

SHOREHAM AIRPORT JOINT COMMITTEE

3.00pm - 24 SEPTEMBER 2004

SHOREHAM AIRPORT

MINUTES

Present:

Brighton & Hove City Council Representatives: Councillor Turner (Chair);
Councillors Peltzer Dunn (Deputy Chair), Hamilton, Meegan, Taylor, and Young

Worthing Borough Council Representative: Councillor Green (Deputy Chair)

Also in attendance:

Adur District Council Observer: Councillor Mockridge
The Airport: John Haffenden, Airport Manager and Shirley Hobden, Accounts Assistant

Brighton & Hove City Council: Catherine Vaughan, Airport Treasurer; Peter Wright, Principal Accountant; David Fleming, Assistant Director Major Projects, Procurements and Venues, Bob Bruce, Principal Solicitor and Lisa Johnson, Committee Administrator

Cluttons: David Healey, Consultant Valuer to the Airport

PART ONE

ACTION

14. APOLOGIES FOR ABSENCE

14.1 Apologies were received from Councillor Williams (West Sussex County Council) and Ros Howell, Aviation Strategist (West Sussex County Council).

15. Declarations of Interest

15.1 There were no declarations of interest in respect of any item appearing on the agenda.

16. MINUTES – PART 1 MINUTES OF THE MEETING HELD ON 25 JUNE 2004

16.1 It was noted that the representative for Worthing Borough Council, and Deputy Chair of Shoreham Airport Joint Committee,

would be Councillor Green not Councillor Mercer.

16.2 **RESOLVED** - That the minutes of the meeting held on 25 June 2004 be approved and signed by the Chair.

17. AIRPORT MANAGER'S GENERAL REPORT AND OPERATIONAL ACTIVITY FIGURES

Number of Air Movements

17.1 The Airport Manager referred to the latest updated operational activity figures which had been circulated to Members for information (for copy see minute book).

17.2 The Airport Manager stated that the number of aircraft movements had been lower this year. The decrease was mainly due to fewer 'touch and go' training flights, which was a trend reflected nationally and probably due to flying being less popular as a hobby. However, the numbers of scheduled flights were good and the operators were pleased with the number of movements. The number of flights for both European Executive and Rockhopper had been in line with the figures given in their business plans.

17.3 The Airport Manager informed the Joint Committee that it was unlikely that the number of controlled movements would be exceeded this year.

17.4 Councillor Young asked whether the Operational Activity figures included helicopter movements, and if whether future figures could provide a breakdown of the number of helicopter, single engined and twin engined crafts. The Airport Manager confirmed that the figures did include helicopter flights and that future operational activity data would provide separate figures for helicopter, single and twin engined crafts.

**Airport
Manager**

General issues

17.5 The Airport Manager confirmed that the Annual Airshow, which had been held on the August Bank Holiday weekend, had been a success this year. The show next year would be held during the first weekend in September.

17.6 Councillor Young asked whether it would be possible to commemorate the work of Denis Kenyon, a helicopter pilot, who was due to take part in his 400th Airshow and who would soon be retiring. The Airport Manager confirmed that Denis Kenyon provides a scholarship each year for young people to train for a helicopter pilots licence. The Airport Manger would consider this.

**Airport
Manager**

17.7 The Airport Manager confirmed that a fair and firework display

would be held at the airport on 27 October 2004. This would be held at no financial cost to the airport.

17.8 The Airport Manager informed the Joint Committee that the airport was now an official re-cycling centre for Adur District Council.

17.9 **RESOLVED** – That the Airport Manager's report be noted.

18. SASIG (STRATEGIC AVIATION SPECIAL INTEREST GROUP)

18.1 The Committee noted the document from SASIG, which set out the benefits of SASIG membership.

18.2 It was established that at the meeting held on 25th June 2004, it had been agreed to renew the current membership of SASIG but to consider the benefits of the group before agreeing to renew the membership for the following year. The membership cost £585 per annum. It was felt that with the various proposals for the future of the airport it would be useful to seek the advice of SASIG if it were available under the terms of the membership. The matter will be monitored.

18.4 **RESOLVED** – That the SASIG would be used for advice on proposals for the airport and the membership would be monitored this year.

19. SHOREHAM AIRPORT STATEMENT OF ACCOUNTS 2003/04

19.1 The Committee considered the report of the Airport Treasurer.

19.2 It was confirmed that the Statement of Accounts had already been agreed by Brighton & Hove City Council's Policy & Resources committee and by Worthing Borough Council's Cabinet. The Accounts have already been signed off by the Chair of the City Council's Policy & Resources Committee.

19.3 The Committee noted that there was provision for Doubtful Debts of £20,313. The Airport Manager said that these debts were often incurred when a business ceased trading and the airport has no ability to recover the debt. The debt was rarely from unpaid rent, and was more likely to be from unpaid fuel bills as it was difficult to get security for fuel. The Airport Manager confirmed that the airport would shortly be changing the procedure for paying for fuel, which would reduce the time between being supplied with fuel and having to pay for it.

19.4 The Committee noted that there was a surplus of £116,152. Councillor Taylor asked how it was justifiable to borrow on capital investment just because it could be afforded, and would the airport not be exposed if the interest rates rose? The Airport Treasurer confirmed that most of the airport's outstanding debt was at fixed

rates of interest for about twenty years. The airport was getting additional income from rent, which increased with each rent review, and also from new scheduled services, which could support the debt financing costs and ensure the new borrowing was prudent. Councillor Taylor was concerned that the outstanding debt was being increased each year. The Airport Treasurer confirmed that the airport capitalised additional health and safety expenditure in 2003/04 to build up its general reserves to fund the consultancy costs for procurement in the event that no private sector partner could be found. The Committee were concerned that the reduction in air movements could have an affect on the airport's income. The Airport Manager confirmed that the drop in movement was from fewer 'touch and go' training flights, but there had not been a big reduction in 'normal' movements. There had been an increase in the number of ten seater planes which brought in a higher level of income for the airport than that generated by a smaller plane used for training flights. Income should not be affected.

19.5 **RESOLVED** – (1) That the owning councils to approve the Statement of Accounts for 2003/04 and note that these are subject to audit.

(2) That the net surplus for the Airport is £116,152, compared with a budgeted surplus of £11,000 be noted.

(3) That the owning councils agree that this surplus be transferred to the Airport's General Reserves.

(4) That the requirements of the Accounts and Audit Regulations 2003 for continuing earlier approval and publication dates in future years be noted.

20. FORECAST OUTTURN 2004/05 AT MONTH 5

20.1 The Committee considered the report of the Airport Manager

20.2 **RESOLVED** – That the forecast revenue outturn, showing an estimated surplus of £29,00 compared with the budgeted surplus of £25,000 be noted.

SUMMARY ON NON-PUBLIC ITEMS

21. Shoreham Airport Pay Award 2004 to 2006 – Exempt Category 1 & 11

21.1 The Joint Committee noted the report of the Airport Treasurer.

22. Retirement, Redundancy and Other Compensation

22.1 The Joint Committee considered a report of the Airport

Treasurer and the Human Resources Adviser to the Airport and agreed to adopt the revised early retirement policy.

23. No. 1 Hangar – Exempt Category 9

23.1 The Joint Committee considered a report of the Consultant Valuer to the Airport and agreed the grant of a lease

24. Development of Plot 9 (29 Cecil Pashley Way)

24.1 The Joint Committee considered a report of the Consultant Valuer to the Airport and agreed to uplift on the ground rent payable.

25. Minutes – Part 2 Minutes of the meeting held on 25 June 2004

25.1 The minutes were agreed.

The meeting concluded at 4.25 pm

Signed

Chair

Dated this

day of

2004