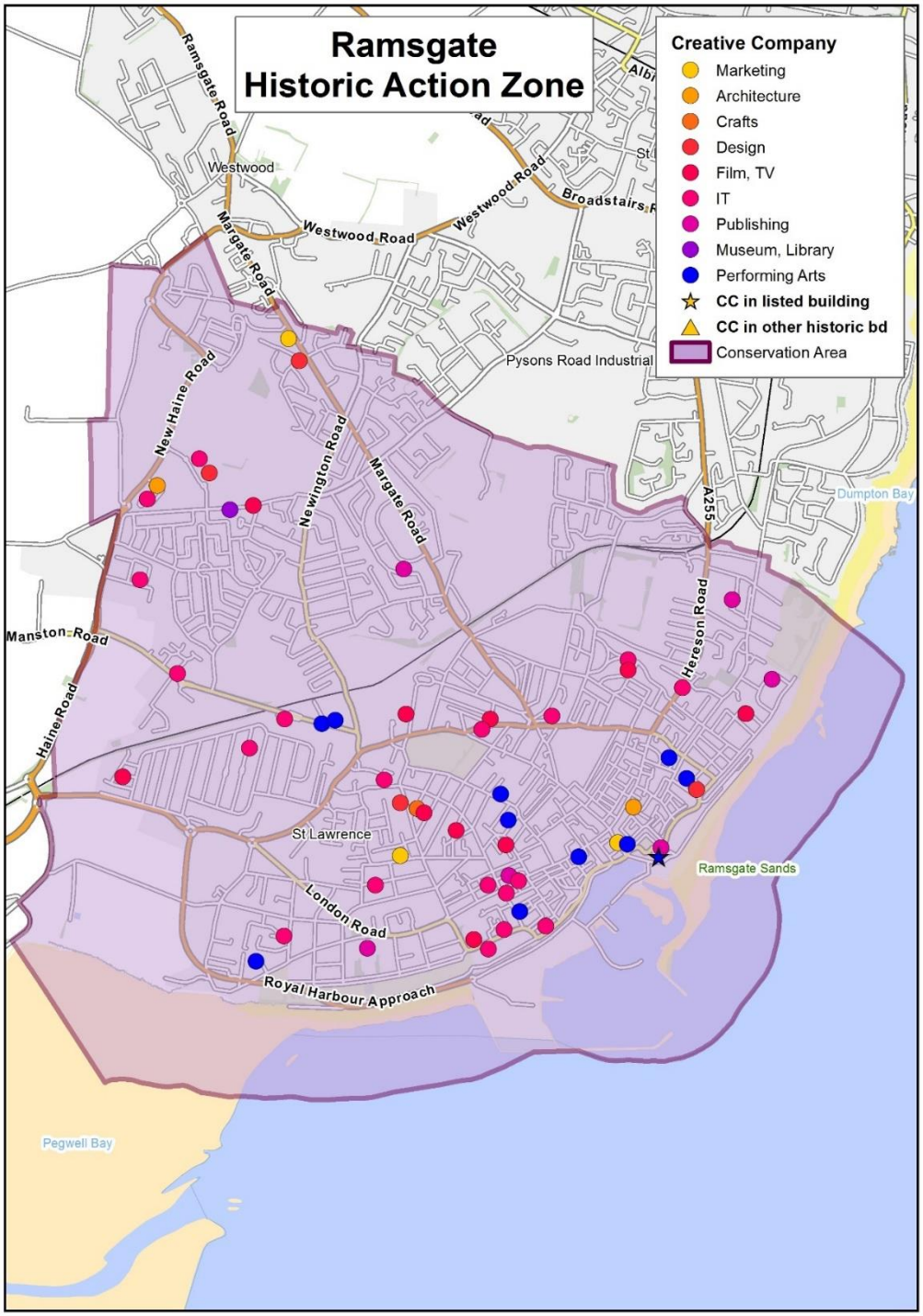


Figure 53: Creative industry companies across the Ramsgate Heritage Action Zone

1	LILAH WILDING LIMITED	32120 - Manufacture of jewellery and related articles
2	COMPASS INTERNET LIMITED	58190 - Other publishing activities
3	PATRICKGEORGE LIMITED	58190 - Other publishing activities
4	DEAD GUYS SHOE LIMITED	58190 - Other publishing activities
5	ROB HOUSE ILLUSTRATION LIMITED	58190 - Other publishing activities
6	REVOLVER CASTING LTD	59111 - Motion picture production activities
7	POLARIS PRODUCTIONS LIMITED	59111 - Motion picture production activities
8	SYLPH PRODUCTIONS LIMITED	59111 - Motion picture production activities
9	VIOLET PICTURES LIMITED	59111 - Motion picture production activities
10	FIVE10TWELVE LIMITED	59112 - Video production activities
11	GOODGATE LTD	59113 - Television programme production activities
12	REZZONATOR MUSIC LIMITED	59120 - Motion picture, video and television programme post-production activities
13	WJ ALLPRESS LTD	59120 - Motion picture, video and television programme post-production activities
14	DIVINE TELEVISION FOUNDATION LTD	59133 - Television programme distribution activities
15	BOUDOIR MUSIQUE LIMITED	59200 - Sound recording and music publishing activities
16	JON NICKOLL MUSIC LIMITED	59200 - Sound recording and music publishing activities
17	PBR STREETGANG LIMITED	60200 - Television programming and broadcasting activities
18	ON SAFE LINES QHSE SOFTWARE LTD.	62012 - Business and domestic software development
19	MARINE SOFTWARE LIMITED	62012 - Business and domestic software development
20	MACH ASSOCIATES LIMITED	62012 - Business and domestic software development
21	VULCANDROID LIMITED	62012 - Business and domestic software development
22	BUSINESS COMPUTER SOLUTIONS LTD	62020 - Information technology consultancy activities
23	VNEXT TECHNOLOGIES LTD	62020 - Information technology consultancy activities
24	INCENDIARY INDUSTRIES LIMITED	62020 - Information technology consultancy activities
25	SEER INSIGHT LTD	62020 - Information technology consultancy activities
26	8N1 CONSULTING LIMITED	62020 - Information technology consultancy activities
27	TRAH COMPUTER SERVICES LIMITED	62020 - Information technology consultancy activities
28	PAPPILLON LIMITED	62020 - Information technology consultancy activities
29	DTA COMPUTER SYSTEMS LIMITED	62020 - Information technology consultancy activities
30	PSB IT CONSULTANCY SERVICES LIMITED	62020 - Information technology consultancy activities
31	SAFARI RETAIL LOGISTICS LIMITED	62020 - Information technology consultancy activities
32	A C S PROVISION LIMITED	62020 - Information technology consultancy activities
33	ARUNDEL IT SOLUTIONS LTD	62020 - Information technology consultancy activities
34	DWB SOLUTIONS LIMITED	62020 - Information technology consultancy activities
35	CLARIFIED SOLUTIONS LIMITED	62020 - Information technology consultancy activities
36	DEVLS LTD	62020 - Information technology consultancy activities
37	HANNAH BAILEY PR LTD	70210 - Public relations and communications activities
38	GPM2 DESIGN LIMITED	71111 - Architectural activities
39	MISCHIEVOUS THEATRE CIC	71111 - Architectural activities
40	TINDERBOX MARKETING SERVICES LIMITED	73110 - Advertising agencies
41	GEMINI LOTTO FUNDRAISING LTD	73110 - Advertising agencies
42	KMR CREATIVE LIMITED	74100 - specialised design activities
43	CAVE CREATIVE LIMITED	74100 - specialised design activities
44	JIFFY MEDIA LIMITED	74100 - specialised design activities
45	S&G DESIGN LTD	74100 - specialised design activities
46	BSL KENT LIMITED	74300 - Translation and interpretation activities
47	ABIGAIL BEATTIE TRANSLATIONS LTD	74300 - Translation and interpretation activities
48	CHURCHILL HOUSE SCHOOL OF ENGLISH LANGUA	85520 - Cultural education
49	KENT FILM FOUNDATION LIMITED	85520 - Cultural education
50	ELITE DANCE ACADEMY LTD	90010 - Performing arts
51	MELTDOWNS LIMITED	90030 - Artistic creation
52	ARTIST PARTNERS LIMITED	90030 - Artistic creation
53	RAMSGATE ARTS FESTIVAL LIMITED	90030 - Artistic creation
54	CRUCIAL ARTS PRODUCTIONS CIC	90030 - Artistic creation
55	THE MELTDOWNS STUDIOS LIMITED	90040 - Operation of arts facilities
56	ARTS IN RAMSGATE (AIR) CIC	90040 - Operation of arts facilities
57	XHUMED BHX13 LIMITED	91012 - Archives activities

Figure 54: Creative Industry companies in Ramsgate Heritage Action Zone



It is understood that Ramsgate Conservation Area has recently been assessed 'at risk' by the Council and Historic England, giving it greater priority for HE grant funding under the Partnership Scheme in Conservation Areas (PSiCA). The HAZ remit does not relate specifically to cultural industries, but several key buildings in the town including the Granville Hotel, the former Smack Boys Home and the Clock House (which currently houses the Maritime Museum) as well as vacant shops, may have the potential to house creative industries. Bids for capital funding to the MHLG Coastal Revival Fund and the DCMS Cultural Development Fund, in the context of the HAZ, are also under consideration.

3.8 SMITHFIELD, MANCHESTER

3.8.1 LOCATION, ORIGINS AND ARCHITECTURAL CHARACTER

Smithfield Conservation Area lies just to the east of the historic centre of Manchester. The conservation area covers 0.13 km² and contains 20 statutorily listed buildings. It encompasses, roughly, the north-western half of the area known as the 'Northern Quarter'.

Manchester had emerged as a centre of the textile industry by c.1700 but the 'Northern Quarter' was largely undeveloped until the mid-18th century. It was first built up as a residential suburb, with merchant's houses in the principal streets, frequently with warehouses to their rear. During the later 18th century there were increasing numbers of relatively prosperous handloom weavers, a few of whose houses survive, identifiable by their wide top-floor windows, in the lesser streets. Home-weavers were gradually replaced by industrial factory-based textile production. New mills were first built within the town, along with new workers' housing and subdivision of older dwellings but as canals and then railways improved transport, production moved to rural areas of Lancashire.

By the mid-19th century the 'Northern Quarter', ideally located between three main-line railway stations, had transformed into a centre of commerce, where merchants finished, stored, bought and sold (primarily cotton) textiles. Its resident population shrank, and houses were replaced by offices and warehouses. The first market was opened in 1821, east of Shudehill, giving Smithfield its name.

This grew into a complex of wholesale and retail markets that was the largest in Britain by 1900, covering several acres. The historic architectural character of the area is that of 19th and early 20th century commerce. Textile companies typically built office blocks of four or five storeys in a wide variety of architectural styles on the main streets, with severely plain wholesale warehouses attached to the rear. Dating from the 1850s to c1930s, they became steadily larger. They were joined by speculative blocks of commercial chambers (offices) often on corner sites, along with banks, pubs and shops. In the second half of the 19th century, shops, often selling textiles, clothes or haberdashery became increasingly prominent, especially on Oldham Road. The shops also had a distinctive architectural character, many with first floor showrooms with plate-glass display windows. The largest were department stores such as Affleck and Brown's, comparable in scale and ostentation with the great textile merchants' premises. A few 18th century houses survived, converted into commercial uses. Textile warehouses continued to be built into the 1930s, alongside branches of the main national retailers, but by the end of the decade the domestic textile industry had largely been overtaken by its colonial competitors.

3.8.2 POST-1945 CHANGES

During the two decades following 1945, the Smithfield area was Manchester's prime retail district, but during the 1970s this too fell on hard times. The city centre was redeveloped with the Arndale centre, (1972-9) Europe's largest shopping mall, which faced southwards, and offered no connection with the former primary retail areas to its north and east. At the same time, after a long decline, the last of the Smithfield Markets closed in 1974.

A quarter of the area's traders had left by 1980, and many buildings and sites became vacant. Part of the area was redeveloped in the 1970s by the City Council with the low-rise Smithfield Gardens housing, reflecting an acceptance of these devastating economic changes.

3.8.3 EMERGENCE OF CREATIVE INDUSTRIES IN THE AREA

By the late 1970s, the Smithfield area was largely derelict and known mainly for street crime. The first act in its regeneration was the conversion in 1981 of part of the former Affleck and Brown department store in Oldham Street into Affleck's Palace, an 'alternative' indoor market based in London's Kensington Market, selling clothes, records and so on. In the later 1980s informal nightclubs in the Northern Quarter were associated with Manchester's 'rave culture', but it remained an area into which few would otherwise venture at night. During the early 1980s, the Manpower Services Commission supported creative workers (nationwide) with low but liveable incomes and artists and makers began to occupy spaces in the area. A small community of makers and retailers established by the early 1990s formed a community pressure group, secured grant funding for its work and began to lobby the Council on behalf of the area. Local identity, civic pride and a determination to rebuild the city were reinforced in the wake of the 1996 IRA bombing of the city centre, which also displaced some small businesses from the Corn Exchange into Oldham Street.

3.8.4 CONSERVATION AND PLANNING POLICIES

Smithfield, Shudehill and Stevenson Square Conservation Areas were designated in 1987. Around the same time the City Council began to give urban regeneration serious attention, for example with the development of a new tram network and the establishment of regeneration agencies for various parts of the city. It commissioned a *Northern Quarter Regeneration Strategy* in 1995 which aimed to revive the area as a mixed-use neighbourhood building on the nascent 'creative industries', drawing on the UK and EU regeneration funding then available. Grant funding, including an English Heritage/HLF Conservation Area Partnership Scheme (CAPS) in 1998-2001 supported public realm works and some 150 building refurbishments in the Northern Quarter.

Building on the 1995 strategy, the exemplary *Northern Quarter Development Framework* was published by the Council in 2003. This acknowledged the importance of distinctive physical and economic features of the Northern Quarter and set out a framework for protecting and building on them. It recognised that creative industries, independent retailers and social housing needed protection through the planning system; but that some of the demand for large floor space and commercial residential development could be met in the area. It noted the (continuing) above-average level of absentee landlords and their tendency to hold rather than develop property in the hope that regeneration would lead to increase in value, and that the use of CPOs might be required to ensure that development went ahead.

Most of the few remaining textile companies have chosen to relocate, with Council support. There is no formal conservation area appraisal for Smithfield, nor a local list, but a detailed character analysis of the Northern Quarter was prepared by English Heritage in 2008. The *Framework* is supported by a *Guide to Development* SPD (adopted in 2007) and a *Core Strategy* in 2012; both encouraged city-centre living. A new local plan is currently in preparation.

The Council has led, or been a partner in, the regeneration of land it owns. As early as 1982 it developed the Craft & Design Centre in the former retail fish-market on Oak Street, and it has shaped a major redevelopment in and around the former wholesale fish-market, begun in 2003 and now in its sixth phase. The Council supports arts organisations a such as the Chinese Arts Centre and the development (with lottery funding) of the Band on the Wall music hub. It set up an arms-length city-centre management company, Cityco, a membership organisation that brings together local businesses and the public sector, manages a Business Improvement District (BID), and works to

address ‘anti-social’ behaviour and street crime which still affect the area. Article 4 Directions now require that planning permission be obtained for change of use from office (B1(a)) to residential (C3) in the whole Northern Quarter and from light industry (B1(c)) to residential (C3) in roughly the north-east half of Smithfield CA.

3.8.5 THE AREA TODAY

Figure 55 shows summarises creative industry companies in Smithfield. Figure 56 lists them, Figure 57 identifies those in listed buildings and Figure 58 maps them. Appendix 4.4 has details of occupation of individual historic buildings in the area. There is a balanced mix of creative industry organisations, with strong representation in Music, Performing and Visual Arts.

Figure 55: Summary of creative industry companies in Smithfield, Manchester

	Companies	% of Total	Per Sq Km	National Ranking
Music, Performing & Visual Arts	15	**33%**	116	**24**
IT, Software & Computer Services	11	24%	85	18
Advertising & Marketing	9	20%	70	**30**
Film, TV, Video, Radio, Photograph	6	13%	47	56
Architecture	3	7%	23	**30**
Design	2	4%	16	62
Crafts	0	0%	0	96
Publishing	0	0%	0	133
Museums, Galleries, Libraries	0	0%	0	127
TOTAL	46	100%	357	47

The mixture of historic uses meant that following the decline of traditional industries there are substantial numbers of historic buildings of the type recognised as attractive to ‘creative industries’, many with street-level retail units. Since much of their heritage significance lies in their main elevations, they can relatively easily be converted to new uses. Numerous gap sites have provided for new build. The historically varied grain of the townscape, building scales, plot sizes, architectural styles, and building materials has allowed a similar variety of new development within the parameters of conservation policy.

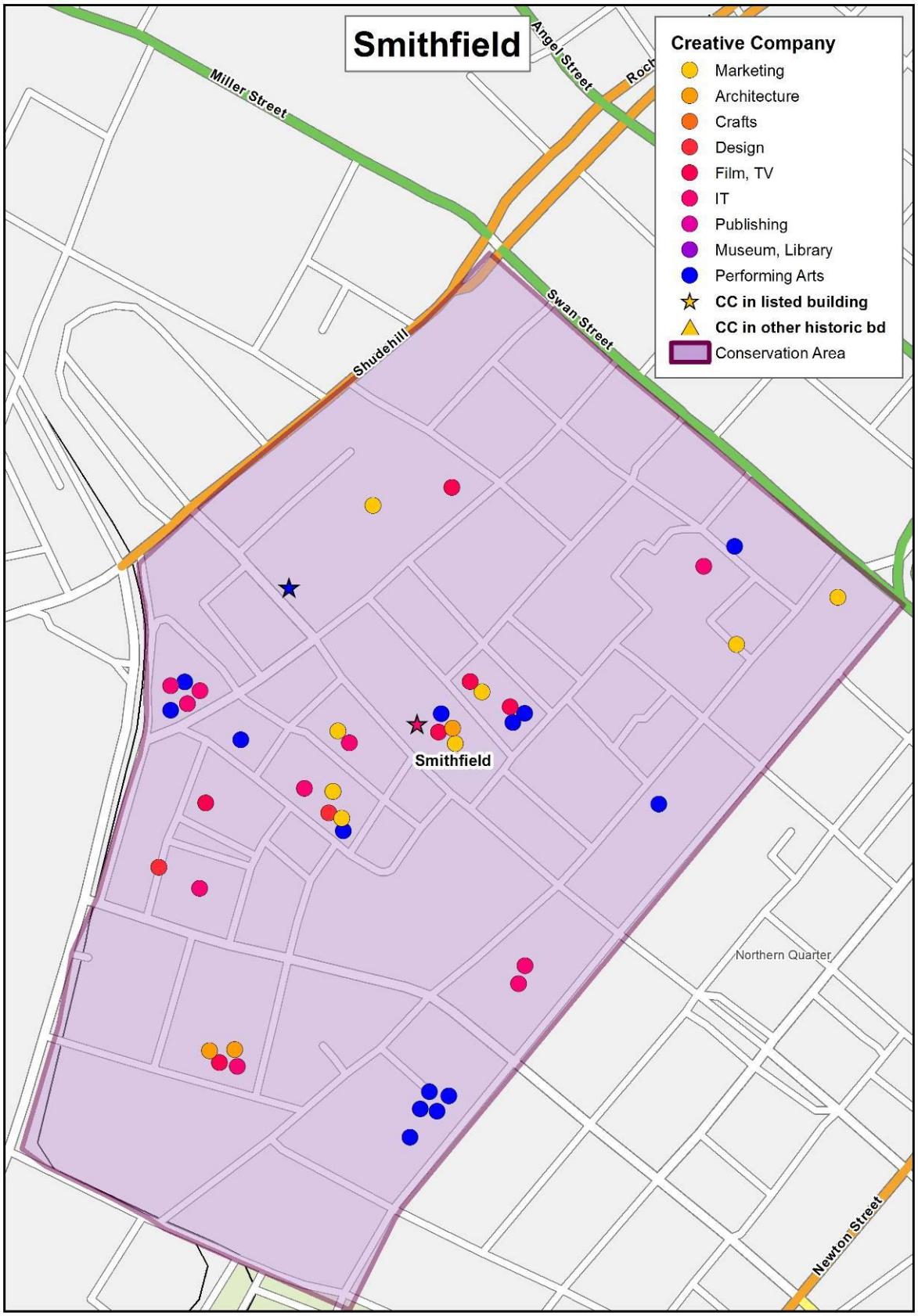
Figure 56: Creative industry companies in Smithfield (Manchester) CA

SIM BALA CAMERA LTD	59111 - Motion picture production activities
DAYLIGHT MOVING IMAGE LIMITED	59111 - Motion picture production activities
GLOBAL EDGE MNEMONICS LIMITED	59111 - Motion picture production activities
HOLDENS GROUP LIMITED	59112 - Video production activities
WRAP UP NORTH LIMITED	59113 - Television programme production activities
SUGAR FREE TV LIMITED	59133 - Television programme distribution activities
BEAT BAZAAR PROJECTS	59200 - Sound recording and music publishing activities
GOAL-ORIENTED SOFTWARE LIMITED	62011 - Ready-made interactive leisure and entertainment software development
COMPUTASTORE LIMITED	62012 - Business and domestic software development
BLISS DIGITAL LTD	62012 - Business and domestic software development
IGNISO MANCHESTER LIMITED	62012 - Business and domestic software development
RADIO.CO (UK) LTD	62012 - Business and domestic software development
YES INFORMATION TECHNOLOGY LIMITED	62020 - Information technology consultancy activities
KUBUKO LTD	62020 - Information technology consultancy activities
CHEEKO LIMITED	62020 - Information technology consultancy activities
ALBARTS LIMITED	62020 - Information technology consultancy activities
RED VALLEY TECHNOLOGY LIMITED	62020 - Information technology consultancy activities
LINTEN TECHNOLOGIES LTD	62020 - Information technology consultancy activities
PEOPLE PEOPLE COMMUNICATIONS LTD	70210 - Public relations and communications activities
NUTMEG MEDIA LIMITED	70210 - Public relations and communications activities
SCOTT DONALD ARCHITECTURE LTD	71111 - Architectural activities
12/23 ARCHITECTURE DESIGN LTD	71111 - Architectural activities
GA STUDIO LTD	71111 - Architectural activities
CUBE3 DIGITAL LTD	73110 - Advertising agencies
W00T!MEDIA LTD	73110 - Advertising agencies
THEEWORD LTD	73110 - Advertising agencies
BAGTHING LIMITED	73110 - Advertising agencies
TEN INTEGRATED MARKETING COMMUNICATIONS L	73110 - Advertising agencies
DINOSAUR HOLDINGS LIMITED	73110 - Advertising agencies
DINOSAUR UK LIMITED	73110 - Advertising agencies
COMMON PRACTICES LIMITED	74100 - specialised design activities
AM PYRO LTD	74100 - specialised design activities
THE MANCHESTER SHAKESPEARE COMPANY LIMI	85520 - Cultural education
QUARANTINE	85520 - Cultural education
THREE MINUTE THEATRE LIMITED	85520 - Cultural education
MISS PHIZZLE LIMITED	90020 - Support activities to performing arts
MANCHESTER LITERATURE FESTIVAL LIMITED	90020 - Support activities to performing arts
SQUARE CIRCLE THEATRE C.I.C.	90020 - Support activities to performing arts
TAKE 2 MANAGEMENT LIMITED	90020 - Support activities to performing arts
COMMONWORD ENTERPRISES LIMITED	90030 - Artistic creation
POP EMPIRES LTD	90030 - Artistic creation
DAVID SUDLOW DESIGNERS LIMITED	90030 - Artistic creation
YOLO LIMITED	90030 - Artistic creation
GHOSTS IN THE MACHINE LTD	90040 - Operation of arts facilities
CENTRE FOR CHINESE CONTEMPORARY ART LTD	90040 - Operation of arts facilities
MANCHESTER CRAFT AND DESIGN	90040 - Operation of arts facilities

Figure 57: Creative industry companies in listed buildings

1	31	Thomas St	COMPUTASTORE LIMITED
2	10-20	Thomas St	CENTRE FOR CHINESE CONTEMPORARY ART LTD

Figure 58: Creative Industry Organisations in Smithfield, Manchester, Conservation Area



With a committed civic leadership, a strategy articulated in the *Development Framework*, and supported by a dedicated management company, the Council's aspirations for a regenerated mixed-use area have been achieved to a significant extent and few key sites remain undeveloped. Development control and active Council involvement in regeneration have successfully retained the robust and densely urban character of the area. It has benefited from investment by developers with an unusually explicit commitment to the region, notably Urban Splash, which kick-started commercial regeneration with the conversion part of the former Affleck's store into loft apartments and small retail units between 1998-2003 (the Smithfield Building). Creative industries are now spread throughout the area. The success of its regeneration is such that current concerns include high property values, the displacement of creative industries and independent retailers, and competition from lower-cost areas such as Ancoats and even Liverpool.

External factors, such the improved transport system, have helped sustain the regeneration of the city centre. The BBC development at Salford Quays provided an important economic and cultural boost. The three Manchester universities now have 70,000 students, who support the entertainment activities concentrated in the Northern Quarter; many now stay in the city to develop creative businesses than was previously the case.

4 OCCUPIERS OF HISTORIC BUILDINGS IN CASE STUDY AREAS

The aim of this element of the work was to explore the usage of buildings in the conservation areas using property databases. This was done using databases by perusing CoStar Focus and Experian Radius. These are commercial property databases that have information of individual properties derived from the land registry and other sources, such as submissions by estate agents. This includes information such as owner, date of sale, major redevelopments, occupiers, length of lease, rent, and average rents in the area. It is not comprehensive, however. We looked at the information available for each listed building and, where available, other historic buildings in the conservation area. The data obtained, with exception of changes in ownership and major redevelopments, which is contained in the case study sections, is reproduced below. The occupiers shown in the tenants column are of all types, not just creative industries. Buildings which appear to have a grouping of five or more companies involved in creative industries are shaded. No attempt has been made to connect the data from this element of the research with the data obtained from Companies House that has been used for the main part of the research.

4.1 SOUTH SHOREDITCH

Address	Built	Oringal Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
LISTED BUILDINGS									
Cleeve Workshops	1895-8	Workshops	2009		Whistles	01/06/2016			£39
Boundary St					11 Boundary	01/04/2010			£39
					That Flower Shop	01/06/2012			£39
47-49 Charlotte Rd	1877-81	Furniture		Shore Thing Ltd	.xis M & E Engineering Design (UK) Co				£53
		Workshops			Omidyar Network UK Co	01/08/2012	01/08/2022	£34	£53
					Lateral Net Co	01/01/2007	01/01/2009		£53
					Carhartt WIP	01/09/2009		£19	£53
43 Charlotte Rd				Barber Osgerby	Barber Osgerby	01/11/2015			£53
5 Fairchild Place	1878	Shop/Resi	Late C20		General Technology Ltd	01/05/2000			£18
6 Garden Walk	1905-7	Electricity	2003	Berkley Homes	Garden Walk Ltd	01/06/2016			49,35
		Sub Station			Live Engineering Ltd	01/07/2016			49,35
					Moro Productions Ltd	01/10/2016			49,35
					Native Design	01/02/2007			49,35
87 Great Eastern St	1904	Resi		Estate Office Prop Conslt	Antenna Audio	01/05/2009			£52
6-8 Great Eastern St	1882	Resi &		Gazelle Holdings Ltd	Keatons				£49
		Office			Special Olympics Great Britain				£49
					Special Olympics Great Britain	01/12/2007			£49
					Undisclosed	01/08/2017			£49
40 Great Eastern St	1801	Warehouse		Stirling Ackroyd Ltd	Researchitects	01/06/2006	01/04/2012		£48
					TRSL	01/04/2018	01/04/2020	£48	£48
42 Great Eastern St	1801	Warehouse			Apostrophe Boulangerie Patisserie	01/07/2013			£48
					Inito	01/10/2017			£48
56 Hoxton Square	Mid C18	Resi			Hoxton Cars Ltd	01/03/2012			£49
56 Hoxton Square	Mid C18	Resi			Make Lemonade Agency	01/04/2014			£49
93 Leonard St	1889	Pub		The Rumi Foundation	The Griffin Tavern	01/04/2012			£52
Church of St Michael	1863-5	Church							£52
Clergy House	1870	Resi			Bigfoot Tutors	01/10/2012			£52
Mark St					Contactengine	01/07/2015			£52
					Natural Training	01/02/2008			£52
					Peter Linnett Ltd	01/03/2015			£52
					The Mark St Depository Ltd	01/08/1978			£52
323 Old St	Early C19			Trustend Ltd	Cirque	01/01/2015			£52
324 Old St	Mid C19	Chapel							
335-337 Old St	1826	Court		Mastcraft Ltd					£37
340-342 Old St	Early C18				Huckle The Barber	01/01/2013			£43
Shoreditch Town Hall	1864	Vestry Hall		LB of Hackney	Shoreditch Town Hall Trust	01/05/2000			£49
Old Street					The Clove Club	01/01/2014			£49
					Godsmark Architecture Ltd	01/01/2011	01/01/2020		£49
					Ditch Productions Co	01/03/2018			£49
					Big Innovation Ltd	01/05/2015			£49
					Theatre Centre	01/01/2006	01/01/2019		£49

Address	Built	Oringal Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
2-4 Paul St	c.1860	Furniture Showroom	1997	Amsprop Ltd	Fresh Field Group				£55
					Anzuk				£55
					Caritas Recruitment				£55
					Eden Brown Co	01/06/2007	01/03/2009	£17	£55
					Insinger de Beaufort (Corp Fin) Co	01/02/2002	01/07/2003	£25	£55
20 Rivington St	1897	Workshop		Clockwork Despatch Ltd	Clockwork Despatch Co	01/11/1993			£47
22 Rivington St	1897	Workshop		Butchies Ltd					£47
26 Rivington St	1897	Workshop			Popolo Restaurant	01/03/2018			£47
24 Rivington St	1897	Workshop		Soc of Designer Craftsmen	Soc of Designer-Craftsmen				£47
190 Shoreditch HS	C18	Resi							£49
191 Shoreditch HS	C19			Starprop LLP	Carhartt	01/01/2011	01/01/2026	£42K PA	£49
196 Shoreditch HS	Early C18								£49
125-13 Shoreditch HS	Late C19				Automatic Antiques	01/04/2010			£49
187-18 Shoreditch HS	1885	Resi							£49
Church Of St Leonard	1736	Church							£49
103 Worship St	1890		2008		Moss Pilates	01/04/2012		£17	£49
105 Worship St	1890				City Café	01/04/2010			£49
91 Worship St	1863				Panini Sandwich Bar	01/04/2010			£49
					Q S Quest Ltd	01/03/2017			£49
97 Worship St					Salad Factory	01/04/2010			£49
OTHER HISTORIC BUILDINGS									
13-21 Curtain Rd	1910				Broadgate Nursery	01/05/2000			£47
					CareerBuilder UK Ltd	01/12/2012		£33	£47
					Creature London Ltd	01/02/2014			£47
					NTT Data UK Ltd	01/03/2016		£55	£47
					Article 25	01/03/2010			£47
					Optial Uk Ltd	01/01/2012		£25	£47
					Julian Watson Agency Ltd	01/02/2016			£47
					American Animal Pictures Co	01/03/2018			£47
					John Lyall	01/03/2018			£47
					RMA Consulting Ltd	01/02/2016			£47
131 Curtain Rd				Betterkey Ltd	Design Friendship	01/04/2010			£47
					Gold Wines	01/04/2010			£47
133 Curtain Rd	1754								£49
134-136 Curtain Rd	1890				Bar Music Hall	01/04/2010			£49
					The ASO Co (Global)	01/04/2017	01/04/2019	£46	£49
					Clippings Ltd	01/02/2017	01/02/2019	£49	£49
					Third Republic	01/01/2017		£47	£49
					HUT Architects	01/03/2017		£43	£49
					Media Therapy	01/02/2017	01/02/2019	£48	£49
					Ron Smith Architects	01/12/2005			£49
					Fintek Software Ltd	01/06/2017	01/06/2019	£50	£49
					Curtain Rd Studioes	01/04/2010			£49
					Branding by Garden	01/10/2017			£49
					Play Area	01/04/2010			£49
					Sandberg Translation Partners	01/11/2016		£43	£49
					Rareform	01/04/2010			£49
					Data Choice Solutions Ltd	01/07/2012		£28	£49
					Etre	01/04/2010			£49
					Pd 3 Ltd	01/10/2000			£49
					Mowbray Crawshaw Architects LLP	01/04/2010			£49
					Research Lab	01/04/2010			£49
					Ignite Creative TV	01/04/2010			£49
					Visual Energy Annex	01/04/2010			£49
					Reanart Ltd	01/05/2017	01/05/2019	£43	£49
					D two Design	01/04/2010			£49
					Nigel Limb	01/05/2000			£49
					Lab Architecture	01/04/2000			£49
					Cogs Agency	01/06/2007			£49
					Site Specific Ltd	01/05/2005			£49
					B2B Media Ltd	01/12/2016		£48	£49
					Captive Tv Network Ltd	01/05/2006			£49
					Cognition Market Research Ltd	01/12/2002			£49
					N/A Design	01/04/2010			£49
					Families Need Fathers	01/06/2006			£49
					Gainsbury & Whiting	01/04/2010			£49
					Belga Bar	01/05/2015			£49
					Black Spring Press Ltd	01/01/2014			£49
					Dexter Haven	01/01/2014			£49
					Hardcastle David	01/01/2014			£49
					Klinical	01/11/2017			£49
					M Cooper	01/01/2014			£49
					Make My Day Publishing	01/11/2017			£49
					Michael O'Sullivan Design Co	01/03/2018			£49
					Underlines Co	01/03/2018			£49
					Webstars Ltd	01/11/2017			£49
					The Blues Kitchen	01/05/2016			£49
					Real Studios	01/10/2014			£49
					Signal Noise	01/01/2014			£49
					Unison Community & Voluntary Branch	01/01/2014			£49
					One Dot Zero	01/01/2014			£49
					Supersonic PR	01/01/2014			£49
					Vacant Pig	01/01/2014			£49
					R Howe	01/01/2014			£49
					Opera Rara	01/01/2014			£49

Address	Built	Oringal Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
2-4 Great Eastern St	1951	Office			Leyland SDM	01/04/2010			£49
					EHD Digital Marketing	01/06/2016	01/06/2021	£46	£49
					Making Music	01/03/2006		£15	£49
					Bucci Freight Services Ltd	01/05/2000			£49
					Airbnb London Offices	01/11/2017			£49
					E H D Academy London	01/10/2016			£49
					Energy House Digital	01/11/2017			£49
					Raddcrown Ltd	01/01/2014			£49
11-15 Great Eastern St	1890			Fairchild Residents Assoc	We Admire	01/04/2010			£52
					Café Pensamor	01/04/2010			£52
38 Great Eastern St	1913			Wellesley Capital Investments Ltd	Old Blue Last	01/01/2014			£52
					Wade Thomas, Martin	01/03/2018			£52
10 Holywell Row				Adjoin Ltd					
14 Holywell Row					Arton Ltd	01/03/2018			£49
					Charlotte House Investments Ltd	01/03/2018			£49
					Neptune (Tudor Rd) General Partner Lt	01/01/2016			£49
					Neptune Group	01/01/2014			£49
					Pickles of London Co	01/03/2018			£49
17 Holywell Row	1897			Land Investors Plc	Weston Cummings Ltd	01/05/2000			£49
19 Holywell Row	1890				Book Works	01/03/2010			£49
21 Holywell Row					First Step Cafe	01/06/2012			£52
27 Holywell Row	1980				Ashcroft Cameron Information	01/06/2012			£49
					Pilotbean Ltd	01/08/2009		£17	£49
					Arkk Consulting Ltd	01/01/2014			£49
					Friendly Game Ltd	01/03/2016			£49
					IDSCO	01/09/2017			£49
					Sirec Technologies Co	01/03/2018			£49
					Sensible Office Solutions	01/03/2018			£49
					Journalism Education imited	01/03/2018			£49
					Unit 1 Architects	01/12/2015			£49
					Reve Developments	01/01/2014			£49
8-9 Hoxton Square					Hoxton Square Pilates	01/08/2012			£39
					Dusty Bottoms Ltd	01/01/2014			£39
					Ruby Café	01/08/2012			£39
					Childrens Wall Art & Baby Gifts	01/05/2015			£39
					Happiness Forgets	01/08/2015			£39
					P X London Ltd	01/01/2014			£39
42 Hoxton Square	1926				K K Outlet	01/04/2015			£52
325 Old St					London Osteopath	01/04/2010			£47
327 Old St									
370 Old St					ODL Dental Clinic	01/04/2010			£47
372 Old St	1900			Imry Holdings Ltd	Mail Boxes Etc	01/04/2010			£47
					A2/SW/HK Ltd	01/02/2014			£47
					Fedex Business Services	01/10/2012			£47
					Mattr Media	01/10/2017	01/10/2019	£48	£47
					Anti-Racist Alliance Trust	01/01/2014			£47
					Dingo Bill Productions Ltd	01/04/2017			£47
					In The Centre Locksmiths	01/08/2015			£47
					OVO Solicitors	01/10/2012			£47
					Prospero	01/10/2012			£47
					Six Cylinder Ltd	01/03/2016			£47
75-77 Worship St	1870			HDG Mansur Group	City & Hackney Primary Care Trust	01/06/2010	01/02/2020	£19	£49

4.2 SEVEN DIALS

Address	Built	Oringal Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
LISTED BUILDINGS									
33 Betterton St	Early C18	Resi		Betterton Duplex Ltd	Covent Garden Coin Op	01/05/2000			£64
187 Drury Lane	Early C18	Resi			K Talent Artist Management Co	01/11/2012			£64
					Hilary Gagan Associates	01/05/2001			£64
					Cotton Blossom Ltd	01/03/2018			£64
					The Wasp London Ltd	01/03/2018			£64
					Canned Laughter Ltd	01/03/2018			£64
					Cartwright Productions Ltd	01/03/2018			£64
					Sapling & Colt Ltd	01/03/2018			£64
					P & D Luckystar Co. Ltd	01/03/2018			£64
					Happy Lotus	01/01/2014			£64
					Neil Laidlaw Productions	01/01/2014			£64
186 Drury Lane	1898			St Martins Estates	London School of Barbering	01/01/2014			£64
22 Earlham St	Late C18	Shop		Shaftesbury Engraving	Super Superficial Ltd	01/10/2013			£64
24 Earlham St	1890	Shop		24 Earlham St Ltd	Udderlicious	01/01/2016			£64
26 Earlham St	1900	Shop			Rosa's Thai Café	01/03/2018			£64
Cambridge Theatre	1936	Theatre			Cambridge Theatre Co	01/05/2000			£64
22 Endell St	1846		1981	Lakenorth Ltd	Creative Industries Federation	01/01/2017			£64
					The Hospital Club	01/01/2017			£64
					Pledge Music	01/01/2017			£64
					M Y Family Silver	01/11/2017			£64
51 Endell St	C18	Resi		LB of Camden	Blackout I I	01/01/2014			£64
53 Endell St	1895	Resi		Di Popolo Hotels Ltd	Barnard Marcus Estate Agents Ltd	01/04/2017			£64
55 Endell St	1812	Resi		Di Popolo Hotels Ltd	Endell St Dental Care	01/08/2012			£64
57 Endell St					Café Mode	01/01/2014			£64
59 Endell St				Envisage Studio Ltd	Café Mode	01/05/2000			£64
63 Endell St	C18	Resi			Da Mario	01/05/2000			£64
65 Endell St	1880	Resi		Di Popolo Hotels Ltd	Clinica Fiore	01/02/2011			£64
67 Endell St					Ticro Hair	01/01/2014			£64
69 Endell St					The Covent Garden Salon	01/12/2015			£64
5 Great Queen St	1880	Resi	2010		Ena Co	01/08/2009	01/06/2024	£25	£64
					Davines & Allilon Academy	01/08/2012			£64
38 Great Queen St	Early C18	Resi		GQS Properties Ltd	Walker Slater	01/07/2014	01/07/2029	£60k PA	£64
38 Great Queen St	Early C18	Resi		GQS Properties Ltd	Industrial Clairvoyants Ltd	01/02/2017			£64
27 Great Queen St	1733	Resi		GQS Properties Ltd	Steen Associates Co	01/05/2011	01/04/2021	£25	£64
29 Great Queen St	1733	Resi		GQS Properties Ltd	Bloomsbury Flowers London Co	01/12/2006			£64
30-31 G Queen St	1923	School	2010	The Trustees of the Royal Masonic Trust	Inferno Ltd	01/06/2011	01/05/2021	£40	£64
					Wolfes Restaurant	01/05/2000			£64
					FCB	01/10/2017			£64
					Bloomsbury Flowers London Co	01/01/2014			£64
					Breakfast of Champions	01/01/2014			£64
					T Knight Co	01/03/2018			£64
35 Great Queen St	c.1710	Resi			Crypto Mining Network	01/01/2018			£64
33 Great Queen St	c.1710	Resi	2011	GQS Properties Ltd	Properller Communications Limite	01/03/2018	01/11/2017	£30	£64
					Ted's Grooming Room	01/05/2014		£45k PA	£64
					Cobra Third Run Co	01/03/2018			£64
37 Great Queen St	C18	Resi			Bhatti	01/05/2000		£24	£64
					The Narrow Road Co	01/02/2013	01/01/2023	£24	£64
36 Great Queen St	1869			GQS Properties Ltd	Cornershop PR Ltd	01/02/2012	01/02/2022		£64
					Stephen Jones Millinery Co	01/11/2012			£64
25 Macklin St	Mid C19	Mortuary		BBC	Roundtable Films Co	01/07/2015	01/07/2025	£38	£64
35-37 Monmouth St	Early C18	Resi	C20 shopfront	Shaftesbury PLC	Club Monaco	01/06/2015		£175k PA	£64
39 Monmouth St	1717	Resi			Caudalie	01/11/2017			£64
61-63 Monmouth St	1699	Resi	1985	Shaftesbury Covent Garden Ltd	Shiro	01/08/2017		£100k PA	£64
					Dinny Hall	01/04/2017		£65k PA	£64
					Macmillan (London) Hairdressing	01/01/2014			£64
14 Monmouth St	Late C17	Resi			Miller Harris	01/01/2014			£64
16 Monmouth St	Late C17	Resi			Concrete Ltd	01/05/2008		£70k PA	£64
					Unconditional	01/11/2017			£64
18 Monmouth St	Late C17	Resi							
42 Monmouth St	1792-3	Resi		Shaftesbury Cov Garden Ltc	Laura Lee Jewellery	01/01/2004			£64
44 Monmouth St	1792-3	Resi			Tatty Devine	01/11/2009			£64
46 Monmouth St	1792-3	Resi			Natural Selection	01/02/2017			£64

Address	Built	Oringal Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
48 Monmouth St	1792-3	Resi							£64
55 Monmouth St	C18	Resi	1983-5		Base Ladies Fashions	01/01/2011			£64
					DGA Literary Agents	01/11/2000			£64
					Susana Lea Associates	01/07/2015			£64
69 Monmouth St	C18, C19	Resi	1989-91	Shaftesbury Cov Garden Ltc	4X Group	01/04/2013	01/09/2014		£64
					Benetton Retail (1998) Co	01/12/2005	01/08/2011		£64
					Leedex Co	01/01/1992	01/02/2004		£64
					McCormak & Morrison	01/06/2013	01/06/2015		£64
27 Neal St	Late C18	Resi & Shop			El Ganso	01/04/2013		£160k PA	£64
29 Neal St	Late C18	Resi & Shop							£64
31 Neal St	Early C18	Resi & Shop		Shaftesbury Estates Ltd	Nixon	01/06/2015	01/06/2025		£64
33 Neal St	Early C18	Resi & Shop			Lee Jeans	01/10/2014	01/12/2017	£168k PA	£64
35 Neal St	1694	Resi							£64
37 Neal St	c.1695				Mezza London Partners	01/03/1993			£64
					Size	01/07/2006			
55 Neal St	Late C19	Warehouse		Schroder Exempt Property Unit Trust	Nordic Bakery	01/09/2016		£95k PA	£64
					The Seeker	01/11/2014			
61 Neal St	C18	Resi							£64
64 Neal St	c.1695	Resi							£64
80 Neal St	Early C18	Resi			Maan & Sons Ltd	01/01/2005			£64
11 Shelton St	C18	Resi	1983-5		Seven Dials Dry Cleaners	01/12/2011			£64
19 Shelton St	C18 & C19	Resi & Shopfror	1983-5		Grosvenor Prints	01/11/2004			£64
51-53 Shelton St	C19	Resi			Kulu Kulu Sushi	01/01/1998	01/01/2023	£64k PA	£64
2 Shorts Gardens	Early C19	Shop			Fred Perry	01/05/2012			£64
4-6 Shorts Gardens	Early/Mid C	Resi							£64
5B Up St Martin's Ln				Welput	Marathon Asset Management	01/05/2006		£44	£67
					Marin Software Co	01/12/2014	01/12/2020		£67
					Lincoln International LLP	01/06/2014	01/04/2024	£80	£67
					Farallon Capital Europe LLP	01/01/2014	01/12/2023	£75	£67
					MML Capital Partners	01/01/2016	01/10/2025	£75	£67
					Wadhwani Capital Ltd	01/02/2016	01/12/2024	£90	£67
					NASUWT The Teacher's Union	01/11/2017			£67
					MGM Networks	01/07/2015	01/05/2025	£164	£67
					Starbucks	01/10/2015			£67
					Tredwells	01/12/2014			£67
					Wadhwani Capital	01/12/2015	01/10/2024	£90	£67
24 West St	c.1700	Church		London Diocesan Fund	URBN UK Co	01/12/2009	01/12/2014	£25	£64
Ambassadors Th	1913	Theatre							£64
St Martins Theatre	1916	Theatre							£64
OTHER HISTORIC BUILDINGS									
1 Betterton St									
3 Betterton St	1910			Structadene Group Ltd					£56
5 Betterton St	1820			Pemberton Griffin Munroe	Travel Connections	01/05/2000			£55
					Impact! International Travel	01/08/1991			£55
					Azo Print Co	01/01/2015	01/01/2025	£27k PA	£55
9 Betterton St	1890			KRT Developments Ltd	Transport Friendly Society Ltd	01/04/2015			£59
24 Cambridge Circus	1900			Melton Brook Properties Ltc	AKA	01/11/2017			£67
					McDonald;s Restaurants	01/05/2015			£67
					The Creative Partnership	01/01/2012			£67
					Leon de Bruxelles	01/08/2012			£67
					Pret A Manger	01/03/2016			£67
					Talentful	01/09/2017	01/02/2020	£62	£67
					Cabana Brasilian Barbecue	01/05/2015			£67
3 Caxton Walk					Jamon Jamon	01/09/2013			£67
88-94 Charing Cr Rd	1900				Macari's	01/01/1989	01/01/2020		£69
					Jamon Jamon	01/03/2011			£69
					London Theatre Bookings	01/10/2012			£69
New London Theatre	1967		2007	ING Real Estate	Incisive Media	01/10/2017	01/09/2027	£38	£67
Drury Lane					Highdorn Co	01/09/2010	01/09/2025	£27	£67
					Elvis Communications Ltd	01/09/2015		£21	£67
					Freshwater Group of Companies	01/12/2010			£67
					Guanabara	01/08/2016			£67
					Jubilee Hair	01/09/2015		£50k PA	£67
					The Top Secret Comedy Club	01/07/2013			£67
					Dancia International	01/07/2018			£67
					Essentials Pharmacy	01/02/2007	01/02/2037	54K PA	£67
181 Drury Lane					Graham's Carpet Fitting Service Ltd	01/04/2017			£59
182 Drury Lane	1856			Auckland Finance	Luke Hughes & Co	01/05/2000			£60
183 Drury Lane	1957				Black Garden Tattoo	01/10/2012			£60

Address	Built	Oringal Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
1 Earlham St	1820			Stock Conversion & Investment Trust	Fopp	01/03/2006			£98
					Royal Shakespeare Co	01/03/2016			£98
					Impala Energy	01/03/2015			£98
3-5 Earlham St	1898			Shaftesbury Plc	Ron Dorff UK Ltd	01/02/2016		£118K PA	£109
					All Saints	01/12/2012		£110K PA	£109
					Finisterre	01/11/2017			£109
24 Endell St	1884	Hopital	2004	The Hospital Group	The Hospital Group	01/08/2012			£59
33-35 Endell St					Capizio	01/01/2014			£101
					Rise Films	01/11/2016	01/11/2018	£50	£101
					Quadrant Consultants Ltd	01/08/2016			£101
					Steerpike Ltd	01/12/2016			£101
71 Endell St	1871				D Capital Partners Ltd	01/10/2012		£28	£59
					Agencymobile	01/08/2011			£59
					Hotrod Creations Ltd	01/08/2012			£59
					Maurice Tailoring & Alteration Services	01/08/2010			£59
					Peppermint P	01/08/2012			£59
19-21 G Queen St	1855			RMBI Trust	Toye Kenning & Spencer Ltd	01/05/2000			£60
26 Great Queen St	1925			MTGB Nominees	Brimelow Mcsweeney Architects Ltd	01/09/2004			£59
					Dalai Productions Co	01/03/2018			£59
					Lifelites	01/04/2015			£59
					Printline Co	01/03/2018			£59
					Shaw Walker Lees	01/03/2018			£59
					St Giles Land Co	01/03/2018			£59
32 Great Queen St	1928			Masonic Trust for Boys & Gir	Great Queen St Restaurant	01/01/2014			£56
39 Great Queen St				GQS Properties Ltd	O'Neills	01/03/2012	01/03/2027	48K PA	£60
40 Great Queen St				Mitchells & Butlers plc	O'Neills	01/05/2000			£59
School Macklin St	1826	School			ST Joseph's RC School	01/05/2000			£59
1-7 Macklin House					The Recess College	01/03/2013			£59
9 Macklin House					LRM	01/08/2012			£59
9 Macklin House					Mission Inc		01/02/2003		£59
11-13 Macklin Hse	1907				Correvate Ltd	01/04/2018	01/12/2019	£26	£59
					Covent Garden Laminates Ltd	01/05/2000			£59
					Concrete PR & Marketing Ltd	01/08/2010		£20	£59
					Odyssey Mobile Interaction	01/04/2013		£25	£59
					Cast In Space Ltd	01/06/2009			£59
					Maxim Computer Graphics Ltd	01/10/2003			£59
					Media Eye	01/10/2010			£59
					Ellipsis	01/07/2002			£59
					Latin Mass Society	01/09/2010		£20	£59
					Paradise London	01/01/2017			£59
					Site Designs	01/07/2012			£59
					Stripe Consulting	01/07/2012			£59
					Cyclefit Ltd	01/01/2014			£59
					Tegus Oil & Gas Ltd	01/01/2014			£59
					The Hub London	01/01/2015			£59
15-17 Macklin House					Gyro Communications Ltd	01/06/2014	01/03/2024	£41	£59
					Paperhat Communications Ltd	01/01/2014	01/01/2024	£38	£59
					Despark ltd	01/11/2017			£59
					Woolley Pau Gyro	01/05/2016			£59
19 Mercer St									
2-6 Monmouth St									
6-8 Monmouth St	1915			Spinnaker Nominees Ltd	Malin + Goetz Ltd	01/01/2016	01/01/2026	£100K PA	£109
Mountbattern Hotel	1890	Hotel	2011		Fino Software Ltd	01/01/2014			£109
Monmouth St					Mountbatten Hotel	01/05/2000			£109
					Radisson Blu Edwardian Mercer St Hot	01/01/2014			£109
					Scoff & Banter Covent Gardens	01/01/2014			£109
40 Monmouth St		Pub		Spirit Pub Co	Two Brewers	01/05/2000			£98
50-52 Monmouth St									
1 Monmouth St	1850				Just Falafel	01/01/2013		£53K PA	£109
					Neals Corner Sandwich Shop	01/11/2005			£109
3 Monmouth St					Break Point	01/01/2014			£109
5-7 Monmouth St				Di Popolo Properties Ltd	Rossodisera	01/01/2014			£109
					Shu Eumura	01/04/2015			£109
9-11 Monmouth St	1827				Mysteries	01/05/2000			£109
23 Monmouth St				Shaftesbury Plc	Coco De Mer	01/02/2013			£109
					Moriarti Media (UK) Ltd	01/05/2013		£45	£109
					Nimble Jack	01/08/2012			£109

Address	Built	Oringal Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
25 Monmouth St				Stuart Phillips	Stuart Phillips	01/01/2014			£109
41 Monmouth St	1925			Scribbler	Scribbler	01/01/2014			£109
49-53 Monmouth St	1825			Shaftesbury Plc	IMRG Ltd	01/06/2013		£45	£55
					Coco De Mer Ltd	01/06/2013			£55
					Larsson & Jennings Ltd	01/12/2014		£57K PA	£55
					Adform	01/06/2016			£55
73 Monmouth St	1920			Shaftesbury Covent Garden Ltd					
22 Neal St	1904	Bar		Nomura Securities Co Ltd	Crown & Anchor Hotel	01/05/2000			£98
24 Neal St	1883			A E Monk & Co (London) Lt	The Natural Shoe Store	01/03/2014	01/06/2023	£155K PA	
					Touch Worldwide	01/03/2018		£53	
					Birkenstock	01/06/2014			
					Golden Goose Pr Co	01/03/2018			
					Stretch Communications	01/01/2014			
26-32 Neal St	1903			Covent Garden Estates Ltd	UCG	01/08/2012			£59
					Penney Ltd	01/08/2012			£59
					Neal St Productions	01/08/2012			£59
					CMP	01/05/2009			£59
					Belfield & Ward	01/08/2012			£59
					Touch Worldwide	01/02/2017			£59
Nottingham House	1847				Vans	01/05/2018			£115
Neal St					Bare Escentuals	01/11/2009	01/11/2019	£105K PA	£115
48 Neal St	1913			Shaftesbury Plc	Crocs	01/11/2009		£130K PA	£115
60 Neal St				Investors in Business Ltd	Offspring	01/05/2000			£98
68 Neal St	1954				Swan Turnton LLP	01/08/2012			£59
					Superficial	01/08/2012			£59
					Covent Garden Dental Spa	01/01/2007		£30	£59
					Enrique tomas	01/04/2015	01/04/2025	£98K PA	£59
					Glamour Junkies	01/08/2015			£59
					No Such Place	01/02/2016			£59
76 Neal St	1909			Dow Properties Ltd	Brands Stores Co	01/12/2012		£120K PA	£109
					Colin Hall & Partners Ltd	01/05/2000		£39	£109
					Narrow Rd Co Ltd	01/11/2007			£109
					Smith & Co	01/05/2000			£109
					C H P Design	01/01/2014			£109
39 Neal St	1850				Gp Design Partnership Ltd	01/01/2002			£59
47-49 Neal St	1896				The Ink Factory	01/12/2015	01/06/2019	£43	£109
					Konomo	01/08/2017			£109
					Franklin & Marshall	01/03/2014		£275K PA	£109
63 Neal St	1898			Structadene Group Ltd	abc School of English	01/09/2012			£55
					Pix Pintxos	01/11/2012			£55
Holland & Thurston Bldgs					City Barbers	01/01/2014			£56
Newton St					Made	01/11/2017			£56
					Presslink Communications	01/01/2014			£56
Aldwych Buildings									
Aldwych Workshops									
25 Parker St									
39-41 Parker St	1984			Friends Provident Life	Atkin Associates Ltd	01/11/2017			£67
117-119 Shbury Av	1900			Melton Brook Properties Lt	AKA	01/11/2017			£67
					McDonald;s Restaurants	01/05/2015			£67
					The Creative Partnership	01/01/2012			£67
					Leon de Bruxelles	01/08/2012			£67
					Pret A Manger	01/03/2016			£67
					Talentful	01/09/2017	01/02/2020	£62	£67
					Cabana Brasilian Barbecue	01/05/2015			£67
119 Shaftesbury Av	1883			Benchmark Group Plc	Angels Fancy Dress	01/04/2004			£56
144-146 Shbury Av	1820			Stock Conversion & Investment Trust	Fopp	01/03/2006			£98
					Royal Shakespeare Co	01/03/2016			£98
					Impala Energy	01/03/2015			£98
158-162 Shbury Av	1925			Addison Properties Ltd	Highdorn Co Ltd	01/05/2000			£67
					Bampton (B & B) Ltd	01/11/2015			£67
					Metropolitan Properties (Investments) lt	01/07/2012			£67
					The Bampton Prroperty Group Ltd	01/06/2014			£67
					Mayfair Charities Ltd	01/08/2012			£67
148-150 Shbury Av	1898				Bali Bali	01/02/2016			£109
152-156 Shbury Av	1929			Shaftesbury Estates Ltd	Mela Restaurant	01/05/2000			£101
					Talli Joe	01/05/2016			£101
166-170 Shbury Av	1800			Addison Properties Ltd	Thai Square	01/01/2014			
					Chinese Church in London	01/04/2016			

Address	Built	Oringal Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
190 Shbury Av	1900				The Diner	01/03/2012			
192 Shbury Av	1900				Franx Snack Bar	01/01/2014			
194 Shbury Av	1900				Arthur Beale	01/02/2016			
196 Shbury Av	1830				Chestertons	01/11/2012			
					London & Western Holdings Plc	01/03/2016			
198 Shbury Av	1900				Freud	01/02/2004			
1-9 Shelton St									
21 Shelton St									
25 Shelton St	1925		2009		Thai Square Spa	01/01/2014			
37 Shelton St	1912				Sports Vision Co	01/01/2012	01/01/2019	£33	£59
					Pret A Manger	01/11/2012			£59
					Morph Talent Ltd	01/04/2015			£59
					Feel Agency Ltd	01/12/2016			£59
					Lucid Consults Co	01/03/2018			£59
					The Engine Room	01/04/2015			£59
39-41 Shelton St	1926				Costa Ltd	01/11/2010		£117K PA	
					Noah Advertising Ltd	01/09/2012			
41 Shelton St					Curious Co				
					The Foundry Co		01/01/2012		
15-16 Shorts Gardens	1825				The Cambridge Satchel Co	01/01/2013		£85K PA	£109
21-23 Shorts Gardens					Holland & Barrett Retail Ltd	01/04/2013			£59
41-45 Shorts Gardens				Community Housing Associatio	Windle & Moodie	01/05/2015			£98
43 Shorts Gardens									
52-58 Shorts Gardens	1928			K L Properties Ltd	D R P Group	01/08/2015			£59
					Grosvenor Film	01/09/2014			£59
62-72 Shorts Gardens	1855				Laundrapp	01/07/2016	01/08/2018	£52	£59
					Carmody Groarke	01/08/2014		£38	£59
					NDP Studio	01/01/2017	01/01/2022	£45	£59
					New Power Host Ltd	01/12/2016	01/12/2021	£43	£59
					Stretch Communications	01/03/2016	01/03/2021	£33	£59
62-72 Shorts Gardens	1855				OM Research Ltd	01/01/2014		£32	£59
4 Stukeley St									
6 Stukeley St									
8-10 Stukeley St	1803			Benprop Drury Ltd	Aegistra	01/01/2014			£55
10 Stukeley St									
12 Stukeley St					Minu LLP	01/03/2012	01/03/2022	£30	£59
14 Stukeley St									
20-22 Stukeley St	1990			Colliers Capital Holdings LL	Directors UK	01/09/2016	01/09/2026	£57	£67
					Freedom Recruit	01/05/2014	01/04/2019	£34	£67
					Curzon Artificial Eye	01/02/2007			£67
					Prospectus	01/12/2002			£67
					Zero Degrees West	01/05/2014	01/04/2024	£31	£67
					Applied Wayfinding Ltd	01/04/2015	01/03/2025	£46	£67
					Fusion Media Sales Ltd	01/10/2016			£67
9 Tower Court									
4-10 Tower St	1934			Shaftesbury Plc	Another Space	01/01/2016		£200K PA	£56

4.3 BERMONDSEY STREET

Address	Built	Oringal Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
LISTED BUILDINGS									
2-5 Bermondsey Sq	Early C19	Resi							£52
49-55 Bermondsey St	1873	Tannery		Shiva Ltd	G-Star	01/10/2015		£51	£52
					Bilendi Co	01/03/2015		£87	£52
132 Bermondsey St	1922	Resi			Lovely & British	01/03/2016		£24KPA	£52
171-173 Bermdsey St	1989	Cloth Factory							£52
124 Bermondsey St	1838	Resi			Franco Manca	01/04/2016			£52
126 Bermondsey St					Ali's Café	01/01/2014			£52
187-189 Bermdsey St	1907	Hostel							£52
72 Bermondsey St	1822	Resi		Shackleton	Chapter 72 Ltd	01/03/2018			£49
					Southernden	01/12/2014	01/11/2024	£45KPA	£49
5-13 Crucifix Lane	1864-6	Railway Arches		Network Rail	London Scooters	01/10/2012			£49
					Molewood Consulting	01/08/2015			£49
					P R Futures	01/01/2014			£49
					Roche Recruitment Solutions	01/05/2015			£49
					Wendex Vehicle Rental	01/01/2014			£49
10-11 Grange Walk	Late C17	Resi							
2 Leathermarket St	1885	Warehouse		Acorn	Alandene Ltd	01/05/2000			£48
					Energyscope Ltd	01/01/2013			£48
					Rummey Design Associates	01/01/2014			£48
4 Leathermarket St					Spa Way Ltd	01/11/2006			£48
4 Leathermarket St					Spider	01/10/2014			£48

Address	Built	Oringal Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
4 Leathermarket St					The Lifestyle Agency	01/01/2014			£48
231 Long Lane	1820	Pub			Moontide	01/02/2011	01/02/2031	£72K/PA	£48
231 Long Lane	1820				Simon The Tanner	01/06/2013			£48
11-13 Weston St, Lafon	c.1833	Warehouse	1971	Workspace Group Plc	Workspace Group plc	01/08/2012		£31	£48
11-13 Weston St, Leath	1833	Leather Market	Office Workshop	Workspace Group Plc	Hillgate Public Relations Ltd	01/08/2015			£48
					DLG Architects	01/12/2015			£48
					Reload Digital	01/01/2013			£48
OTHER HISTORIC BUILDINGS									
16 Crucifix Lane	1922			Mark Patrick Bacon	ShareAction	01/01/2014			£49
					FareShare	01/09/2013	01/09/2018	£23	£49
					Lavish Associates Ltd	01/08/2011		£20	£49
					CD Int Bldg Service Engineers	01/06/2011	01/06/2015	£20	£49
					MacNaughton Lord Representation	01/12/2015	01/12/2020	£37	£49
					Alimstone Co	01/03/2018			£49
					WEX Global	01/01/2014			£49
					Various Productions Ltd	01/03/2018			£49
14 Crucifix Lane									£49
12 Crucifix Lane									
10 Crucifix Lane									
8 Crucifix Lane				James Hay Pension	Matter	01/04/2016			£48
6 Crucifix Lane									
4 Crucifix Lane									
2 Crucifix Lane		Pub							
35-37 Bermondsey St									
39-45 Bermondsey St	1990			Wine & Spirit Education Trust	Wine & Spirit Educational Trust	01/06/2005			£48
					Wine & Spirit Trade Association	01/08/2012			£48
					Benevolent	01/06/2005			£48
47 Bermondsey St	1921				Neos Ventures Ltd	01/07/2018			£48
					Stage Media Co Ltd	01/01/1981			£48
49-55 Bermondsey St	1873	Tannery		Shiva Ltd	G-Star	01/10/2015		£51	£52
					Bilendi Co	01/03/2015		£87	£52
46-50 Bermondsey St	1922			Great Portland Estates Plc	Delfina Studio's Trust	01/05/2000			£52
52-58 Bermondsey St	1828	Warehouse	2008	Great Portland Estates Plc	123 GP AM Ltd	01/07/2016			£53
					Akuma Ltd	01/06/2016			£53
					Creation Land Ltd	01/07/2016			£53
					Fujin Ltd	01/07/2016			£53
					Habitat Construction LLP	01/07/2016			£53
					Habitat Developments Ltd	01/07/2016			£53
					Hiruko LLP	01/07/2016			£53
					Hiruko Properties ltd	01/03/2017			£53
					Kangiten Ltd	01/07/2016			£53
					Kojin Ltd	01/07/2017			£53
					Ladybird Films Ltd	01/12/2015			£53
					Land Edition Ltd	01/07/2017			£53
					Mentzendroff	01/05/2011			£53
					Nord Ltd	01/07/2016			£53
					Puppet Labs	01/10/2014			£53
					Rita & Krok	01/12/2916			£53
					Sojobo Ltd	01/07/2016			£53
					Temple Group	01/09/2011			£53
					Tengu Ltd	01/07/2016			£53
					Urban Eye Contractors Ltd	01/06/2016			£53
					Urban Eye Developments Ltd	01/06/2016			£53
					Urban Eye Properties Ltd	01/02/2017			£53
54 Bermondsey St					G Ghezaz Security Ltd	01/12/2016			£53
57 Bermondsey St	1866				Pureprint Group Ltd	01/02/2016	01/01/2021	£67	£48
					jpmh	01/08/2007			£48
					Dotnet Solutions	01/07/2016			£48
					J P M H	01/06/2016			£48
60 Bermondsey St	2005				Suzie Stone	01/04/2014		£24	£49
60 Bermondsey St	2005					01/06/2018		£58	£49

Address	Built	Oringal Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
65-71 Bermondsey St	1880			Canada Life	Engine Creative Consultants Ltd	01/08/2015	01/08/2025	£49	£49
					Eatbigfish LLP	01/12/2014	01/12/2019	£42	£49
					Next Fifteen Communications Group	01/11/2015	01/01/2024	£55	£49
					SSE Services Plc	01/12/2014	01/12/2019	£43	£49
					First Plant Services Ltd	01/05/2015	01/03/2020	£51	£49
					Firstplan	01/02/2017			£49
					Morar Consulting	01/02/2017			£49
					The Energy Solutions Group	01/04/2016			£49
75 Bermondsey St	2000		2013	Barts & The London Charity	Brandwidth Marketing Ltd	01/05/2018			£49
					Beyond	01/12/2014			£49
80 Bermondsey St				Freeman & Freeman Ltd	The Giddy Grocer	01/03/2017	01/01/2027	£36K PA	£49
79-81 Bermondsey St				Zandra Rhodes	Fashion Museum				£49
88 Bermondsey St	1900		2014	World Language Consultants Ltd	Trams Ltd	01/12/2016	01/12/2026	£49	£49
					B St Deli	01/11/2016			£49
					World Language Consultants Ltd	01/11/2017			£49
90 Bermondsey St					Pussy Willow Ltd	01/11/2017			£52
92 Bermondsey St	1980				Newsagents	01/05/2000			£52
94 Bermondsey St					Eatalia	01/01/2014			£52
98 Bermondsey St					The Woolpack	01/01/2014			£52
100-102 Bermondsey St					Blind Aid	01/12/2012			£48
99-101 Bermondsey St					The Garrison	01/01/2014			£52
103 Bermondsey St	1920	Retail/ Resi			Holly & Lil	01/01/2014			£52
105 Bermondsey St									
107 Bermondsey St					Devam News	01/01/2014			
					Rsquare International Co	01/03/2018			
104 Bermondsey St	1835			Mr Jose Pizarro					£52
109 Bermondsey St					Caffe Croute	01/05/2013	01/08/2019	£35K PA	
106-110 Bermondsey S	1881				Engdesign	01/01/2014			£47
					R C P Incubation Services Ltd	01/11/2017			£47
112 Bermondsey St	1920				Madley Property Services Ltd	01/08/2012			£52
114 Bermondsey St				Cobalt Ltd					£52
116 Bermondsey St									£52
118 Bermondsey St				Acorn Estate Agents	Acorn Estate Agents Ltd	01/11/2001			£33
134 Bermondsey St									
136-140 Bermondsey St									
142 Bermondsey St					Etcetera Etcetera Etcetera Etcx3	01/09/2016			£52
					Renaissance Capital Partners Ltd	01/11/2016			£52
					Tin Lid	01/02/2017			£52
145 Bermondsey St					145 Bermondsey St Managememt	01/12/1997			£49
					Pokhara Consultanct Ltd	01/08/2013			
147 Bermondsey St					Barnaby Yard Management Ltd	01/03/1996			
					Voiceworkslondon Co	01/07/2016			
156-170 Bermondsey St				Taskcove Ltd	Cherry	01/07/2018			£53
					Red Lorry Yellow Lorry Ltd	01/12/2005			£53
					Alliance Wine				£53
					Elan & Co	01/10/2006	01/10/3005	£25	£53
					Foresee Results Co	01/09/2014			£53
					Goedhuis & Co	01/12/2016	01/12/2026	£56	£53
					Ind Direct Financial Mgmt	01/01/2013			£53
					Learn Train Recruit				£53
					Really Healthy Co (The)	01/01/2013			£53
					Bamboo Revenue Co	01/01/2013	01/01/2017		£53
					Chartered Soc of Designers	01/01/2006	01/12/2007		£53
					Fore Communications	01/03/2011	01/06/2013		£53
					LCC Trans-Sending Co	01/01/2006	01/01/2016		£53
					Or Multimedia Co	01/10/2006	01/12/2016		£53
					Straxia	01/01/2013	01/01/2017		£53
					Venesis Co	01/01/2008	01/05/2011		£53
					VG&P Co	01/01/2013	01/12/2017		£53
					Vue Photographers Agent		01/04/2015		£53
163-167 Bermondsey S	1984			Coffee@ Ltd	Fuckoffee	01/10/2015			£52
					Scan Magazine	01/08/2017	01/08/2023	£44	£52
					Andrew Brown Hair	01/01/2014			£52
169 Bermondsey St		Retail/ Resi			Pure & Applied	01/08/2000			£52
171-173 Bermondsey S	1989				Village East	01/01/2006			£52
176-178 Bermondsey S	1890			Frontier Estates Ltd	Ticino Bakery Ltd	01/12/2016			£52
182-180 Bermondsey S	1800				Abcomms Ltd	01/09/2014	01/09/2019	£28	£52
					Farringdon Barristers Chambers	01/05/2016			£52
177 Bermondsey St					Jr Davies Associates	01/03/2006			£52
179-181 Bermondsey S	1922			Colonial Properties Ltd	Pretzel Films Co	01/01/2014	01/01/2019	£18	£52
					Form Design Group	01/05/2000			£52
					Brisac Gonzalez	01/08/2012			£52
					Paradigm Pensions LLP	01/10/2013	01/10/2018	£27	£52
					Sentiel Core Services Ltd	01/04/2018	01/04/2023	£39	£52
					Dowling Blunt Ltd	01/05/2000			£52
					Glass Canvas Production	01/07/2015			£52
					Jargonfree Benefits	01/10/2015			£52

Address	Built	Oringal Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
183-185 Bermondsey S	1910				Thames Reach Human Resource	01/08/2012			£52
					Thames reach Finance	01/04/2012			£52
					Vitrine	01/06/2012			£52
					Worldone Research Ltd	01/01/2009	01/07/2010	£40	£52
					Solo Exports Co	01/03/2018			£52
					Hull Truck Productions Co	01/03/2018			£52
					Luttrells	01/03/2018			£52
					Grey Turret Maintenance Co Co	01/03/2018			£52
					Auster Industries Co	01/03/2018			£52
					Forty Montagu Square Co	01/03/2018			£52
					Mill Court Management	01/03/2018			£52
					Aultmore Court Co	01/03/2018			£52
					David Gill Photography	01/01/2014			£52
					Amos & Amos	01/01/2014			£52
193 Bermondsey St					St Mary Magdalen Bermondsey	01/08/2002			£52
163-167 Bermondsey St									
212 Bermondsey St	1922				Bermondsey Fayre	01/06/2013			
210 Bermondsey St			2009		Cave London Co	01/04/2010	01/03/2020	19K PA	£52
214 Bermondsey St	1930		2012		Operandum Ltd	01/10/2014		£33	£52
					Antico	01/06/2013			£52
					format.ldn	01/08/2015			£52
					Goedhius	01/11/2017			£52
					Involved Productions Ltd				£52
255 Long Lane									
253 Long Lane									
241-245 Long Lane				Larmac Live Ltd	Larmac Live Ltd	01/12/2012			£48
239 Long Lane									
231 Long Lane	1821				Moontide	01/02/2011	01/02/2031	£72K PA	£52
					Simon the Tanner	01/06/2013			£52
1 Newham's Row	1920			Cumbrae Properties (1963) Ltd	REaD Group plc	01/09/2011	01/09/2021	£18	£53
					Coalition Ltd	01/06/2017		£53	£53
					Navis Corporation	01/11/2002			£53
					Zebra Ltd	01/12/2010	01/11/2020	£27	£53
					Zebra Projects	01/01/2014			£53
2 Newham's Row				V Copper Building SE1 Ltd	Titan Software Ltd	01/08/2012			£50
					TBA Group	01/04/2018	01/04/2023	£40	£50
					Chase P R	01/03/2018			£50
					Language Connect	01/11/2016			£50
					Titan Software Holdings Co	01/12/2014			£50
175 Newham's Row									
7 Leathermarket St	2007			Mash Staffing Ltd	Mash Staffing Ltd	01/07/2007			£49
2 Leathermarket St	1885				Alandene Ltd				£49
					Energyscope Ltd				£49
					Rummey Design Associates				£49
4 Leathermarket St					Spa Way Ltd (the)				£49
					Spider				£49
					The Lifestyle Agency				£49
1A Morocco St									
1 Morocco St	1865				Gravity Design Associates Co	01/09/2010			£48
					Studio M.A.D Co	01/10/2010			£48
2 Morocco St					RW Autos	01/05/2000			£48
2 Tyers Gate									
4 Tyers Gate					Franwill Real Estate Ltd	01/07/2007			£49
					Tyers Gateway (Mgmt) Ltd	01/03/2001			£49
6 Tyers Gate									
2 White's Grounds									
4-8 White's Grounds	1890		2016	TH Real Estate	CloudMargin	01/12/2016	01/11/2021	£51	£49
					Hattrick Marketing	01/10/2013	01/10/2018	£23	£49
					ESV Digital	01/07/2007		£25	£49
					Stroke Association	01/08/2012			£49
1 Bermondsey Square	1917		1983		Kat Mackhonie	01/11/2017	01/11/2020	£12	£32
					Sprout Ltd	01/11/2007		£20	£32
					Bond & Coyne	01/08/2012			£32
					Doppel	01/07/2015			£32
					Hum Studio	01/01/2014			£32
6-7 Bermondsey Square					NRT Consulting Services Ltd	01/10/2016			£32
8 Bermondsey Square									
116 Tower Bridge Rd	1829			Price Cut Food					£33
12-14 Grange Walk									
32 Grange Walk						Certax Accountir	01/12/2006		
40 Grange Walk					Dr Laurence J Reed Ltd	01/06/2016			
14 Melior St		Church			Our Lady of La Salette & St Joseph's				
Melior St	1897				The Horseshoe - Brakspear Pubs	01/01/2014			£52
56-58 Weston St									
60 Weston St	1900				Fathom Architects	01/03/2018	01/03/2021	£50	£49
62-64 Weston St	1852				Champor Champor	01/01/2014			£52
					Removal Southwark	01/11/2014			
66 Weston St					William Hill Plc	01/06/2013			£52

Address	Built	Oringal Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
37 Snowfields	1885			Alex Munroe Ltd	Alex Munroe	01/10/2012			£52
38 Snowfields					Malishi Hair Design	01/01/2014			£52
39 Snowfields					The Bridge Café	01/10/2012			£52
40 Snowfields					Are & Are	01/01/2014			£52
41 Snowfields					Snowsfields Wellness	01/09/2015			£52
42 Snowfields					Petit Bleu	01/01/2014			£52
43 Snowfields					K's Food & News	01/01/2014			£52
30 Snowfields	1893				Dinwiddie Mclaren	01/11/2000			£48
					Jonatha Louth Architects	01/11/2016			£48
					Sustainable Acoustics Ltd	01/11/2016			£48
					Terrell Ltd	01/11/2016			£48
36 Snowfields	2016				Leandro Carreira	01/08/2017			£50
Melior Place					Andrew Logan	01/12/2012			£52
Melior Place	1897				The Horseshoe - Brakspear Pubs	01/01/2014			£52
Melior Place				SLA Property Co Ltd	Team London Bridge	01/08/2009			£52
26 Vinegar Yard									
9-17 Vinegar Yard		Warehouse							
123 Snowfields			2011		The Rose Public House	01/11/2012			£52
115-122 Snowfields					Evelina Family Trust	01/05/2000			£52
					R M H London Trading Ltd	01/01/2014			£52
					The Ronald McDonald House	01/07/2014			£52
1-15 Kirby Grove		Guinness Trust							
16-30 Kirby Grove		Guinness Trust							
31-45 Kirby Grove		Guinness Trust							
46-60 Kirby Grove		Guinness Trust							
61-75 Ship & Mermaid Row		Guinness Trust							
76-90 Ship & Mermaid Row		Guinness Trust							
91-102 Ship & Mermaid Row		Guinness Trust							
103-114 Ship & Mermaid Row		Guinness Trust							
70 Weston St	1874	Warehouse		Ppcr Associates	Mister Men Ltd	01/08/2015	01/07/2020	£45	£49
					City Centre Staff Bureau	01/09/2009	01/09/2019	£25	£49
					Mac Financial Management	01/03/2003			£49
					Datacom Recruitment	01/08/1997			£49
72 Weston St				Suffolk Life Group Ltd	Kinds Industries	01/01/2012			£48
79-83 Weston St	1834								
106 Weston St	2013			Mr J Lee	Atkins Walters & Webster Ltd	01/07/2015	01/06/2025	£36	£49
					A W W Inspired Environments	01/01/2016			£49
					Aww Architects	01/09/2015			£49
20-22 Leathermarket St					Hale	01/05/2018	01/05/2023	£53	£49
					Capture Marketing Ltd	01/03/2014		£28	£49
					Highgate	01/08/2015			£49
					Hillgate	01/08/2015			£49
					Latitude Agency	01/07/2014			£49
					The Open Agency Co	01/03/2018			£49
					Zulver & Co	01/09/2014			£49
11-13 Leathermarket St	1971				Workspace Group plc	01/08/2012			£49
108 Weston St					Maverick	01/10/2012			
					Bates J P W Advertising	01/09/2016			
					I Beads	01/06/2014			
					Nice & Serious Ltd	01/08/2015			
					Tim Ronalds Architects	01/05/2015			
1 Leatherstreet Market									
8 Leatherstreet Market									
8A Leatherstreet Market									
9 Leatherstreet Market									
176 Tower Bridge Rd					General Osteopathic Council	01/05/2000			£49
170-172 Tower Bridge R	1880				Tag Man	01/08/2012			£49
Tower Bridge Rd									
168 Tower Bridge Rd	2003			Mapleleaf Properties Ltd	The Co-operative Food	01/06/2016			£52
					Dry Cleaning Co	01/06/2016			£52
					Papa John's	01/09/2011	01/08/2026	£25K PA	£52
					Roses Escort Service	01/08/2015			£52
165 Tower Bridge Rd	1935				Endpoint Ltd	01/05/2009			£49
163 Tower Bridge Rd	1926			Design International Ltd	Design International	01/11/2015			£49
					Everything Unlocked Ltd	01/07/2015		£44	£49
					D I Design & Development	01/03/2018			£49
166 Tower Bridge Rd	1937				Forbes Massie	01/03/2017			£52
160-164 Tower Bridge R	1800				Lumia Commercial	01/01/2014			£48
47-49 Tanner St	1932			Legal & General Plc					£48
54-58 Tanner St	1884				Sticky Creation	01/01/2011			£48
					Bright Spark Digital	01/08/2010			£48
					Fresh Tech	01/03/2016			£48
					Paper Dog	01/08/2012			£48
					Lost in London	01/04/2014			£48
					Handcraft Bodycare	01/08/2012			£48
42 Tanner St									
167-170 Tower Bridge R	2001				MPM Solutions UK Ltd	01/04/2016	01/04/2021	£31	£49

4.4 SMITHFIELD, MANCHESTER

Address	Built	Original Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
LISTED BUILDINGS									
104-106 High St	1860-70	Warehouse		Agecroft Investment Co Ltd	63 Degrees	01/07/2015			£17
104-106 High St	1860-70	Warehouse		Agecroft Investment Co Ltd	The Market Restaurant	01/01/1980		£13k PA	£17
105 Oldham St	Late C18	Resi		Revegate Ltd	Holier Than Thou - Tattoos	01/01/2014			£17
105 Oldham St	Late C18	Resi		Revegate Ltd	Holier Than Thou	01/01/2014			£17
36-38 Ongar Hall	1794-1800	Resi							
1 Piccadilly	1879	Shop		Mostyn Estates Ltd	Starbucks Coffee	01/12/2013		£100k PA	£25
1 Piccadilly	1879	Shop		Mostyn Estates Ltd	Coffee Republic				£25
29 Swan St	c.1865	Shop		Inner City Music Ltd	Brighter Sound	01/01/2014			£17
10-20 Thomas St	1870-80	Warehouse							
31 Thomas St	C18	Resis		Computastore	Computastore Ltd	01/07/2006			£17
31 Thomas St	C18	Resis		Computastore	Medway Hoisery				£17
33 Thomas St					Alfred E Mutter				£17
35-37 Thomas St					Bay Horse (The)				£17
35-37 Thomas St					Master A's Thai Boxing School				£17
35-37 Thomas St					Acting Studio (The)		01/05/2003		£17
35-37 Thomas St					Creative Consultants Galler & Art Loung	01/01/2003	01/05/2203		£17
35-37 Thomas St					Yoga Shala	01/02/2002	01/08/2004		£17
49 Tib St	1910		2000	WT Gunson	Manchester Seeds	01/01/2014			£17
49 Tib St	1910		2000	WT Gunson	EHRM Ltd	01/01/2018	01/01/2028	£14k PA	£17
53 Tib St				WT Gunson	Blakehouse	01/10/2017	01/10/2027	£22K PA	£17
53 Tib St				WT Gunson	Manchester Vape Lounge	01/01/2014			£17

4.5 CULTURAL INDUSTRIES QUARTER, SHEFFIELD

Address	Built	Original Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
LISTED BUILDINGS									
113 Arundel St	1893	Cutlery works			Elements	01/12/2013		£9	£18
113 Arundel St	1893	Cutlery works			Let There Be Light Productions	01/07/2015			£18
92 Arundel St	1753	Workshops		Union Pension Ltd	Johnson Walker Fcial Planning Ltd	01/04/2000			£13
88 Arundel St	1850	Manufactory			Freeman College	01/11/2009			£13
135 Matilda St	1830-1850	ustrial Workshops		Liberty Living Invests	Homes for Students	01/05/2017			£13
OTHER HISTORIC BUILDINGS									
107 St Mary St									
75-77 St Mary St									

4.6 DIGBETH, DERITEND BORDESLEY HIGH STREETS (DDBHS

Address	Built	Original Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
191 Fazeley St	1876	Chapel		CFNX Property LLP	Rocks & Co Ltd	01/06/2015		£14	£15
					One Black Bear Ltd	01/05/2009			£15
					Falanx Cyber Defence	01/12/2016			£15
					Netwatch Global	01/03/2016			£15
					The Mighty Shed	01/12/2012			£15
					Madisonsoho	01/06/2015			£15
					Gritt & Co	01/08/2012			£15
					Backface	01/03/2015			£15
					The Space Arts	01/01/2016			£15
					Tinker Taylor Films	01/12/2017			£15
					Into Film	01/01/2017			£15
					The Agency Brand Consultancy Ltd	01/05/2012			£15
					James Webber Recruitment Ltd	01/09/2017			£15
					Media Dog Ltd	01/12/2010			£15
					TEK Studio Ltd	01/06/2017			£15
					John Charlton Photography	01/12/2017			£15
					Mubu Music Ltd	01/12/2017			£15
					Wonderwright Brand Consultancy Ltd	01/03/2018			£15
Floodgate Tavern Flood	1883			Leasing: Siddall Jones Ltd	Ruin Bars Ltd	01/01/2017	01/12/2022	£22k PA	£15
					Alltorque	01/01/2014			£15
WJ Wild No.1 works	1937	Warehouse		CFNX Property LLP	BIMM	01/04/2017			
Fmr Medical Mission		Medical							
Fmr King Edward's		School							

4.7 FRIAR GATE, DERBY

Address	Built	Original Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
LISTED BUILDINGS									
32 Friar Gate	1897	Resi			32 Friar Gate	01/05/2013			£10
42 Friar Gate	1750	Resi			Inter-Staff UK LLP	01/04/2014		£9	£12
42 Friar Gate	1750	Resi			Ibox Security	01/11/2017			£12
42 Friar Gate	1750	Resi			Richard Morris Associates Ltd	01/11/2017			£12
42 Friar Gate	1750	Resi			The Johnson Partnership	01/12/2015			£12
83-84 Friar Gate	1840	Resi			Age Concern Training	01/05/2012			£12
83-84 Friar Gate	1840	Resi			Business Loss Prevention Ltd	01/05/2015			£12
83-84 Friar Gate	1840	Resi			Honest Recruiting Ltd	01/01/2014			£12
83-84 Friar Gate	1840	Resi			Inovix Network Solutions Ltd	01/11/2017			£12
83-84 Friar Gate	1840	Resi			Maple Accountancy	01/05/2013			£12
3 Vernon St	1840	Resi			Being Psychotherapy	01/05/2013			£12
3 Vernon St	1840	Resi			Gengame Ltd	01/03/2018			£12
3 Vernon St	1840	Resi			Talking Support	01/08/2015			£12
28 Ashbourne Rd	Early C19	Resi			Katapult	01/05/2003			£11
28 Ashbourne Rd	Early C19	Resi			Simon Foote Architects	01/05/2013			£11
28 Ashbourne Rd	Early C19	Resi			The Paul Barker Practice	01/01/2014			£11
32-36 Ashbourne Rd	Early C19	Resi			GHH LLP	01/10/2006			£19
32-36 Ashbourne Rd	Early C19	Resi			Mr Grundys Pub	01/11/1996			£19
Ashgate Junior School,	1879	School							
Coach House, 30 Ashbc	Early C19	Resi			Platts Licensed Trade Valuers	01/05/2012			£19
Coach House, 30 Ashbc	Early C19	Resi			Cunnington & Associates	01/05/2013			£19
28 Ashbourne Rd	Early C19	Resi			Katapult	01/05/2003			£19
28 Ashbourne Rd	Early C19	Resi			Simon Foote Architects	01/05/2013			£19
28 Ashbourne Rd	Early C19	Resi			The Paul Barker Practice	01/01/2014			£19
100 Friar Gate	1830				Bar Indigo	01/05/2013			£17
11-12 Friar Gate	1960	Public House		T. & J. Properties (Midlands) L	Prezzo	01/07/2016			£17
16-17 Friar Gate	C17			Stenson Vale Properties Ltd & Ecclesbourne Builders Ltd	Ask Restaurants Ltd	01/02/2001	01/02/2021		£17
16-17 Friar Gate	C17				Vino Vino Ltd	01/11/2014	01/10/2023		£17
16-17 Friar Gate	C17				Zizzi	01/04/2013			£17
18 Friar Gate	C17				Le Bistrot Pierre	01/04/2013			£17
19-20 Friar Gate	1901			Marston's Estates Ltd	Pitcher & Piano	01/04/2013			£17
21-22 Friar Gate	Early C19			Mulholland Developments Ltd	The Almanac	01/09/2013			£17
21-22 Friar Gate	Early C19				Barracuda 2000 Ltd	01/09/2006		£7	£17
21-22 Friar Gate	Early C19				Las Iguanas	01/11/2017			£17
21-22 Friar Gate	Early C19				Juno Telecom	01/10/2016			£17
21-22 Friar Gate	Early C19				Derbyshire Technology Systems	01/12/2014			£17
23 Friar Gate	Late C19								
30-31 Friar Gate	Mid C18								
35 Friar Gate	C19	Farm		Trent Pads Ltd	Mode	01/05/2013			£17
35 Friar Gate	C19	Farm			Gavin Cope	01/11/2005			£17
37 Friar Gate	C19	Farm			Imbeautiful Therapy Rooms	01/04/2012		12k PA	£17
37 Friar Gate	C19	Farm		Trent Pads Ltd	Im Beautiful	01/05/2013			£17
PickfoRd House 41 Fria	1770	Resi			Pickford House Museum	01/05/2013			£17
47-48 Friar Gate	1855	Resi			Swindell & Pearson Ltd	01/05/2013			£17
49 Friar Gate	1855	Resi			Swindon & Pearson				£17
50-51 Friar Gate	1855	Resi			Kris Beauty	01/09/2017	01/09/2020	£7	£17
50-51 Friar Gate	1855	Resi			Derby Gaol Ltd	01/01/2014			£17
50-51 Friar Gate	1855	Resi			National Employers	01/05/2013			£17
50-51 Friar Gate	1855	Resi			UK Construction Ltd	01/05/2013			£17
56-57 Friar Gate	1821	Resi			Alexander & Co Solicitors	01/05/2013			£17
56-57 Friar Gate	1821	Resi			57 Friar Gate Dental Practice	01/05/2013			£17
58 Friar Gate	C18	Resi			Bradley & Jefferies	01/05/2013			£17
59 Friar Gate	1824	Resi			Platts Liscense Trade Valuers	01/10/2002			£17
63 Friar Gate	1790	Resi		PKI Investments Ltd	Fat Cat Café Bars	01/01/2014			£17
7 Friar Gate	Early C19	Resi			Fever Derby	01/01/2011			£17
73 Friar Gate	1840	School		102 Social Club Ltd	One Hundred & Two Social Club	01/09/1997			£17
83-84 Friar Gate	1840	Resi			Age Concern Training	01/05/2013			£17
83-84 Friar Gate	1840	Resi			Business Loss Prevention Ltd	01/05/2015			£17
83-84 Friar Gate	1840	Resi		Innes England	Honest Recruiting Ltd	01/01/2014			£17
83-84 Friar Gate	1840	Resi			Inovix Network Solutions Ltd	01/11/2017			£17
83-84 Friar Gate	1840	Resi			Maple Accountancy	01/05/2013			£17
93 Friar Gate	1846	Resi		Private	Market Improvement E-Learning Ltd	01/04/2015			£17
61 Friar Gate	1750	Resi		Bridge Street Partnership	Adrian Mooy & Co	01/03/2008			£12
61 Friar Gate	1750	Resi			Green Lane Counselling & Psychotherap	01/08/2018			£12
61 Friar Gate	1750	Resi			Archant Life	01/05/2013			£12
61 Friar Gate	1750	Resi			Derbyshire Life & Countryside Magazin	01/01/2014			£12
61 Friar Gate	1750	Resi			Woore Watkins Ltd	01/01/2014			£12
61 Friar Gate	1750	Resi			Relate	01/05/2013			£12

99 Friar Gate	1798	Resi		Strawdog Studios	Strawdog Productions	01/11/2012		£17
99 Friar Gate	1798	Resi			Strawdog Studios Ltd	01/07/2011		£17
99 Friar Gate	1798	Resi			British Oriental Development Associates l	01/03/2018		£17
29 Friar Gate	1850	Resi		Royal London Mutual Insurance				£17
118 Friar Gate	1828	Resi			News Xtra	01/12/2014	16k PA	£17
118 Friar Gate	1828	Resi			Lorente's Tapas Ltd	01/04/2014	10k PA	£17
28 Friar Gate	1783	Resi			Greenborough Management Ltd	01/11/2010		£17
28 Friar Gate	1784	Resi			East Midlands Incubation Network	01/01/2011		£17
46 Friar Gate	1972	Resi		Morley Fund Management				£17
32 Friar Gate	1897	Resi			32 Friar Gate	01/05/2013		£17
32 Friar Gate	1897	Resi			Blue Jalapeno Ltd	01/11/2013		£17
32 Friar Gate	1897	Resi			Derbyshire Technology Systems	01/07/2002		£17
32 Friar Gate	1897	Resi			Finding Your Voice Ltd	01/05/2017		£17
32 Friar Gate	1897	Resi			FP Training Ltd	01/06/2007		£17
32 Friar Gate	1897	Resi			Howard Thomas Ltd	01/04/2004		£17
32 Friar Gate	1897	Resi			Loates Business Solutions Ltd	01/05/2015		£17
32 Friar Gate	1897	Resi			Probuild Contractors Network	01/07/2014		£17
32 Friar Gate	1897	Resi			Shield Protection Ltd	01/05/2016		£17
32 Friar Gate	1897	Resi			West Kensington Ltd	01/09/2016		£17
45 Friar Gate	1850	Resi			MBM Property (Derby) Ltd	01/05/2015		£12
45 Friar Gate	1850	Resi			MBM Management Ltd	01/05/2015		£12
45 Friar Gate	1850	Resi			Five Rivers Media	01/03/2013		£12
45 Friar Gate	1850	Resi			The Southern Countries Chronicle	01/10/2016		£12
45 Friar Gate	1850	Resi			Montagu	01/08/2015		£12
45 Friar Gate	1850	Resi			M B M Property	01/03/2015		£12
45 Friar Gate	1850	Resi			Gino Lombardo Associates Ltd	01/01/2014		£12
45 Friar Gate	1850	Resi			Red z Design Ltd	01/01/2014		£12
42 Friar Gate	1750	Resi			Inter-Staff UK LLP	01/04/2014	£9	£12
42 Friar Gate	1750	Resi			Ibox Security	01/12/2015		£12
42 Friar Gate	1750	Resi			Richard Morris Associates Ltd	01/11/2017		£12
42 Friar Gate	1750	Resi			The Johnson Partnership	01/11/2017		£12
43-44 Friar Gate	Mid C18	Resi			Elliot Mather LLP	01/05/2013		£12
43-44 Friar Gate		Resi			Taylor Simpson & Moseley	01/05/2013		£12
43-44 Friar Gate		Resi			Chevin Asset Management Ltd	01/06/2012		£12
43-44 Friar Gate		Resi			Chevin Group Holdings Ltd	01/01/2018		£12
43-44 Friar Gate		Resi			Chevin Homes	01/10/2007		£12
43-44 Friar Gate		Resi			PF Investments Ltd	01/10/2013		£12
43-44 Friar Gate		Resi			Seal of Excellence	01/02/2008		£12
1-2 Vernon St	c.1840	Resi			Assoc of Teachers of Mathematics	01/04/2017		£17
1-2 Vernon St	c.1840	Resi			Blythe Squires Wilson	01/05/2013		£17
1-2 Vernon St	c.1840	Resi			Derby Skin Laser & Cosmetic Clinic	01/02/2017		£17
1-2 Vernon St	c.1840	Resi			Jeani Accessories Ltd	01/03/2018		£17
1-2 Vernon St	c.1840	Resi			Meadows Out Of School Club Ltd	01/03/2018		£17
1-2 Vernon St	c.1840	Resi			Oak House Nursery	01/01/2014		£17
1-2 Vernon St	c.1840	Resi			Sparkling Clean Solutions Ltd	01/11/2017		£17
1-2 Vernon St	c.1840	Resi			Wilton Property Group Holdings Ltd	01/06/2017		£17
1-2 Vernon St	c.1840	Resi			Wilton Property Group Ltd	01/06/2017		£17
1-2 Vernon St	c.1840	Resi			Vs-01 Ltd	01/06/2017		£17
11 Vernon St	c.1840	Resi			Toomey Eurolease Ltd	01/05/2013		£12
11 Vernon St	c.1841	Resi			Toomey Leasing Group Ltd	01/05/2013		£12
13 Vernon St	c.1840	Resi			Vernon Street Medical Centre	01/05/2013		£12
14-16 Vernon St	1857	Resi			The Laura Centre Derby	01/03/2014	£11	£12
14-16 Vernon St	1857	Resi			Discoveru	01/02/2017		£12
17-18 Vernon St	1845	Resi		London Devlpment Agency	NHS Core Care Standards	01/05/2013		£12
5 Vernon St	c.1840	Resi			Lloyds Pharmacy Ltd	01/05/2013		£12
5 Vernon St	c.1840	Resi			Cherry Professional Ltd	01/02/2016		£12
5 Vernon St	c.1840	Resi			Gymiphobics (Beeston) Ltd	01/01/2014		£12
5 Vernon St	c.1840	Resi			The Ladies Club Derby	01/01/2014		£12
5a Vernon St	c.1840	Resi		Dixons Pharmaceuticals Ltd	Dillon & Constantinou	01/10/2014	£14	£17
6 Vernon St	1790	Resi	2011	Innes England Ltd				£12
7-10 Vernon St	1832	Resi		Raybould & Sons Ltd	Montague Architects	22/06/1905		£12
7-10 Vernon St	1833	Resi			Barlow & Associates	01/11/1967		£12
7-10 Vernon St	1834	Resi			Application Power Hire Ltd	01/03/2018		£12
7-10 Vernon St	1835	Resi			D E K M	01/03/2018		£12
7-10 Vernon St	1836	Resi			Dekm Ltd	01/12/2014		£12
7-10 Vernon St	1837	Resi			Vernon Street Surgeon	01/12/2016		£12
7-10 Vernon St	1838	Resi			Vernon Street Surgery	01/12/2016		£12
7-10 Vernon St	1839	Resi			Feel For Hair Ltd	01/03/2018		£12
7-10 Vernon St	1840	Resi			Ph Industrial Ltd	01/03/2018		£12
7-10 Vernon St	1841	Resi			Vernon Street Surgery	01/11/2017		£12
4 Vernon St	1848	Resi		Alps Group	Alps Group	01/12/2012		£12
3 Vernon St	c.1840	Resi			Being Psychotherapy	01/05/2013		£10
3 Vernon St	c.1840	Resi			Gengame Ltd	01/03/2018		£10
3 Vernon St	c.1840	Resi			Talking Support	01/08/2015		£10
12 Vernon St	c.1840	Resi			WK Marshall	01/05/2013		£12
29 York St	1835	Resi		Raybould & Sons Ltd	Blair Gratton & Architects Ltd	01/01/2014		£12

OTHER HISTORIC BUILDINGS							
1 Uttoxeter Old Rd	1911						£17
1 Friar Gate Rd				Tree Tops Nurseries	01/07/2004		
1 Brick St				Brick & Tile	01/05/2013		£17
1 George St							
2 Curzon St				Funk 4 The Future	01/09/2010		
				Masala Express	01/06/2016		
2 George St							
2 Cheapside				The TAX Partnership	01/03/2013		£17
3 Uttoxeter Old Rd				Key Properties	01/05/2013		
				Events Artists	01/11/2017		
3 Mill St							
4 Cheapside							
5 Ashbourne Rd	1954						£17
5 Uttoxeter Old Rd				NZ Chari-tea Shop	01/05/2013		£17
5 Brick St	1918			Brick Stores	01/05/2013		£17
5 George St			Garveb Property Ltd	The Orange Tree	01/11/2017		£17
6 St John's Terrace							
7-11 Ashbourne Rd							£17
7-9 Uttoxeter Old Rd				Derby Convenience Store	01/05/2013		£17
7 Brick St							
8 Ashbourne Rd				Gorjuss Hair	01/05/2013		£17
8-10 Curzon St	1967			Connexions	01/04/2013		£12
8 Cheapside				Bonds	01/04/2013		£17
9 Brick St							
10 Friar Gate Rd				The Spice Room	01/04/2013		£17
				Subway Garage	01/01/2014		£17
				The Beauty Spot	01/05/2015		£17
				Vivid Designers	01/01/2014		£17
11 Mill St				Pyrotex Fireworkz Ltd	01/05/2013		£5
13 Friar Gate Rd	1991			Friargate News	01/04/2013		£17
14 George St							
15-19 Ashbourne Rd				Fires & Fireplaces	01/05/2013		£17
15 Friar Gate Rd				Nicholas J Humphreys	01/04/2013		
15-17 Brick St				John E Wright	01/03/2013		11,8
19 Vernon St							
25 Ashbourne Rd							
27 Ashbourne Rd							£12
27 Uttoxeter Old Rd							
28 Ashbourne Rd							
29 Brick St							
30-32 Curzon St	1950	Shop					£17
33 Ashbourne Rd							
37 Ashbourne Rd							
40 Ashbourne Rd				Silver Trees Day Nursery	01/05/2000		
50 Ashbourne Rd				Cane & Rush Seating	01/01/1988		
51 Ashbourne Rd	1900		Collets	Acquire A Pad	01/05/2013		£12
				Armitage Winter	01/05/2013		£12
				Final Creations	01/05/2013		£12
				Infotech	01/05/2013		£12
				RADIS Community Care	01/05/2013		£12
52 Ashbourne Rd							
52-53 Friar Gate Rd				JouJou Hair Salon	01/05/2013		£17
54 Friar Gate Rd				Modern Cuisine	01/05/2013		£17
55 Friar Gate Rd							
57 Ashbourne Rd			ITC Machinery Sales Ltd	Sibbalds	01/05/2013		£12
56-7 Friar Gate Rd	1821		Innes England Ltd	Alexander & Co Solicitors	01/05/2013		£12
				57 Friar Gate Dental Practice	01/05/2013		£12
67 Friar Gate Rd				The Courtyard	01/05/2013		£17
68 Friar Gate Rd				Mr Khalil Akbar	01/10/2011	01/10/2021	£17
				Welfare Pharmacy	01/02/2016		£17
69 Friar Gate Rd	1948			Sanctuary Ink	01/05/2013		£17
70 Friar Gate Rd	1869			Matthew Montague Architects	01/01/2013		£12
71 Friar Gate Rd							
74 Friar Gate Rd			Simon Foote Architects Ltd	Simon Foote Architects	01/05/2017		
75 Friar Gate Rd							
76 Mill St							
102 Friar Gate Rd		Hotel		Hepburns	01/05/2013		£15
				Limes Restaurant	01/05/2013		£15
107 Markeaton St							
110 Friar Gate Rd				Mosh	01/04/2013		£17
114 Friar Gate Rd				Bishop Blaise	01/01/2014		£17
121 Friar Gate Rd		Retail/ Residential		Friars Bar	01/04/2013		£17
6-10 Agard St							
15A Friar Gate Rd				Nicholas J Humphreys			£17

4.8 RAMSGATE HERITAGE ACTION ZONE

Address	Built	Original Use	Major Refits post 1980	Owner	Tenants	Tenant Start	Lease Term	Rent psf	Area Av Rent
LISTED BUILDINGS									
14 Addington St	1801-21	Shop			Ramsgate Grooming Centre	01/06/1999			£13
83 Addington St	1820s	Shop							
29-31 Addington St	1830s	Shop			T & A Green	01/04/1982			£13
East Court Brockenhurs	1889	Resi							
17-21 Cavendish St	c.1840	Resi			Robinson Allfree Solicitors	01/01/2002			£17
5-19 Chapel Place	c.1820	Resi	2004						£12
Chatham House School	1879-82	School							£17
East Pier, No1 Slipway,	1750-1792								
18-20 Effingham St	Early C18	Resi							
39 Effingham St	Early C19	Shop							£17
1 Granville Marina	1877	Studio							
Ramsgate Library, Guild	1904	Library							
Custom House Harbour	1893/4	Resi			Nice Things	01/04/2014			£17
Custom House Harbour	1893/4	Resi			Old Custom House Coffee	01/12/2016			£17
Custom House Harbour	1893/4	Resi			Project Motorhouse	01/09/2011			£17
Custom House Harbour	1893/4	Resi			Ramsgate Arts Festical Ltd	01/04/2012			£17
Custom House Harbour	1893/4	Resi			Ramsgate Town Council	01/07/2010			£17
Custom House Harbour	1893/4	Resi			Ramsgate Visitor Information Centre	01/02/2001			£17
Custom House Harbour	1893/4	Resi			Station Taxi	01/12/2014			£17
15 Harbour St	Late C17	Shop			The Gold & Silvermine	01/11/2016			£17
29-31 Harbour St	c.1800	Shop		Pearson Gore					
129-135 High St	Early C18	Resis	Late 20C						
124 High St	Early C18	Resi		Girish Gupta Ltd					
72 High St	Mid C18	Resi							
70 High St	C18	Resi			South East Kent Insurance Ltd	01/12/1998			£17
1-3 High St	Early C19	Resis			HSBC Bank Plc	01/10/1921			£17
44 King St	Early C18	Pub			Deal Cutter	01/10/2002			£17
6 Lands Lane	C18	Shop							
Rank Hovis Flour Mills	1865	Flour Mills							
Foresters Hall	1811	Hall			Communitr Action South East Kent	01/05/2008			£17
Foresters Hall	1811	Hall			Volunteer Bureau	01/06/1999			£17
Former Congregational	1838	Church			Masque Theatre School	01/04/2012			£17
Sailor's Church & Home	1878	Church/Resi							
Pegwell Lodge, Pegwell	Early C18	Resi							
47-49 Queen St	Mid C18	Resi & Shop							
5-9 Royal Rd	1826-36								
35 Spencer Square	1802				35 Spencer Square	01/06/2016			£17
37 Spencer Square					Spencer Court Hotel	01/06/1999			£17
St Augustines Rd	Early C19	Resi							
St Augustines Rd	1843-4	Chapel/Resi							
2 Wellington Crescent	1817-24	Resi			Homefleet House	01/08/1985			£12
13 Wellington Crescent				Wellington Crescent (Ramsgate) Ltd					£12
19 Wellington Crescent	1817-24	Resi			19 Wellington Crescent Management C	01/12/2013			£12
20 Wellington Crescent					20 Wellington Crescent Management C	01/01/2002			£12
27 Albion Place, Albion	1790	Resi							£12
20-22 Albion Place	1790	Resi			Action for Children	01/09/2014			£12

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SJH_08

Niall A. Lawlor
Partner
n.lawlor@riveroakic.com

Niall A. Lawlor is a partner of River Oak Strategic Partners. Mr. Lawlor has over twenty years of experience in fixed income, capital markets and private equity. The primary focus of his recent professional experience has been on commercial loan assets and opportunistic real estate investments in the United States, United Kingdom and Europe. Mr. Lawlor has worked in private equity, including Ranieri Partners, Real Estate & Financial Services entities, managing various acquisition and co-investment opportunities coming out of the European financial services sector, including asset portfolios and operating entities.

Prior to that, Mr. Lawlor worked in tax-exempt institutional bonds trading and sales with large institutional clients for both UBS and Morgan Stanley. He previously specialized in high yield national municipal credits at First Albany Corporation and in institutional municipal bonds at Prudential Securities. Mr. Lawlor began his career as an analyst at a boutique regional investment banking firm in California, specializing in underwriting mainly non-rated real estate backed municipal infrastructure projects.

In 2009, Mr. Lawlor served on the European Union Working Group on Derivatives in Brussels. This group met monthly, and the experience provided good insight into the developing bank and financial industry regulations being proposed and currently being adopted, Dodd-Frank, Basel Three etc, for hedging risk across the banking sector globally.

<< Return

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Fax (203) 325-8588
E-mail: george@riveroakinvestmentcorp.com

George Yerrall

Professional experience

1/00 – Present RiverOak Investment Corp.,LLC Stamford, CT

Managing Director

_ Find, research and negotiate commercial real estate acquisitions for private placement real estate equity investment firm. Solicit investors into firm's investment funds.

6/99 – 12/99 The Halleran Company Boston, MA

Associate

_ Researched, planned and negotiated acquisition opportunities in the fields of Internet consumer commerce, luxury yachting and telecommunications.

1/97 –4/99 Pecoy Development Company Springfield, MA

President

_ Operated land development company in close relation to affiliated residential construction company. Managed sales and marketing function for construction company. Involved in $15 million in land and new home sales. Average home price $500 thousand.

6/86 – 10/96 Stearns and Yerrall, Inc. Springfield, MA

President and Majority Owner

_ Grew family residential real estate agency personnel from 39 to 160 in and sales from $52 million to $125 million, in predominantly recessionary market. Growth achieved through recruiting, acquisitions and non-cash incentives. Market share increased from 4% to 17%.

8/84 – 6/86 First Winthrop Corporation Boston, MA

Assistant to the Chairman

_ Involved in Rockefeller Center acquisition attempt. Participated in all aspects of 19 New York commercial properties' management including leasing, marketing and renovation. Negotiated successful tax-free swap of two portfolio properties for the land under the Gulf and Western building.

Education	Columbia University Graduate School of Business New York, NY MBA – Real Estate Finance - 1984 Amherst College Amherst, MA BA – Economics – 1979
Additional Information	Computer literate in Microsoft Office and Internet Search applications. Enjoy competitive sports, movies and non-fiction literature.

SJH_10

The Tribunal's decision was quashed on appeal to the Queens Bench Division of the High Court of Justice, & an order that the respondent be struck off the roll was substituted on 22nd October 1993.

Susan Elson
Clerk to the Solicitors Disciplinary Tribunal

No. 6200/1992
5133

IN THE MATTER OF ANTHONY FREUDMANN, solicitor

- AND -

IN THE MATTER OF THE SOLICITORS ACT 1974

Mr. A.J.C. Paines (in the Chair)
Mr. D.J. Leverton
Mr. R.P.L. McMurtrie

Date of hearing: 29th October 1992

F I N D I N G S A N D O R D E R

of the Solicitors' Disciplinary Tribunal
constituted under the Solicitors Act 1974

An application was duly made on behalf of the Solicitors Complaints Bureau by [redacted], solicitor, of 36 West Bute Street, Cardiff on 17th July 1992 that [redacted] of [redacted], Shrewsbury, Shropshire might be required to answer the allegations contained in the affidavit which accompanied the application and that such Order might be made as the Tribunal should think right.

The allegation was that the respondent had been guilty of conduct unbefitting a solicitor in that he had used clients' funds for his own purposes.

The application was heard at the Court Room, No. 60 Carey Street, London WC2 on 29th October 1992 when Geoffrey Williams, solicitor and partner with the firm of Cartwrights Adams & Black of 36 West Bute Street, Cardiff, appeared for the applicant and Robin W. Onions of Messrs. Lanyon Bowdler of 23 Swan Hill, Shrewsbury appeared for the respondent.

The evidence before the Tribunal included the admissions of the respondent and exhibits "AF1" to "AF3" inclusive. The respondent gave evidence.

The facts are set out in paragraphs 1 to 15 hereunder.

1. The respondent, born in 1946, was admitted a solicitor in 1972. At all material times he practised as a solicitor in partnership under the style of Wace Morgan at 2 Bellmont, Shrewsbury.

2. Messrs. Wace Morgan acted for Mr. & Mrs. K in conveyancing transactions. Mr. & Mrs. K were due to complete a sale and a purchase of property on or about 24th April 1981. The purchaser from Mr. & Mrs. K failed to complete. To enable Mr. & Mrs. K to complete their purchase an advance was made by Mr. H.C. Wace to Messrs. Wace Morgan and thence to Mr. & Mrs. K. At the material time Mr. Wace was a partner in Wace Morgan and subsequently became a consultant.

3. The purchase having been completed the principle amount of the loan was subsequently repaid to Mr. Wace in or about June 1982. Interest however remained outstanding.

4. High Court proceedings were issued by Messrs. Wace Morgan on behalf of Mr. & Mrs. K against the defaulting purchaser. The proceedings sought to recover various losses sustained by reason of the purchaser's default including the sum of £3,061.06 representing interest due on the loan provided by Mr. Wace. Judgment was entered on or about 7th June 1985 for the total sum of £5,576.90. It was agreed that the defaulting purchaser should discharge the judgment by instalments of £100.00 per month.

5. The defaulting purchaser duly made instalment payments. Between 8th April 1986 and 27th October 1987 Mr. Wace received nine payments totalling £3,662.69 both from instalments received from the purchaser and from the partnership funds of Messrs. Wace Morgan. The final such payment of £2,087.79 made on 27th October 1987 was in full and final settlement of all sums due to Mr. Wace.

6. On 22nd January 1991 the sum of £1,223.94 was held in client account by Messrs. Wace Morgan on behalf of Mr. & Mrs. K in relation to their matters. The respondent paid the sum of £1,200.00 into an account he opened at the Shrewsbury branch of Cheltenham & Gloucester Building Society. It was not a client account but rather a trustee account with the respondent named as the trustee of E.C.K. Payments were made from that account by the respondent of a personal nature unbeknown to his partners or Mr. K. The payments had nothing whatsoever to do with Mr. K.

7. The partners of Messrs. Wace Morgan having discovered those matters gave the respondent notice of termination of partnership with immediate effect on 14th June 1991. On the same day the respondent repaid the sum of £1,200.00 to the trustee account at Cheltenham & Gloucester Building Society.

8. Messrs. Wace Morgan submitted a fee note to Mr. & Mrs. K in the sum of £417.75 on 16th September 1991. The firm claimed a further sum of £230.00 for costs incurred. All other amounts recovered from the defaulting purchaser, save for the sums paid to Mr. Wace, were due to Mr. & Mrs. K. At the date upon which the respondent opened the Building Society account, no bills of costs had been delivered to Mr. & Mrs. K. Subsequent to the repayment made by the respondent Messrs. Wace Morgan paid the sum of £809.73 to Mr. & Mrs. K, the payment being made on 19th June 1991. At the date of the application Messrs. Wace Morgan held the sum of £224.31 which was due to Mr. & Mrs. K.

9. Messrs. Wace Morgan acted for Mrs. P in matrimonial proceedings. A lump sum settlement of £5,646.66 was recovered for Mrs. P who was legally aided. A payment was made to Mrs. P and the balance of £1,732.19 was retained pending a Legal Aid taxation.

10. The sum so retained was utilised to open account number R817435/8 with Cheltenham & Gloucester Building Society, High Street, Shrewsbury. The account was opened on 19th September 1986 in the names of the respondent and his then partner, Mr. Trevor Wheatley as trustees for Mrs. P.

11. In the five year period following 6th October 1986 the respondent made various withdrawals from the Building Society account in an approximate total sum of £1,295.00. Those withdrawals were for the personal use and benefit of the respondent and were made without the knowledge of his partners. The payments had nothing to do with Mrs. P. They included a payment of £260.00 to Diners Club Limited and a cash withdrawal of £120.00.

12. Those matters were discovered in or about July 1991. At the date of the applicant's application the respondent had not repaid the sums he withdrew from that account.

13. The respondent acted for Mrs. H in a claim for damages. The sum of £30,000.00 was recovered from the defendants. The sum of £27,000.00 was invested pursuant to instructions received from Mrs. H who was legally aided. The balance of £3,000.00 was invested in an account with Cheltenham & Gloucester Building Society in the names of the respondent and his then partner [redacted]. Under cover of a letter dated 15th September 1987 the respondent forwarded a Building Society cheque for £1,000.00 to Mrs. H. The respondent advised Mrs. H that he was retaining the balance of £2,000.00 until he resolved the question of the recovery of Legal Aid costs and certain costs not covered by Mrs. H's Legal Aid certificate. He indicated that he hoped "shortly to be able to put a figure on those costs." The costs of the said proceedings were paid in full by the defendants on or about 12th September 1988. The Legal Aid certificate was duly discharged.

14. In or about January 1992 the respondent met Mr. Fraser, the senior partner of Messrs. Wace Morgan and admitted that in the three year period after June 1987 he had made withdrawals from the Building Society account for his own use and benefit. Such withdrawals were made unbeknown to the respondent's partners and the payments had nothing whatsoever to do with Mrs. H. Upon discovery of the matters the partners of Wace Morgan paid Mrs. H the sum of £2,207.00 out of their own resources.

15. Messrs. Wace Morgan submitted separate complaints to the Solicitors Complaints Bureau in relation to the three individual matters referred to.

The submissions of the applicant

16. In the matter of the monies held which belonged to Mr. & Mrs. K the respondent made some fifteen payments out of the Building Society account which included cash withdrawals. All payments were made for the respondent's personal benefit. It was accepted that the respondent had repaid the principle sum back into the account of £1,200.00. The respondent would argue that at the time he had serious personal problems and there was no argument before the Tribunal that those monies were not clients' monies.

17. All monies taken by the respondent were monies which began as credits in client account. If the monies represented costs then no bill or written intimation had been delivered to the client.

18. With regard to Mrs. P, a lump sum had been recovered. It was believed that the statutory charge for costs, as it was a Legal Aid matter, applied. The respondent's explanation was that he had taken an unauthorised loan of office money born out of his frustration. The Building Society account had been opened on 9th September 1986 in the names of the respondent and Mr. Wheatley. The respondent's argument was that it would "all come out in the wash" when arrangements on dissolution of his partnership were concluded. That money had not therefore been repaid.

19. In the matter of Mrs. H, damages had been recovered on her behalf in the sum of £30,000.00 of which £28,000.00 had been paid out to her. The respondent had taken £2,200.00 for his own purposes over the years commencing in June 1987. On 15th September 1987 the respondent wrote to the client in the following terms "I hope shortly to put figure on costs" and sent a further £1,000.00. The proceedings had been settled and costs had been paid in full by the defendants. The respondent had used clients funds for his own purposes. The respondent had made eight withdrawals over a period of two years. The respondent had not sought to make a repayment of those monies and expected as in the case of Mrs. P that it would "all come out in the wash."

20. In respect of the three clients matters, the sums which the respondent had utilised were in the case of Mr. & Mrs. K £1,160.00, in the case of Mrs. P £1,295.00 and in the case of Mrs. H £2,207, making a total of £4,662.87. There had been some twenty-seven separate misappropriations.

21. The applicant accepted that he was unable to establish that the respondent had formed an intention permanently to deprive anybody of the monies taken. The applicant did however take issue with the respondent's argument that he was borrowing the money. In the submission of the applicant for there to be a "borrowing" there must be a willing lender. If there were lenders in this matter, they did not know what was going on.

22. Even if the respondent had not formulated an intention permanently to deprive any person of the monies, in two of the cases referred to he had not repaid any money.

23. There appeared to have been a suggestion that some of the monies represented costs, in which case the sums would have been divisable between the respondent and his partners and should not have been paid to the respondent alone.

24. In the submission of the applicant the respondent had undertaken a misappropriation of clients funds over a long period of time. The number of payments had been on a large scale and had been taken clandestinely. It was accepted that the transactions had been recorded but had occurred without the knowledge of the clients or the respondent's partners.

25. It was submitted that the respondent had indulged in a deliberate and deceitful course of conduct over a long period of time.

26. The behaviour of the respondent had a disastrous effect not only on the respondent himself but also on the solicitors' profession. The Tribunal was invited to consider the matter as one of very great seriousness.

The submissions of the respondent

27. The respondent obtained a degree from London University and served his articles with a small firm of solicitors in West London, qualifying as a solicitor in 1972. He moved in July 1973 to the firm which became Wace Morgan. As an assistant solicitor with the firm, the respondent was responsible for managing and developing the firm's litigation practice. He became a partner in 1975. As a partner his responsibilities remained the same although gradually he assumed responsibility for part of the management of the firm. He was responsible for the introduction of a number of modern systems such as a computerised accounting system and the introduction of the concept of fees and work-load assessment and analysis.

28. During the 1980's the respondent's work changed and he ceased to deal with criminal work. He also reduced the divorce and family work undertaken by him. He developed a specialisation in personal injury litigation, medical negligence and employment law. The success of the firm's litigation department provided an impetus for the growth of the firm. By 1987 the firm had grown considerably. And by 1987 the respondent was responsible for personnel matters, the number of staff employed in the firm being about fifty at that time, as well as financial control. Following the introduction by others of unsuccessful management arrangements the respondent became managing partner. Although it was felt that that position was a full time job, the respondent was still expected to devote one-third of his time to fee earning. He also had Council duties and had been appointed a Deputy District Judge (formerly a Deputy County Court Registrar), the respondent considered both appointments to be not only a personal honour but an honour to the firm. He had come to accept that he was working far too hard and believed that his judgment had become clouded as a result of what he and his partners demanded of him.

29. In particular the respondent took on one case which with hindsight he realised had provided considerable additional pressure. He had been instructed by a lady who had been engaged in bitter divorce proceedings which involved allegations of child abuse, physical cruelty, sexual malpractices and major fraud. The respondent had been the thirteenth solicitor to represent the client, she proved to be an extraordinarily demanding client. When the papers were delivered to the respondent they proved to be of great number. The client would telephone most evenings and at week-ends to speak to the respondent at his home and there followed innumerable hearings in London. The respondent said he worked himself into an absolute standstill by the end of the case in the Autumn of 1988, the respondent was, however, able to reflect with some satisfaction that the financial settlement finally achieved was some three times as much as the amount for which the client's former solicitors had advised her to settle. The respondent confirmed that his firm had been handsomely paid for all the work but the respondent had dealt with the case entirely on his own and upon reflection had come to realise that it had dominated his life to the point when he totally neglected his own affairs.

30. The firm of Wace Morgan was long established and in 1978 had taken over a small firm. Despite the efforts of the partners Messrs. Wace Morgan never showed great profit. The respondent had given a great deal of thought to the profitability of the firm which had not really improved despite the introduction of new business systems to include time recording and costs targets. One of the main reasons why the firm

consistently failed to achieve reasonable profits was the failure by three of the senior partners to achieve their costs targets or indeed to get anywhere close to them.

31. The respondent had built up a sense of grievance and resentment against the three partners who continually failed to meet their targets and to accept their responsibilities as partners. The respondent believed he should have taken a decision and left the partnership but did not do so because he felt great loyalty to his partners and the firm's staff.

32. In addition to the failure to meet costs targets there were persistent problems in credit control in that there were substantial sums outstanding for bills that had not been paid. The respondent's sense of disillusionment was increased when he learnt that one of the partners had delivered bills which had been entered as "bills delivered" but had not been sent to the clients. The firm had become responsible for the payment of V.A.T thereon and the credit control showed the bills as outstanding whereas in fact they had never been delivered.

33. The respondent told the Tribunal that it was against that general background that he behaved in a way which he found difficult to understand and which he did not in any way seek to excuse.

34. In the matter of Mr. & Mrs. K the respondent had not had any personal dealings in the clients' transactions and the file first appeared on his desk in his capacity as managing partner in late December 1990. There appeared to be a substantial sum on client account and having ascertained that no money was due to Mr. Wace, decided to pay the money to the client. He requisitioned a cheque but when it arrived at his desk he again looked at the file and realised that his firm was probably owed fees of several hundred pounds in connection with the collection of the debt. Instead in accordance with his firm's accepted practice he arranged to put the money into a building society account. At the time he opened the account he had absolutely no intention of borrowing or using any of the money.

35. At that time the respondent's own personal finances were strained and on 11th February 1991 he planned to see the firm's Bank Manager with a view either to extending his own overdraft or extending the firm's overdraft. His idea had been to go to the partners to ask for permission to make a special drawing on the firm's overdrawn account. The Bank Manager made it clear that the firm's overdraft could not be extended. The respondent did not following that decision ask for an extension of his own overdraft because to have done so would have meant disclosing the state of his own finances and that of the partnership. The respondent had a number of pressing bills to pay for medical expenses for his son who was an epileptic. The respondent accepted that faced with pressing demands and apparent inability to meet those demands over the period between February and April 1991 he withdrew sums of money from the Building Society account opened in the name of Mr. K. He had not intended to use that money for his own purpose and invited the Tribunal to consider the fact that he had not withdrawn the money in one lump sum. He used the money to pay a number of small bills and said that it was his intention always to borrow the money on the basis that he would repay it as soon as possible.

36. The respondent believed he had made it clear in correspondence that at least part of the money in the Building Society account was money to which the respondent and his partners were entitled as profit costs. He had however accepted advice that until the bill was delivered and the money was transferred from the Building Society account in settlement of that bill then the money remained technically client account money. In the submission of the respondent both Mr. Wace and the client accepted that they had received all monies due to them.

37. As soon as the allegation had been put to the respondent in June 1991, the respondent made arrangements through his wife for the sum to be repaid with immediate effect.

38. In connection with the matter of Mrs. P the respondent said that the sum retained on account of costs pending a Legal Aid taxation was, in accordance with the normal practice referred to before, deposited in an account with Cheltenham & Gloucester Building Society. The respondent accepted that subsequently he withdrew a total of £1,295.00 and that the various withdrawals made had been so made without the knowledge or approval of the respondent's former partners.

39. The respondent was of the view that of the sum retained some if not all of the money was due to Messrs. Wace Morgan as profit costs, again he had to accept that until any bill was delivered the sum in that account technically remained client money. When the respondent took the money it was always his intention to repay and again the money was taken against the background of monies due to the firm and the respondent's own particular difficult financial circumstances.

40. With regard to Mrs. H, the respondent confirmed that he had acted for her and had negotiated an agreed settlement. The respondent said that the sum of £27,000.00 was invested in accordance with Mrs. H's instructions and the balance of £3,000.00 was invested in an account with Cheltenham and Gloucester Building Society. The respondent accepted that he had written to Mrs. H on 15th September 1987 which letter made it clear that the sum of £3,000.00 had been invested with a building society. The respondent believed that he fairly explained the position to Mrs. H and in fact sent her a cheque for £1,000.00 meaning that the sum retained by his firm was £2,000.00 on account of costs.

41. The respondent accepted that he subsequently made withdrawals from that account for his own use without the knowledge or permission of the client, he accepted that he owed the sum of £2,207.00.

42. The respondent was asked to leave the partnership on 14th June 1991. He attended at his office without warning of what was to happen and whilst he was engaged in conversation with one of his partners, another partner let down the tyres on his leased car. His car keys were taken and he was "frog-marched" out of the office in full view of the partners, staff and clients. The car had been parked on a public street and the action of letting down the car tyres had been undertaken in full view of members of the public. The respondent knew that what had happened had quickly become public knowledge in Shrewsbury and the respondent still suffered nightmares about the events of that morning. He accepted responsibility for what he had done, but the actions of his former partners that morning had stripped him of any dignity.

43. The respondent said he could only describe his leaving the partnership as a form of bereavement. He had been involved in the firm since 1973 and never imagined that he would leave the partnership in the manner in which he did. He accepted the need of his former partners to protect their own interests but still found some of their actions difficult to accept. The respondent said that after he left the partnership he decided to try to maintain himself by continuing to work as a Deputy District Judge and also to undertake agency work for the Crown Prosecution Service. He was professionally advised that while the matter was before the Solicitors Complaints Bureau, it was private and as a holder of a Practising Certificate he could undertake work. One of the respondent's former partners wrote and informed the Lord Chancellor's Department of the circumstances of his leaving the partnership, as a result of which the respondent was suspended from his duties as a Deputy District Judge.

44. The respondent began to work as an agent for the Crown Prosecution Service following an approach made to him in October 1991 by the Branch Area Prosecutor. He worked for about one month until the Branch Prosecutor informed him that he had been contacted by one of the respondent's former partners who had made known the circumstances of the respondent leaving the firm. As a result he was no longer able to work as a Crown Prosecution Service Agent.

45. At the beginning of January 1992 the respondent had been approached by a reporter from a local newspaper who told the respondent that he had been informed by a member of his firm that the respondent faced serious charges involving clients money and he wanted to give the respondent an opportunity to comment before he ran the story. The respondent had been devastated. The respondent told the reporter the exact position and the story was not run.

46. The allegations against the respondent had also been reported on two separate occasions to the County Council. The Chief Executive had been informed that the respondent had been dismissed and also the Chairman of the County Council.

47. In July 1992 the County solicitor had been telephoned by one of the respondent's former partners who was informed that the respondent's case had been referred to the Disciplinary Tribunal.

48. All of these actions on the part of the respondent's former partners caused him considerable embarrassment, alarm and distress.

49. Whilst the respondent accepted that he had borrowed what was technically clients' money which he was not entitled to do, he had suffered serious financial loss as the result of his actions. He had lost the share of fees which he would have received in the period June 1991 to October 1992. He was still engaged in a dispute with his former partners over the firm's accounts. He believed that a substantial sum stood to his credit in the capital account but draft accounts had been delivered to him which had been prepared in such a way to show his capital as being in deficit to the sum of £23,000.00. That was not because of any irregularities. It was because of disputes concerning such matters as the value of work in progress, the value of the firm's library and the fact that having repossessed his firm's car, the former partners kept it for a year and then purported to charge the respondent £7,000.00 for that year's leasing costs. The respondent had also to suffer petty losses such as, for example, when the firm without warning stopped his

petrol account at a local garage, after he left them: he went in to pay a petrol bill and was asked by a member of the garage staff why he had left the firm.

50. The respondent's wife's car insurance was cancelled without warning or reference to the respondent, as was his private health insurance. That in itself caused considerable distress as the health cover extended to the respondent's son who was receiving treatment for epilepsy. For some time the insurance company stated that the policy had lapsed and the respondent would have to commence a fresh policy and his son would not be covered. After considerable pressure the respondent had happily been able to negotiate a continuation of the policy.

51. The respondent had been appointed trustee for a Barrister who had practised in Chester and had died in 1982. He gladly accepted her request to act as trustee and did so until 14th June 1992. On 15th June 1992 he had been telephoned by the Barrister's brother and co-trustee who said he had been contacted by one of the respondent's former partners and had been informed that the respondent had left the firm because of a serious breach of trust. The respondent explained the position to his co-trustee who subsequently rang back to state that whilst he wanted the respondent to continue as a trustee he felt that he had no alternative but to change solicitors completely and felt that it would be best if the respondent were to retire as trustee. The respondent agreed to do so but felt very depressed at having let down his Barrister friend.

52. The respondent was forty-six years of age, married, but separated from his wife. There were three children of the marriage. The respondent was still supporting the youngest of the children financially.

53. The respondent had obtained employment on a temporary basis as a company secretary with a small limited company for which he worked one and one-half days per week for a very modest salary. He also had obtained a consultancy with Central Law Training and specialised in legal training relating to Local Government Law. As part of his employment with that firm he was provided with a car and was paid a modest salary. That was also a temporary position.

54. The respondent was a Councillor for Shropshire County Council and had represented a Shrewsbury ward since 1981. Prior to that he had been Parish Councillor for a Parish on the outskirts of Shrewsbury.

55. The respondent had been leader of Shropshire County Council since April 1988. In addition to the leadership of the Council he also held the Chairmanship of the Policy and Resources Committee. Before that he was Chairman of the Leisure Services Committee for three years. The Policy and Resources Committee was the major Council Committee and established the Council's broad policy. It was also required to set and oversee the Council's budget and the budget for the then current financial year was set at £250 million.

56. The respondent was also a trustee of the Shropshire County Council Employees Pension Fund with the value of the Fund standing at approximately £200 million.

57. From 1983 to 1989, when he resigned through pressure of work, the respondent was a founder Director of the Shropshire Hospice. That was an unpaid position which involved many hours of voluntary work culminating in 1989 with the successful opening of the hospice.

58. For many years, the respondent had been the Honorary Solicitor to the Shrewsbury Citizens Advice Bureau. That had involved him in many hours of unpaid work on behalf of the community.

59. Initially when the respondent became leader of Shropshire County Council, there was no salary for that position but subsequently the Government introduced legislation that permitted the payment of salaries to Council leaders. The respondent received a salary of £5,000.00 per annum from May 1991 and in addition received attendance allowances for attending various Committee meetings. His duties increased when he became leader.

60. The respondent had informed the Council's Chief Officer and the Secretary of his Political Party of the proceedings pending against him. He had already decided to stand down from Council duties at the election in May 1993 as the possible outcome of the disciplinary proceedings, the respondent had decided to resign his Council duties and his seat as a Councillor with immediate effect. He was also of the opinion that he would be unable to continue to work for Capital Office Systems Limited and Central Law Training if his ability to practice were removed.

61. Although the respondent remained separated from his wife she had supported him. Their former home had been sold at a reduced sum and his former wife claimed the net equity in the property. The respondent was able to understand her claim as the fact that the house had to be sold on disadvantageous terms was the respondent's fault and not hers.

62. Since the allegations had come to light in June 1991 the respondent had had to live with the probability that the proceedings would culminate in an appearance before the Disciplinary Tribunal and that his entire practising life would be at stake.

63. The respondent fully accepted that he had let himself down, he had let his partners down and that he had let down the solicitors' profession. The respondent maintained that he only borrowed the money, which he always intended to repay. He had striven as best he could since 14th June 1991 to rebuild his life.

64. The respondent bitterly regretted what he had done and offered to his clients, his former partners and the Tribunal his deepest apologies.

The Tribunal FIND the allegation to have been substantiated, indeed it was not contested. The respondent had taken for his own use small sums of money. It was fortunate, and the Tribunal accepted, that no clients had suffered loss. The Tribunal has paid heed to the argument of the respondent that there were outstanding billable costs and accept that to some extent this mitigates the fact that the respondent had taken for his own purposes clients' money. There was no doubt that in the technical sense such money was clients' money and the Tribunal are able to give weight to the respondent's explanation. It is, however, not acceptable for a partner to take for his own use monies which were properly destined to be included in the fees earned by the partnership. The Tribunal perceive that there was within the partnership a considerable clash of personalities. The respondent was doubtless ambitious, dominating and aggressive. There was no doubt that he had done much good work. He entered partnership with partners who perhaps did not appreciate his drive, dynamism and business acumen. Of course, as the respondent himself indicated, the proper solution would have been

to withdraw from the partnership and seek an association with other partners or firm which matched his own views in such matters. It had to be said that the behaviour of the respondent's former partners following his ejection from the partnership did little to serve the good reputation of the solicitors' profession and could not do otherwise than evoke a degree of sympathy for the respondent.

The respondent's professional and public life was in shreds. Before appearing before the Tribunal, the respondent had already been made to suffer to a very considerable degree. The respondent's behaviour had been, of course, unacceptable. It was clear that he had been under pressure which, although to a certain extent he had placed upon himself, had been considerable. The Tribunal was impressed by the testimonial letters offered in support of the respondent.

It is because this respondent has already suffered to a very great degree that the Tribunal has in these exceptional circumstances decided to treat him with an unusual degree of leniency. Although the Tribunal gave grave and deep consideration to making an Order which would deprive the respondent of his ability to practise, they have decided in this case to impose a financial penalty. The Tribunal ORDER that the respondent, Anthony Freudmann of Shrewsbury, Shropshire, solicitor, do pay a fine of £5,000.00 such penalty to be forfeit to Her Majesty the Queen and they further Order that he do pay the costs of and incidental to this application and enquiry, such costs to be taxed by one of the Taxing Masters of the Supreme Court in the absence of agreement between the parties.

DATED AND FILED WITH THE LAW SOCIETY
this 21st day of January 1993

on behalf of the Tribunal

[redacted]

A.J.C. Paines
Chairman

Companies House SJH_11

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RIVEROAK MSE LIMITED (11720590)

Company status **Active**
Correspondence address **Calder & Co, 16 Charles Ii Street, London, United Kingdom, SW1Y 4NW**
Role Active **Director**
Appointed on **10 December 2018**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Airport Director**

RIVEROAK FUELS LIMITED (11535715)

Company status **Active**
Correspondence address **Calder & Co, 16 Charles Ii Street, London, United Kingdom, SW1Y 4NW**
Role Active **Director**
Appointed on **24 August 2018**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Airport Director**

RIVEROAK OPERATIONS LIMITED (10311804)

Company status **Active**
Correspondence address **50 Broadway, Westminster, London, United Kingdom, SW1H 0BL**
Role Active **Director**
Appointed on **4 August 2016**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Airport Director**

RIVEROAK MANSTON LIMITED (10286975)

Company status **Active**
Correspondence address **50 Broadway, Westminster, London, United Kingdom, SW1H 0BL**
Role Active **Director**
Appointed on **19 July 2016**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Airport Director**

RIVEROAK AL LIMITED (10269458)

Company status **Active**
Correspondence address **50 Broadway, Westminster, London, United Kingdom, SW1H 0BL**
Role Active **Director**
Appointed on **8 July 2016**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Airport Director**

RIVEROAK STRATEGIC PARTNERS LIMITED (10269461)

Company status **Active**
Correspondence address **50 Broadway, Westminster, London, United Kingdom, SW1H 0BL**
Role Active **Director**
Appointed on **8 July 2016**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Airport Director**

ANNAX AVIATION LIMITED (08576648)

Company status **Dissolved**
Correspondence address **15 Lings Coppice, London, SE21 8SY**
Role **Director**
Appointed on **20 June 2013**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Company Director**

ANNAX AVIATION AIRPORTS LIMITED (08575369)

Company status **Dissolved**
Correspondence address **15 Lings Coppice, London, SE21 8SY**
Role **Director**
Appointed on **19 June 2013**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Director**

SDCI LIMITED (07959698)

Company status **Dissolved**
Correspondence address **75 Brook Street, London, England, W1K 4AD**
Role **Director**
Appointed on **22 February 2012**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Direcotr**

UPMINSTER TRAVEL LIMITED (03190152)

Company status **Dissolved**
Correspondence address **15 Lings Coppice, London, SE21 8SY**
Role **Director**
Appointed on **19 January 2009**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Travel Industry Consultant**

TRAVEL CLUB LIMITED(THE) (00517063)

Company status **Dissolved**
Correspondence address **15 Lings Coppice, London, SE21 8SY**
Role **Director**
Appointed on **19 January 2009**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Travel Industry Consultant**

UNPACKAGED HOLIDAYS LIMITED (02439664)

Company status **Dissolved**
Correspondence address **15 Lings Coppice, London, SE21 8SY**
Role **Director**
Appointed on **17 November 2006**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Travel & Aviation Consultant**

FREUDMANN TIPPLE INTERNATIONAL LIMITED (05429140)

Company status **Active**
Correspondence address **Calder & Co, 16 Charles Ii Street, London, SW1Y 4NW**
Role Active **Director**
Appointed on **19 April 2005**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Airport Director**

FREUDMANN LIMITED (04352403)

Company status **Active**
Correspondence address **15 Lings Coppice, London, SE21 8SY**
Role Active **Director**
Appointed on **21 January 2002**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Airport Director**

ACTIVE ENERGY LIMITED (06572070)

Company status **Liquidation**
Correspondence address **15 Lings Coppice, London, SE21 8SY**
Role Resigned **Director**
Appointed on **4 March 2009**
Resigned on **4 February 2011**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Travel Industry Consultant**

LOCATE IN KENT LIMITED (03230721)

Company status **Active**
Correspondence address **15 Lings Coppice, London, SE21 8SY**
Role Resigned **Director**
Appointed on **30 September 1997**
Resigned on **22 February 2002**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Director**

BELLSTONE HALL COMPANY LIMITED (00272836)

Company status **Dissolved**
Correspondence address **15 Lings Coppice, London, SE21 8SY**
Role Resigned **Director**
Appointed before **31 May 1991**
Resigned on **12 May 1994**
Nationality **British**
Country of residence **United Kingdom**
Occupation **Solicitor**

BRITISH GAS HOUSING SERVICES LIMITED (01571833)

Company status **Dissolved**

Correspondence address **15 Lings Coppice, London, SE21 8SY**

Role Resigned **Secretary**

Appointed before **31 May 1992**

Resigned on **5 May 1993**

Nationality **British**

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SJH_12

Companies House

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TRAVEL CLUB LIMITED(THE)

Company number **00517063**

Registered office address
PO Box 60317, 10 Orange Street, Haymarket, London, WC2H 7WR

Company status
Dissolved

Dissolved on
20 February 2013

Company type
Private limited Company

Incorporated on
12 March 1953

Accounts

Last accounts made up to **31 October 2008**

Annual return

Last annual return made up to **14 June 2010**

Nature of business (SIC)

- 6330 - Travel agencies etc; tourist

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Companies House

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Search for companies or officers

UNPACKAGED HOLIDAYS LIMITED

Company number **02439664**

Registered office address
GRIFFINS, Tavistock House South Tavistock Square, London, WC1H 9LG

Company status
Dissolved

Dissolved on
8 May 2016

Company type
Private limited Company

Incorporated on
3 November 1989

Accounts

Last accounts made up to **31 October 2007**

Annual return

Last annual return made up to **3 November 2007**

Nature of business (SIC)

- 6330 - Travel agencies etc; tourist

Previous company names

Name	Period
CULTURE CRAFT LIMITED	03 Nov 1989 - 09 Jan 1990

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