



Campaign Office: 2 Glovers Gate, Glovers Road, Charlwood RH6 0EG Tel 01293 862821 www.gacc.org.uk info@gacc.org.uk

**Dear Members** 

The Coronavirus (COVID-19) pandemic is having profound effects on the aviation industry worldwide, in the UK and at Gatwick. We are monitoring the situation and wanted to make you aware of a number of recent developments in case you have not seen these reported elsewhere.

First Gatwick has announced that it will not be taking forward public consultation on its proposed regular use of the emergency runway this Spring as previously intended and is reviewing options on the future timing of the consultation. We are continuing to engage with key stakeholders on the airport's growth plans but do not expect there to be significant developments on this front in the short term.

Secondly all Noise Management Board activities have been paused until at least May, and GATCOM meetings are under review.

Thirdly, the airport has taken steps to reduce the scale of activity at the airport and costs. They include closing the airport to flights between midnight and 05.30 and a number of redundancies. Gatwick has also called on the government to step in urgently to support UK airports in a wide range of ways. Gatwick's press release issued on 17<sup>th</sup> March is shown overleaf.

GACC recognises the challenges the airport faces in these unprecedented circumstances. We sympathize with aviation's employees, who we believe deserve government and public support in common with employees of many other industries. But we believe any taxpayer support to the aviation industry itself should be accompanied by wide-ranging conditions and policy changes which require the industry to take its health, environmental and noise responsibilities much more seriously that it has done in the past. The aviation industry of the future must behave very differently from the industry of the recent past.

Meanwhile we trust you all keep safe and well in these disturbing and distressing times, Sincerely, Peter Barclay Chairman Gatwick Area Conservation Campaign

## Campaigning for a better environment for the whole area around Gatwick

GACC, founded in 1968, has as paid up members individuals, local councils and community groups. We have built a reputation for sound judgement and reliable information and thus have the support of local Members of Parliament.

## Gatwick Airport takes decisive action to protect the business and recover quickly from the impact of COVID-19

The spread of COVID-19 has had an unprecedented impact on the global aviation industry with our airline partners - including easyJet, British Airways, Norwegian Airlines, Virgin Atlantic and TUI - reporting significantly reduced levels of traffic and substantial cuts in their capacity over the next two months.

As such, Gatwick Airport has taken necessary and appropriate steps to safeguard the financial resilience of the business – and prepare it for a quick recovery - by significantly reducing costs.

Operationally, this includes closing the airport to flights between midnight and 05.30 from Tuesday – except for emergency landings - and closing two of the airport's six piers due to fewer passengers. Further action is also likely to be announced in coming days to reduce the airport's 'operational footprint' in response to this very serious, ongoing situation.

In terms of capital expenditure, the airport is deferring spending on its investment programme for the foreseeable future.

Stewart Wingate, Gatwick's Chief Executive Officer and his executive team will take a 20% salary cut and waive any bonus for the current financial year.

Gatwick has also taken the very difficult decision to terminate the employment of 200 staff employed on temporary fixed-term contracts and contractors, in order to protect the business. We are consulting with employees on further measures to reduce near term operating costs by exploring the potential to introduce options for unpaid leave or temporary salary reductions for staff.

These unprecedented circumstances are also having a serious impact on the airport's thirdparty suppliers and the airport is working closely with them to reduce expenditure.

Along with other UK airports, Gatwick has also asked Government to ensure that the needs of UK airports are an immediate priority of the Chancellor's new Economic and Business Response Committee.

We also fully support the <u>AOA's request that Government urgently step in</u> to see UK airports through the current crisis, including by suspending business rates and other government and local governments rates and taxes on airports, deferring payments of all VAT, corporation tax and other taxes for the duration of global flight restrictions and suspend regulatory costs on airports where possible.

## Stewart Wingate, Gatwick Airport, Chief Executive Officer, said:

"Gatwick is a resilient business, but the world has changed dramatically in recent weeks and we have been forced to take rapid, decisive action to ensure that the airport is in a strong position to recover from a significant fall in passenger numbers.

"We must all play our part in helping the airport recover and both myself and our Executive Board will take a significant pay cut to help reduce costs. We also very much regret having to make this difficult decision to reduce our staff numbers and I would like to thank everyone for the contribution they made to the business.

"Significantly reduced passenger numbers are likely to be sustained, at least in the short to medium term, and I need to prepare people for the news that other serious measures are likely. We also strongly urge the Government to provide support in order to protect the business and the contribution it makes to the region and wider economy."