
STATUTORY INSTRUMENTS

1997 No. 403

CIVIL AVIATION

The Economic Regulation of Airports (Expenses of the Monopolies and Mergers Commission) Regulations 1997

<i>Made</i>	- - - -	<i>21st February 1997</i>
<i>Laid before Parliament</i>		<i>27th February 1997</i>
<i>Coming into force</i>	- -	<i>21st April 1997</i>

The Secretary of State for Transport, in exercise of the powers conferred by section 47 of the Airports Act 1986(1) and of all other powers enabling him in that behalf, hereby makes the following Regulations:—

Citation, commencement and interpretation

1. These Regulations may be cited as the Economic Regulation of Airports (Expenses of the Monopolies and Mergers Commission) Regulations 1997 and shall come into force on 21st April 1997.

2. In these Regulations—

“the Act” means the Airports Act 1986;

“airport operator” means the person having the management of an airport in respect of which a permission under Part IV of the Act is in force;

“annual turnover” has the same meaning as in section 14(2) of the Act;

“designated airport” means an airport which has been designated for the purposes of section 40 of the Act by an order made by the Secretary of State under that section and “non-designated airport” shall be construed accordingly; and

“relevant sum”, in relation to an airport operator of a designated airport, means an amount equal to 2% of the annual turnover of the business carried out at the airport by that operator as shown in the last accounts prepared by that operator and, in relation to an airport operator of a non-designated airport, means an amount equal to 1% of the annual turnover of the business carried out at the airport by that operator as shown in the last accounts prepared by that operator.

Revocation

3. The Economic Regulation of Airports (Expenses of the Monopolies and Mergers Commission) Regulations 1986(2) are hereby revoked.

Statement by the Commission of expenses

4.—(1) The Commission shall prepare an annual statement showing the expenses incurred by it during the period of twelve months preceding 1st April in each year in carrying out investigations, and reporting, on references made to it under section 43 of the Act, other than a reference made under section 43(1) which relates to the first period of five years for which any such conditions as are mentioned in section 40(3) of the Act are to be in force in relation to a particular airport.

(2) The statement prepared in pursuance of paragraph (1) of this regulation shall be in the form prescribed in the Schedule to these Regulations and shall, in relation to each reference in respect of which expenses were incurred by the Commission during the period to which the statement relates, contain the information specified in columns 1 to 4 of the Schedule.

(3) The Commission shall send a copy of the statement prepared by it in pursuance of paragraph (1) of this regulation to the CAA.

Liability of airport operators to charges

5.—(1) Subject to paragraph (2) of this regulation, an airport operator shall be liable to a charge in respect of each reference made in relation to an airport of which he is the airport operator of an amount equal to the expenses specified in a statement prepared by the Commission in pursuance of regulation 4(1) as having been incurred by it in relation to that reference.

(2) The aggregate amount of any charges to which an airport operator is liable pursuant to paragraph (1) of this regulation in respect of each period to which a statement relates shall not exceed the relevant sum in relation to that operator.

6.—(1) Where the aggregate amount of the expenses specified in respect of non-designated airports in a statement prepared by the Commission in pursuance of regulation 4(1) exceeds the aggregate amount of the charges to which airport operators of non-designated airports are liable in pursuance of regulation 5, each airport operator of an airport in respect of which a permission under Part IV of the Act has been in force at any time during the year to which the statement relates, other than an airport operator whose liability to a charge pursuant to regulation 5 exceeds the relevant sum in relation to that operator, shall, subject to paragraph (2) of this regulation, be liable to a charge of an amount calculated in accordance with regulation 7.

(2) The amount of any charge to which an airport operator is liable pursuant to paragraph (1) of this regulation in respect of each period to which a statement relates shall not exceed the relevant sum in relation to that operator less the aggregate amount of any charges to which that operator is liable in pursuance of regulation 5 in respect of the same period.

7. The charge to which an airport operator is liable in pursuance of regulation 6(1) shall be an amount equal to Z when Z is calculated according to the following formula:

$$Z = X \times Y$$

where

X is the amount by which the aggregate amount of the expenses specified in the statement prepared by the Commission in pursuance of regulation 4(1) exceeds the aggregate amount of the charges to which airport operators of non-designated airports are liable in pursuance of the provisions of regulation 5,

and Y is the proportion which the annual turnover of the airport operator bears to the aggregate annual turnovers of the airport operators who are liable to a charge in pursuance of regulation 6(1).

Signed by authority of the Secretary of State for Transport

21st February 1997

Goschen
Parliamentary Under Secretary of State,
Department of Transport

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

SCHEDULE

Regulation 4(2)

FORM OF STATEMENT PREPARED PURSUANT TO REGULATION 4(1)

STATEMENT BY THE MONOPOLIES AND MERGERS COMMISSION OF THE EXPENSES INCURRED BY IT IN CARRYING OUT INVESTIGATIONS, AND REPORTING, ON REFERENCES MADE UNDER THE AIRPORTS ACT 1986.

In this statement the “relevant period” means the period of 12 months ending with 31st March [insert year].

Column 1	Column 2	Column 3	Column 4
<i>Date of making of reference in respect of which expenses were incurred during the relevant period</i>	<i>Name of Airport to which reference relates</i>	<i>Date of report if reference completed during the relevant period</i>	<i>Expenses incurred during the relevant period in relation to each reference</i>

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations revoke and replace the Economic Regulation of Airports (Expenses of the Monopolies and Mergers Commission) Regulations 1986. The principal changes are:

(1) The maximum sum an airport operator is liable to be charged in respect of a reference to the Monopolies and Mergers Commission relating to the airport of which he is the operator is amended from 0.2% of the annual turnover of the airport business to 2% of that turnover in the case of airports designated for the purposes of section 40 of the Airports Act 1986 and 1% of that turnover for airports not so designated (see the definition of “relevant sum” in regulation 2).

(2) Provision for sharing among airport operators that proportion of the expenses of the Monopolies and Mergers Commission that cannot be recovered because of the maximum liability of an airport operator referred to in (1) above is confined to those expenses arising in respect of airports not designated for the purposes of section 40 of the 1986 Act (regulation 6(1)).