

17th February 2005

Simon Elliott
Gatwick Airline Operators Committee
Room 541 Norfolk House
South Terminal
Gatwick Airport
West Sussex
RH10 0NP

Dear Simon,

Service Quality Rebate Scheme : South Terminal Pier 3 Transit

Further to my draft note dated 31st January, this is to set out the arrangements that we have discussed and agreed regarding the South Terminal Pier 3 transit system within the Service Quality rebate scheme.

As a result of the Pier 3 Segregation project the Transit system has been systematically withdrawn in favour of a more traditional link pier with the usual range of people movers (conveyors, lifts).

We have already achieved a temporary local agreement whereby the following amendments were implemented:

- With effect from 4th August 2004 the transit train on the southern track was removed from service and the process of moving people to/from Pier 3 was met by a mix of the northern track and a coaching service. We noted at the time that we were reporting on the performance of the process that moved people to/ from Pier 3 as opposed to any one particular element.
- We agreed that we should treat the coaching service in exactly the same way as for the southern track i.e. its performance score should be added to that for the northern track, and the result divided by two to give an overall score.
- This arrangement stayed in place for 2 months (August and September) and, incidentally, the SQR scheme target was not achieved in either month, resulting in rebates.
- Through the Segregation project consultations, it was then agreed that the northern track should also be removed from service, in favour of the full coaching service.
- Therefore from October 2004, we agreed that the measurement of the process for moving people to/from Pier 3 should use the performance results for the coaching operation only.
- In December the new link to Pier 3 went fully operational and the performance of new people moving assets were incorporated into the Service Quality Rebate scheme for South Terminal. These included passenger conveyors and lifts.
- However the coaching service stayed operational, within core hours, up until the 9 December and we used this performance to represent the performance of the process for moving people to/from Pier 3 for the SQR scheme in December.

Therefore with effect from 1 January 2005 this particular element of the scheme ceased to exist as it was fully superceded by the various people moving assets.

Our proposition, which was verbally agreed at the meeting with Tony Buss and yourself on the 13th January, is that for the remainder of this financial year the 3 weighting points (as per annex 4 of the CAA document) should effectively be spread out across the other elements in the scheme that have yet to reach their maximum rebate ceiling.

Furthermore, from the 1st April 2005 onwards , we agree that the 3 weighting points for the element 'South Terminal transit system' should again re-allocated across the other 'airline elements' in proportion to their own existing weightings.

Yours sincerely,

Steve Pidgeon
Business Performance Manager/ GAL