### STATUTORY INSTRUMENTS

# 2011 No. 2491

# The Airport Charges Regulations 2011

# PART 1

### Preliminary

#### Citation, commencement and extent

**1.**—(1) These Regulations may be cited as the Airport Charges Regulations 2011 and they come into force on 10th November 2011.

(2) A provision of these Regulations which amends, applies or otherwise modifies an enactment or subordinate legislation has the same extent as that enactment or subordinate legislation.

#### Duty to review

2.—(1) Before the end of each review period, the Secretary of State must—

- (a) carry out a review of the provisions of these Regulations other than the provisions inserted by Parts 7 and 8 of these Regulations,
- (b) set out the conclusions of the review in a report, and
- (c) publish the report.

(2) In carrying out the review the Secretary of State must, so far as is reasonable, have regard to how the Airport Charges Directive (which is implemented by means of these Regulations) is implemented in other member States.

(3) The report must in particular—

- (a) set out the objectives intended to be achieved by the regulatory system established by these Regulations,
- (b) assess the extent to which those objectives have been achieved, and
- (c) assess whether those objectives remain appropriate and, if so, the extent to which they could be achieved with a system that imposes less regulation.
- (4) "Review period" means—
  - (a) the period of five years beginning with 10th November 2011, and
  - (b) subject to paragraph (5), each successive period of five years.

(5) If a report under this regulation is published before the last day of the review period to which it relates, the following review period is to begin with the day on which that report is published.

#### Interpretation

**3.**—(1) In these Regulations—

- "the 1986 Act" means the Airports Act 1986 M1;
- "the 1994 Order" means the Airports (Northern Ireland) Order 1994 M2;

"airport" means the aggregate of the land, buildings and works comprised in an aerodrome within the meaning of the Civil Aviation Act 1982<sup>M3</sup>;

"airport charges" means, in relation to an airport, charges levied on operators of aircraft in connection with the landing, parking or taking off of aircraft at the airport (including charges that are to any extent determined by reference to the number of passengers on board the aircraft) but excluding excepted charges (see paragraph (2));

"the Airport Charges Directive" means Directive 2009/12/EC of the European Parliament and of the Council of 11th March 2009 on airport charges <sup>M4</sup>;

"airport operator" means the person for the time being having the management of an airport or, in relation to a particular airport, the management of that airport;

"airport user" means, in relation to any airport, a person responsible for the carriage of passengers, mail or freight by air to or from the airport;

"the CAA" means the Civil Aviation Authority;

"Eurostat" means the statistical office of the European Union;

"operator", in relation to an aircraft, means the person for the time being having management of the aircraft;

"a passenger movement" has the same meaning as in the Airport Charges Directive;

"regulated airport" has the meaning given in regulation 4;

"regulated airport operator" means a person for the time being having the management of a regulated airport or, in relation to a particular regulated airport, the management of that airport;

"year" means a calendar year.

- (2) For the purposes of the definition of "airport charges", excepted charges are
  - (a) penalties payable by virtue of section 38C<sup>M5</sup> of the Civil Aviation Act 1982 (breach of noise control scheme);
  - (b) penalties payable by virtue of section 78A <sup>M6</sup> of the Civil Aviation Act 1982 (penalty schemes established by managers of aerodromes);
  - (c) charges payable for services provided for airport users as described in the Annex to Council Directive 96/67/EC of 15th October 1996 on access to the groundhandling market at Community airports<sup>M7</sup>;
  - (d) charges payable by virtue of section 73 of the Transport Act 2000 <sup>M8</sup> (charges for chargeable air services);
  - (e) charges referred to in Regulation (EC) No. 1107/2006 of the European Parliament and of the Council of 5th July 2006 which are levied for the funding of assistance to disabled passengers and passengers with reduced mobility <sup>M9</sup>; and
  - (f) charges for en route and terminal air navigation services determined in accordance with Chapter III of Commission Regulation (EC) No. 1794/2006 of 6th December 2006 laying down a common charging scheme for air navigation services <sup>M10</sup>, as amended by Commission Regulation (EU) No. 1191/2010 of 16th December 2010 <sup>M11</sup>.

#### **Marginal Citations**

M1 1986 c. 31.

**M2** S.I. 1994/426 (N.I. 1).

**M3** 1982 c. 16.

**M4** OJ L 70, 14.03.09, p.11.

M5 Sections 38A to 38C were inserted by the Civil Aviation Act 2006 (c. 34), s. 4.
M6 Section 78A was inserted by the Civil Aviation Act 2006, s. 3.
M7 OJ L 272, 25.10.96, p. 36.
M8 2000 c. 38.
M9 OJ L 204, 26.07.06, p. 1.
M10 OJ L 341, 07.12.06, p. 3.
M11 OJ L 333, 17.12.10, p. 6.

# PART 2

### Regulated airports

#### **Regulated airports**

**4.**—(1) An airport is a regulated airport during a year if more than five million passenger movements took place at the airport in the year but one preceding that year.

(2) The fact that an airport ceases to be a regulated airport does not affect any rights or liabilities accruing by virtue of these Regulations before the airport ceased to be such an airport.

### Reporting

**5.**—(1) An airport operator in relation to an airport must inform the CAA in writing of the number of passenger movements at the airport during a year if—

- (a) the airport was a regulated airport during that year, or
- (b) the CAA has given notice that this regulation applies in relation to that airport and that year.

(2) Notice under paragraph (1)(b) in relation to an airport must be given to the person who is for the time being the airport operator in relation to the airport.

(3) The CAA may not give notice under paragraph (1)(b)—

- (a) in relation to 2010, after 30th November 2011, or
- (b) in relation to any other year, after 30th November in that year.

(4) The CAA may not give a notice under paragraph (1)(b) in relation to an airport and a year unless it considers that, during at least one of the three years following that year, more than five million passenger movements may take place at that airport.

(5) Subject to paragraph (6), the airport operator must comply with paragraph (1) before 1st February in the following year.

(6) Where notice has been given in relation to 2010, the airport operator must comply with paragraph (1) before 31st December 2011.

(7) Subsections (3) and (4) of section 73 of the 1986 Act (offences of failing to furnish information and furnishing false information) have effect in relation to a requirement under paragraph (1) as if it were a requirement of a notice under subsection (1) of that section.

(8) Paragraphs (3) and (4) of Article 48 of the 1994 Order (offences of failing to furnish information and furnishing false information) have effect in relation to a requirement under paragraph (1) as if it were a requirement of a notice under paragraph (1) of that Article.

#### Publication

**6.**—(1) The CAA must by 31st January 2012 or as soon after as practicable publish a list of the airports which it considers are regulated airports in 2012.

(2) The CAA must by 1st March of each year or as soon after as practicable publish a list of the airports which it considers will be regulated airports the following year.

(3) The CAA may amend and re-publish any list published in accordance with this Regulation.

(4) Where there is an apparent inconsistency between information provided under regulation 5 and the most recent relevant figures produced by Eurostat, the CAA must consider whether it requires additional information from an airport operator in order to produce or amend any such list.

## PART 3

#### Consultation about airport charges and services

#### Advance information from airport users

7.—(1) A regulated airport operator must give a notice to all airport users in relation to the regulated airport it manages each year in accordance with this regulation.

(2) A notice must require the airport user to provide the following information to the regulated airport operator within a period specified in the notice of not less than 30 days beginning with the day on which the airport user receives the notice—

- (a) forecasts as regards its traffic at the airport,
- (b) forecasts as to the composition and envisaged use of its fleet at the airport,
- (c) its development projects at the airport, and
- (d) its requirements at the airport.

(3) A notice must invite the airport user to make representations or provide any other information to the regulated airport operator as to the system or level of airport charges and the associated quality of service.

(4) On receipt of a notice under paragraph (1) an airport user must provide to the regulated airport operator the information required under paragraph (2) in so far as is relevant to it.

#### Annual consultations

**8.**—(1) A regulated airport operator must supply to all airport users in relation to the regulated airport it manages—

- (a) details of its intended future airport charges,
- (b) details of the associated quality of service it intends to provide, and
- (c) information on the components serving as a basis for determining the system or level of all charges proposed, including the matters set out in paragraph (2).
- (2) The matters are—
  - (a) a list of the various services and infrastructure provided in return for the airport charges levied,
  - (b) the methodology used for setting airport charges,
  - (c) the overall cost structure of the airport with regard to the facilities and services to which airport charges relate,
  - (d) details of the revenue from the different components of airport charges and the total costs of the associated services or facilities,
  - (e) any financing provided by a public authority in connection with the facilities and services to which airport charges relate,

- (f) forecasts for the charges, traffic growth and proposed investments at the airport,
- (g) the details of the actual use of the airport infrastructure and equipment over at least the previous 12 months, and
- (h) the predicted outcome of any major proposed investments in terms of their effect on airport capacity.

(3) A regulated airport operator must fulfil its obligation under paragraph (1) once a year within three months of giving notices to airport users in accordance with regulation 7.

(4) After supplying information in accordance with paragraph (1) the regulated airport operator must, in so far as practicable, hold consultations with the airport users on its intended future airport charges and the associated quality of service.

#### Proposals to change airport charges

**9.**—(1) If a regulated airport operator intends to change the system or level of airport charges or the quality of service associated with an airport charge at an airport that it manages it must give a notice in accordance with this regulation at least four months before the change has effect.

(2) The obligation to give a notice no later than four months before making a change does not arise where there are exceptional circumstances making this not practicable and in such circumstances paragraph (3) applies.

(3) Where this paragraph applies the regulated airport operator must—

- (a) explain the exceptional circumstances to the airport users and the CAA, and
- (b) give a notice in accordance with this regulation as soon as practicable and before the intended changes are made.

(4) A notice under this regulation must be given to each person who is an airport user in relation to the airport.

(5) The notice must—

- (a) identify the time from which the change is intended to have effect, and
- (b) provide information on the components serving as a basis for determining the system or level of airport charges for which a change (including a change to the quality of the associated service) is proposed, including the matters set out in regulation 8(2)(a) and (b).

(6) After giving notices under this regulation the regulated airport operator must, in so far as practicable, hold consultations with the airport users on its intended changes.

(7) The obligations in this regulation may be satisfied as part of or in conjunction with the satisfaction of obligations under regulation 8.

#### Agreements not to require consultation etc.

**10.** The obligations under regulations 7 and 8 do not arise in relation to a particular year if in the preceding year this was agreed by the regulated airport operator and all airport users in relation to the airport.

#### **Multi-annual agreements**

**11.**—(1) This regulation applies where the system or level of one or more airport charges (and the associated quality of service) in relation to a regulated airport is determined for more than 12 months by or in accordance with an agreement between the regulated airport operator and all the airport users in relation to that airport ("a multi-annual agreement").

(2) Subject to paragraph (3), where this regulation applies the obligations which would otherwise arise under this Part do not arise in respect of the system or level of an airport charge (and the associated quality of service) for as long as they are determined by the multi-annual agreement.

(3) The Secretary of State may direct any regulated airport operator in Great Britain and the Department for Regional Development may direct any regulated airport operator in Northern Ireland to consult in respect of the system or level of airport charges (or the associated quality of service) at the relevant airport where they are the subject of a multi-annual agreement.

(4) Directions under paragraph (3) may include directions as to the matters to be consulted on and the procedures to be followed.

(5) A regulated airport operator must consult in accordance with any direction given to it under this regulation.

#### Service level agreements

**12.**—(1) The obligations under regulations 7 and 8 do not arise in respect of an airport user where paragraph (2) applies in the context of negotiations conducted with a view to the conclusion of a service level agreement.

(2) This paragraph applies where a regulated airport operator and an airport user provide information of equivalent detail, and consult each other to an equivalent degree, as they otherwise would have done in accordance with regulations 7 and 8.

(3) For the purposes of paragraph (1), a "service level agreement" is an agreement determining the quality of service to be provided by an airport operator which takes into account the actual system or level of airport charges and the quality of service to which airport users are entitled in return for airport charges.

### PART 4

### Setting airport charges and providing differentiated services

#### **Setting of charges**

**13.**—(1) Before deciding to continue or change the system or level of airport charges or the associated quality of services at an airport that it manages, a regulated airport operator must have regard to any representations (including objections) made by airport users consulted under regulations 7 to 9 or in circumstances in which regulation 12(2) applies.

(2) A regulated airport operator must publish details of any change to the system or level of airport charges or to the associated quality of services provided at an airport that it manages—

- (a) if practicable, before the beginning of the period of two months ending with the day on which the change takes effect, and
- (b) if not, as soon as practicable after the beginning of that period.

(3) Where any airport user gives notice to the relevant regulated airport operator that it objects to any changes proposed, the operator must provide to that person any reasons it has for disagreeing with views on those changes expressed by way of objection in that notice.

#### Basis for setting airport charges

**14.**—(1) Airport charges set by a regulated airport operator must not discriminate between airport users.

(2) Paragraph (1) does not prevent a regulated airport operator from varying airport charges for reasons relating to the public and general interest, including for reasons relating to the environment, where the criteria used for varying the charges are relevant, objective and transparent.

(3) Subject to paragraph (1), a regulated airport operator may set airport charges that differentiate between airport users provided that the reason for the differentiation is relevant, objective and transparent.

(4) For the purposes of paragraph (3), a reason may (but need not) relate to the quality, scope or costs of services associated with the airport charge.

#### **Basis for providing differentiated services**

**15.**—(1) This regulation applies where a differentiated service cannot be provided to all of the airport users in relation to a regulated airport who notify the regulated airport operator of an interest in using the service.

(2) Where this regulation applies, allocation of the differentiated service must be determined by the regulated airport operator on the basis of relevant, objective, transparent and non-discriminatory criteria.

(3) For the purpose of this regulation, where a service or facility is provided at an airport to different airport users but the service or facility provided to one or more of them differs in quality or scope, each different version of the service or facility is a "differentiated service".

# PART 5

### Penalties for failure by airport users to provide information

#### Penalties: failure of airport users to provide information

16.—(1) The CAA may impose a penalty on a person if it has determined that the person, being an airport user, is in breach of the obligation placed on it by virtue of regulation 7(4).

(2) Before imposing a penalty on a person under paragraph (1) the CAA must—

- (a) give the person a notice about the proposed penalty,
- (b) publish the notice as soon as practicable, and
- (c) (unless the notice is withdrawn) consider any representations made about the proposed penalty in a period of 21 days beginning on the day on which notice is given to the person.
- (3) A notice under subsection (1) must
  - (a) state that the CAA proposes to impose a penalty,
  - (b) state the proposed amount of the penalty, and
  - (c) specify the act or omission which the CAA has determined constitutes a breach of the obligation arising by virtue of regulation 7(4).
- (4) Before varying the proposed amount of penalty, the CAA must-
  - (a) give the person on whom the penalty is imposed a notice about the proposed variation,
  - (b) publish the notice as soon as practicable, and
  - (c) (unless the notice is withdrawn) consider any representations made about the proposed penalty in a period of 21 days beginning on the day on which notice is given to the person.
- (5) As soon as possible after imposing a penalty under paragraph (1) the CAA must—
  - (a) give a notice to the person on whom the penalty is imposed, and

- (b) publish the notice.
- (6) The notice under paragraph (5) must—
  - (a) state that the CAA has imposed the penalty,
  - (b) state the amount of the penalty,
  - (c) specify the act or omission which the CAA has determined constitutes a breach of the obligation arising by virtue of regulation 7(4), and
  - (d) specify that the penalty is to be paid within 30 days.

#### Review of penalties placed on airport users

17. Schedule 1 (review of penalties placed on airport users) has effect in respect of the imposition of a penalty by the CAA under regulation 16.

#### Further provision about penalties

**18.**—(1) The amount of penalty imposed on a person under regulation 16 or Schedule 1 must be such amount as the CAA determines to be—

- (a) appropriate, and
- (b) proportionate to the breach for which it is imposed.

(2) The maximum amount of penalty that may be imposed on a person under regulation 16 or Schedule 1 in respect of any breach is £5,000.

(3) Paragraphs (4) and (5) apply if all or part of a penalty imposed on a person is not paid within the period specified in the notice given under regulation 16(5) or paragraph 5(1) of Schedule 1.

(4) The CAA may recover the unpaid balance of a penalty as a debt due to it from the relevant person.

(5) Any sums received by the CAA by way of a penalty under these Regulations must be paid into the Consolidated Fund.

## PART 6

#### Breach of obligations by airport operators

#### Breach of obligations: duties owed to third parties

**19.**—(1) The obligation to comply with any requirement imposed on an airport operator by these Regulations is a duty owed to any person who may be affected by a contravention of that requirement.

(2) Where a duty is owed by virtue of paragraph (1), the following are actionable by a person—

- (a) any breach of the duty which causes that person to sustain loss or damage, and
- (b) any act which, by inducing a breach of that duty or interfering with its performance, causes that person to sustain loss or damage and which is done wholly or partly for the purpose of achieving that result.

(3) In any proceedings brought against any person in pursuance of paragraph (2)(a) in relation to an obligation arising under Part 3 of these Regulations it shall be a defence for that person to prove that he or she took all reasonable steps and exercised all due diligence to avoid contravening the obligation.

#### **Breach of obligations: investigations**

**20.**—(1) The CAA may investigate whether an airport operator is failing, or has failed, to comply with an obligation imposed on it by or under these Regulations.

(2) The CAA must investigate whether an airport operator is failing to comply or has failed to comply with an obligation imposed on it by or under these Regulations if it receives a complaint about such a failure from a person mentioned in paragraph (3).

- (3) Those persons are—
  - (a) a person on whom any airport charges have been levied by the airport operator at the airport (whether actually paid by that person or not), or
  - (b) another airport operator who claims that the business carried on by the operator has been or is being materially harmed by the alleged failure to comply with the obligation in question.
- (4) Paragraph (2) does not apply if the CAA considers that the complaint is frivolous.

#### **Compliance orders**

21.—(1) Paragraph (2) applies if the CAA is satisfied that—

- (a) an airport operator is failing to comply with an obligation imposed on it by or under these Regulations, or
- (b) an airport operator has failed to comply with such an obligation and is likely to do so again.

(2) The CAA may give the airport operator an order requiring it to take the appropriate steps specified in the order.

(3) In paragraph (2) "the appropriate steps", in relation to a failure to comply with an obligation, means the steps that the CAA considers appropriate for the purpose of—

- (a) securing compliance with the obligation, and
- (b) remedying any loss or damage sustained, or injustice suffered, by any person in consequence of the failure to comply with that obligation.

(4) Paragraph (5) applies if the CAA is satisfied that an airport operator has failed to comply with any obligation placed on it by or under these Regulations (but not that the operator is for the time being failing to comply with it or is likely again to fail to comply with it).

(5) The CAA may give the airport operator an order requiring it to take the appropriate steps specified in the order for the purpose of remedying any loss or damage sustained, or injustice suffered, by any person in consequence of the failure to comply with that obligation.

- (6) An order under paragraph (2) or (5)—
  - (a) must require the airport operator concerned (according to the circumstances of the case) to do, or not to do, such things as are specified in the order or are of a description so specified,
  - (b) is to take effect in respect of any requirement (according to the terms of the order) either as soon as a copy of it is served on the airport operator or at such later time as may be specified in it by the CAA, and
  - (c) may be revoked by the CAA at any time.
- (7) A copy of an order under this regulation must be served by the CAA on the airport operator.

#### Validity and enforcement of compliance orders

**22.**—(1) Section 49 of the 1986 Act (validity and effect of compliance orders) has effect in relation to an order under regulation 21(2) or (5) as if—

(a) the order were a compliance order under section 48(3)(a) or (5) of that Act, and

(b) the references in subsections (1) and (2) of that section to section 48 of that Act were references to regulation 21 of these Regulations.

(2) Article 40 of the 1994 Order (validity and effect of compliance orders) has effect in relation to an order under regulation 21(2) or (5) as if—

- (a) the order were a compliance order under Article 39(3)(a) or (5) of that Order, and
- (b) the references in paragraphs (1) and (2) of that article to Article 39 of that Order were references to regulation 21 of these Regulations.

# F1PART 7

### Designation under the Airports Act 1986 etc.

#### **Textual Amendments**

F1 Pt. 7 omitted (1.4.2014) by virtue of The Civil Aviation Act 2012 (Regulation of Operators of Dominant Airports) (Consequential Amendments) Regulations 2013 (S.I. 2013/610), reg. 1(3), Sch. 2 para. 5

# F<sup>2</sup>PART 8

#### Designation under the Airports (Northern Ireland) Order 1994 etc.

#### **Textual Amendments**

F2 Pt. 8 omitted (6.4.2013) by virtue of The Civil Aviation Act 2012 (Regulation of Operators of Dominant Airports) (Consequential Amendments) Regulations 2013 (S.I. 2013/610), reg. 1(2), Sch. 1 para. 7(a)

### PART 9

#### Miscellaneous

#### **Consultation on infrastructure plans**

**27.**—(1) This regulation applies in relation to any plans by a regulated airport operator to undertake a major infrastructure project at the airport it manages.

(2) Where this regulation applies, the airport operator must consult airport users in relation to the airport about the plans before they are finalised.

#### General duties of regulatory body

**28.**—(1) Section 39(2) and (3) of the 1986 Act (general duties) has effect, subject to paragraph (3), in relation to the performance by the CAA of its functions under these Regulations as it has effect in relation to the performance of its functions under sections 40 to 56 of that Act.

(2) Article 30(2) and (3) of the 1994 Order (general duties) has effect, subject to paragraph (3), in relation to the performance by the CAA of its functions under these Regulations as it has effect in relation to the performance of its functions under Articles 31 to 49 of that Order.

(3) The CAA must perform its functions under regulations 20 and 21 with a view to ensuring that, to the extent possible, changes to the system or level of airport charges are agreed between regulated airport operators and any airport user who would be liable to pay such charges.

(4) Where it considers it appropriate for the purpose of ensuring that, to the extent possible, such changes are agreed between such persons, the CAA must—

- (a) provide information,
- (b) provide assistance to persons who request it, and
- (c) provide advice (whether or not requested).

(5) The CAA must act impartially and (subject to any obligations of confidentiality) transparently in the exercise of its functions under these Regulations.

#### Prohibition of management, etc. of aerodromes by CAA

**29.**—(1) For section 28 of the Civil Aviation Act 1982 (management of aerodromes by CAA) substitute—

#### "28 Prohibition of management, etc. of aerodromes by CAA

28 The CAA may not own, manage or operate an aerodrome."

(2) Schedule 2 (prohibition of management of aerodromes by CAA: consequential amendments) has effect.

#### Furnishing of information, etc. to the CAA

**30.**—(1) Section 73 of the 1986 Act (furnishing of information, etc. to CAA) has effect as if the references in subsection (1) to the functions of the CAA under that Act included the functions of the CAA under these Regulations.

(2) Article 48 of the 1994 Order (furnishing of information, etc. to CAA) has effect as if the references in paragraph (1) to the functions of the CAA under Part 4 of that Order included the functions of the CAA under these Regulations.

#### Restriction on the disclosure of information

**31.** Schedule 3 (restriction on the disclosure of information) has effect.

#### **Annual report**

32. The CAA must publish an annual report concerning the exercise of its functions under—

- (a) these Regulations,
- $F^{3}(b)$  ....  $F^{3}(c)$  ....

#### **Textual Amendments**

F3 Reg. 32(b)(c) omitted (6.4.2013) by virtue of The Civil Aviation Act 2012 (Regulation of Operators of Dominant Airports) (Consequential Amendments) Regulations 2013 (S.I. 2013/610), reg. 1(2), Sch. 1 para. 7(b)

### Service of documents by the CAA

**33.**—(1) Anything requiring to be served on any person, or any notice to be given, by the CAA under these Regulations must be set out in a notice in writing which may be served or given either—

- (a) by delivering it to that person,
- (b) by leaving it at the operator's proper address, or
- (c) by post.
- (2) For the purposes of paragraph (1)—
  - (a) where the person is a body corporate the document may be served on the secretary of that body, and
  - (b) the proper address of any person is, in the case of a body corporate, the registered or principal office of that body or in any other case the last known address of the person to be served.

#### Supplementary transitional provision

**34.** An obligation imposed on an airport operator or airport user by a provision of Part 3 or 4 of these Regulations may be satisfied by action taken before 10th November 2011.

Signed by authority of the Secretary of State

Department for Transport

Theresa Villers Minister of State

# Status:

Point in time view as at 01/04/2014.

### Changes to legislation:

There are currently no known outstanding effects for the The Airport Charges Regulations 2011.