



Transport Committee

Oral evidence: Transport's winter resilience: Christmas 2013, HC 956 Tuesday 7 January 2014

Ordered by the House of Commons to be published on 7 January 2014.

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Members present: Mrs Louise Ellman (Chair); Sarah Champion; Jim Dobbin; Jim Fitzpatrick; Karen Lumley; Jason McCartney, Karl McCartney; Mr Adrian Sanders, Chloe Smith; Graham Stringer; Martin Vickers

Questions 1-124

Examination of Witnesses

Witnesses: **Stewart Wingate**, Chief Executive, Gatwick Airport, **William McGillivray**, Product Development Director, Gatwick Airport, **Jason Holt**, Head of Gatwick, easyJet, and **Peter Duffy**, Customer Director, easyJet, gave evidence.

Q1 Chair: Good afternoon. Welcome to the Transport Select Committee. Could I have your names and organisations, please?

William McGillivray: I am William McGillivray. I am the development director at Gatwick airport.

Stewart Wingate: I am Stewart Wingate. I am the chief executive of Gatwick airport.

Peter Duffy: I am Peter Duffy. I am a customer director at easyJet.

Jason Holt: I am Jason Holt. I am head of Gatwick for easyJet.

Q2 Chair: Mr Wingate, I understand you want to make an opening statement.

Stewart Wingate: Yes, please. It might take a few minutes, so please bear with me. There is quite a lot of ground to cover. I would like to start this hearing by repeating my sincere apologies to all of those passengers whose travel plans were disrupted at Gatwick on Christmas eve as a result of the flooding and disruption at Gatwick. I thought it might be

helpful to the Committee if I briefly set out the circumstances we faced on the day. Hopefully, this will go some way towards providing some context and explanation.

On 23 December, our advance Met Office weather warnings for the storm were focused on high winds. We planned our response accordingly, alongside our airport partners. However, at 4.15 am on Christmas eve we received a flood warning call from the Environment Agency, telling us that the River Mole would burst its banks within 30 minutes. This was the first warning we had that the threat to the airport's operations was from severe flooding as well as high winds. That obviously requires a very different sort of contingency planning. Overnight the rainfall had been 68 mm, significantly exceeding the Met Office forecasts and causing the worst flooding in the airport's living memory. Flooding on this scale has not been seen at the airport since 1967.

The river did burst its banks. Three airfield substations flooded and the runway instrument landing system was disabled. The standby power generators were activated and the airfield continued to operate. The south terminal continued to operate as normal throughout. However, as a result of the rain, two of the six switch rooms in the north terminal flooded, knocking out much power to the north terminal. By 7.30 it was clear that the damage to the north terminal switch rooms was severe and that full power would not be reinstated to the north terminal on Christmas eve.

With Christmas in mind, and the imperative to get passengers to their destination rather than cancel all flights from the north terminal, the decision was taken jointly with our airline partners to move the vast majority of these flights to the south terminal. Sixty-six additional back-office staff were deployed to the terminal buildings to assist passengers. This was in addition to our 400 front-line staff on duty on the day.

This change of terminal is logistically very challenging at the best of times, and we will be reviewing with our airline partners whether we should ever attempt this complicated procedure again at such short notice and on such a scale. Overall, on 24 December, of the originally scheduled 258 departures, 186 departed the airport, albeit some with delays. However, 67 north terminal departures were cancelled—and often late in the day. A rapid recovery enabled us to fly a full schedule from Christmas day onwards.

David McMillan, a non-executive director at Gatwick, is leading a comprehensive review of what happened, the lessons we can learn and the actions required to avoid a recurrence. He will publish his report in February time. I would like to make three brief points in advance of the report.

First, since the change of ownership in 2009 we have, with the full backing of our shareholders, invested almost £1 billion with the end aim of transforming Gatwick into a world-leading airport, capable of competing successfully. This investment programme included over £20 million for mitigating and alleviating flood risk. The majority of this investment has been focused on the south terminal, which had been assessed as having a one in 20-year risk of flooding. These works were successful in preventing flooding of the south terminal during the recent exceptional weather.

Second, given that the north terminal had been assessed as being at low risk of flooding—from between a less than one in 100-year risk to a less than one in 1,000-year risk—we will now be working with the Environment Agency to reassess the flood modelling. We will make all necessary investment as a matter of urgency.

Third, it is clear to me that there is a lot more that we could and should have done with our airport partners to help our passengers have a more painless day. As an airport, we set ourselves very high standards in performance and customer service, including during times of

disruption. On this occasion, our actions and those of our airport partners fell short. We have offered each passenger whose flight was cancelled £100-worth of high street vouchers as a good-will gesture. The McMillan review will focus in particular on how we can learn lessons for the future. At times like this, passenger information and comfort must be a priority. Again, I give an undertaking to the Committee that the airport will make any further investment we need in this area.

There is never a good time for something like this to happen, but I recognise that Christmas eve is probably the worst time, with so many passengers travelling to be with their families over the festive period. Exceptional circumstances or not, I am very sorry for what happened. We will learn the lessons, and we will continue to do everything we can to give our customers the quality of service that they expect from us.

Q3 Chair: Thank you, Mr Wingate. In November this Committee questioned Gatwick airport, among others, about your plans for dealing with bad weather. We were assured by Gatwick that there was a strong plan ready, that flights would be dealt with and that passengers would be looked after in the case of bad weather. Clearly, that is not what happened on Christmas eve. You have just said to us that more could and should have been done with your partners. Can you tell us what you are now going to do differently?

Stewart Wingate: First, we have to look at the weather on the day. If we look at the weather on the day, it was quite exceptional. I have talked to members of my team who have worked at the airport for over 40 years, and they tell me that, having worked in the engineering teams, they have never seen flooding of this sort of magnitude at the airport. On the day we faced a number of different issues: disruption on the airfield, with the substations being out, and disruption to the ILS, as well as the impact of the power switch rooms being taken down in the north terminal. We had to work very quickly to try to establish what the capability of the airport would be on Christmas eve.

In short, the south terminal continued to operate as normal, but in the north terminal we were left with a decision to take, along with our airline partners. That decision was—on Christmas eve—do we cancel the schedule, knowing that those switch rooms would not be enabled again, or do we attempt to make an unprecedented switch, which had never been done before on this scale, to try to operate the vast majority of the north terminal flights from the south terminal?

On any other day, I am sure that we would have decided to cancel flights, but, given that it was Christmas eve and given the imperative to try to get passengers to their destination, we took the decision to move those flights, on an unprecedented scale, to the south terminal. We had some success. Half of the north terminal flights did indeed depart on Christmas eve, but we are very sorry for the disruption that we caused to the passengers who were on the other half of those flights—67 flights—because they did not depart from the airport.

Q4 Chair: I have a question for easyJet. You have heard Mr Wingate refer to Gatwick—the airport operator—and its partners. Do you agree with what has been said about what happened? Do you think that you could have done anything differently?

Peter Duff: I think it was a very, very difficult situation for all our passengers. We are hugely sorry for what they had to endure on Christmas eve; it certainly was not up to the

standard that easyJet expects. We cannot begin to imagine how frustrating it was for them and the conditions they were put through. Our apologies to all our passengers.

It is important to look at the difference in accountabilities between the airport and the airline. Essentially, the airline is responsible within the airport for checking customers in and taking their bags off them, for the gate activities and for getting the bags to and from the plane and back into the baggage hall. Essentially, those are the three areas we are accountable for. At 7.30 on Christmas eve, we were asked by Gatwick whether we would move our check-in operations to south terminal. We have something called first wave, which is when most of the flights go out. By that time, most of our flights had actually departed south terminal, so we knew that we would have the capacity to begin to process those customers through the south terminal.

There were two significant issues that made the Gatwick plan fail. First, the movement of passengers within the airport was not managed well, so very quickly the south terminal filled up, and there were very difficult circumstances and conditions for passengers. Secondly, what we did not know at 7.30 was that the amount of resource available to bus passengers back to north terminal, where our planes were—remember that we had 31 planes there, fully crewed, bags on them, ready to get the passengers off—was, as became clear late in the afternoon, simply not sufficient to transport that number of customers back to north terminal. That is why all of a sudden south terminal began to clog up. So we had some very significant issues.

There is one other point I would make about why we accepted the plan at 7.30 on Christmas eve. A very similar incident happened on 16 October, when as a result of flooding we were asked to transfer our south terminal operations to north terminal. That is not the same thing as north to south, but essentially it is the same sort of activity. Gatwick handled that reasonably well. We managed to get most of those flights away; I think we had only three or four flight cancellations on that day. This was the second flooding incident in two months at Gatwick that resulted in easyJet having to move its facilities from one terminal to another.

Q5 Karl McCartney: I have some general questions for Mr Wingate based on the lengthy introduction he gave us. Who was in charge on the day? Did they stay in charge after the decision was made to move everybody to the other terminal, or did you come back on site, if you were not on site?

In your opening remarks, you said that you had only half an hour's notice that the River Mole was going to burst its banks, but you also said that quite a lot of your colleagues had recognised that rainfall of that magnitude had never been seen before. Did not one of your colleagues think that maybe they should phone the Environment Agency themselves and ask whether there was a problem with flooding, rather than wait to be given half an hour's notice? Finally, considering Mr Duffy's comments, why were there no buses? Were the bus drivers off because it was Christmas eve, so that there was no capacity to move people back to the terminal? Can you cover that one for us?

Stewart Wingate: If I may, I will start with the bus driver situation between the two terminals. As I said earlier, this level of movement of flights from one terminal to the other had never been attempted before. If it had been any other day of the year, our view—working with the airlines, and easyJet—would very much have been to suggest that we should cancel flights, but given the imperative of trying to get passengers to their destinations over the festive period, before Christmas day, we felt as an airport that we

should do everything in our power on the day to get as many departures as possible away from the airport. We believe that the airlines, including easyJet, also bought into this.

Ultimately, we ended up getting 50% of the north terminal departures away from the airport on the day. If we had not taken this action, it is highly unlikely that those departures would have left the airport. Unfortunately—we are very sorry for this—a number of departures simply did not leave the airport.

One of the areas that was fully resourced for normal operation was the coaching of passengers to and from the terminals, but when the pressure of the additional flights moving to the south fell on to the coaching operation, we had no option other than to seek to bring in additional drivers, which we did. We more than doubled the resource by early afternoon to try to ease that situation somewhat. It was one of the bottlenecks, and one of the consequences of making this move. In the future, even if it is Christmas eve, we would very much be of the view that if we had a power outage of this nature—given the rain, the flooding and the level of disruption that we saw—we would simply cancel flights and take more drastic action in that regard.

In terms of the flooding, I would start by talking to the north terminal. The north terminal was seen as having a very low risk of flooding—a one in 100-year risk for certain areas of the north terminal, and as little as a one in 1,000-year risk of flooding in the remaining areas of the north terminal. For somebody who manages infrastructure such as an airport, that is an exceptionally low risk. We thought our risk was in the south terminal, where we had a one in 20-year risk. That is why we have invested—with the support of the airlines and our shareholders—£20 million in flood alleviation, which protected the south terminal. However, given the rainfall on this occasion and the fact that the River Mole broke its banks, which impacted not only on Gatwick but on the likes of Dorking, Leatherhead and Horley quite significantly, unfortunately this was flooding that clearly means we now need to go back to the drawing board with the Environment Agency to reassess fully the likelihood of flooding in the north terminal. Whatever investment needs to be made, I know I will have the full backing of my shareholders to make it so that we do not have a repeat of this situation.

The rainfall came down in such a short period of time overnight that I think it would have been hard for my team of people to do anything other than see it falling. It was just a short-notice event. All of our preparations had not focused on rain—they had been focused on wind. Indeed, we did have disruption from wind. At the start of the day, over 20 aircraft at the airport were physically displaced away from Gatwick because of the wind, so on this day we were fighting on all fronts to try to make the operation as successful as we could. We managed to get 186 flights away from the airport, but we fell short on this occasion—and we are very sorry for that.

Q6 Chair: How many drivers did you bring in? You said you brought in extra drivers.

Stewart Wingate: We had eight drivers on duty, and we got the number of drivers up to 16, which should have been an adequate number of drivers to move passengers from the south terminal to the north terminal. In fact, to try to utilise the drivers that we had as effectively as we possibly could, rather than use the coaches to take passengers from the south terminal to the steps of the aircraft, we started to use the coaches more on a milk round-type basis. We would take passengers to a meeting point in the north terminal, then have the passengers depart the bus into the north terminal and then use that bus to go back

to the south terminal on a continuous loop, to try to utilise that coaching as quickly as possible.

Q7 Karl McCartney: I want to come back to the first part of my question. Who was in charge when things started to go wrong? Did they stay in charge? When were you made aware that things were not going right?

Stewart Wingate: I was made aware early in the morning—at 7 o'clock. I was actually on annual leave. We were not anticipating this event. I was in Newcastle, a long way away from the airport, so my decision was not suddenly to drive back to Gatwick—a six-hour drive. I was on a series of conference calls during the day and was fully informed by my teams of progress at the airport.

In the silver command—which is what we use for operational situations such as this that arise—one of our senior leaders, Chris Woodroffe, was in the chair. He remained in the chair throughout. Our gold commander on the day was Derek Hendry, who is one of my executive management team. We also had a further two members of my executive management team on site. One was William McGillivray, who is with me today. He was working in the terminals with passengers, trying to help and being the conduit of information back into the command structures that we had. Another was Guy Stephenson, who is our chief commercial officer. All of the people from the senior leadership team who were rostered to be on site that day were on site.

Q8 Chair: Mr Duffy, you referred to a flooding incident two months ago. Where was that?

Peter Duffy: It was on 16 October. Jason is the head of Gatwick, so perhaps it is best that he describes it.

Jason Holt: On 16 October the south terminal had an electrical substation that was flooded. That flooding took place mid-morning, from about 9 o'clock until 10.30. The setback to the south terminal was worse than what we saw in the north terminal on Christmas eve, inasmuch as all the power went; the lighting went, and all the IT systems, information systems and services went down. On that occasion, we had support from the airport, inasmuch as they produced 100 personnel to help steward our passengers from the south to the north. We have business in both terminals, and we had a residual number of staff in the north terminal who could accommodate the migration of passengers from the south to the north.

On that occasion, the airport was able to dry out the electrical substation at about half-past 4 to 5 o'clock the same evening and to reinstall standby generator power to put power back into the terminal. We had an episode of perhaps eight or nine hours when the south terminal was out of power, and we migrated our passengers to the north terminal. This was perhaps a bit of a dress rehearsal for what happened on Christmas eve.

Q9 Chair: Why was it that the problem seems to have been contained in October but in December it was disastrous?

Peter Duffy: We think there are two significant differences. First, the manpower on the ground from Gatwick airport in October was much more significant. The support for

customers moving from terminals was structured, which meant that there was no overcrowding.

Secondly, I think the scale of the bussing issue needs to be described. We began to process customers through check-in; they began to get through to airside at about half-past 10. There are eight buses, but four of those buses were deployed on south terminal departures, so there were only four buses for all the customers who had been affected by the north terminal power failure. Our estimates now are that they could probably process about 500 customers an hour. We alone had 11,000 customers to begin to deal with.

If we had known that up front, we would simply have put block cancellations through. We learned that at the 1 o'clock silver meeting, and at 1.15 we put through a set of cancellations, which meant that by that point we had cancelled 57% on that day, because it was clear that the airport contingency plan was not going to be able to support the customer programme that was being proposed. If we had had that information up front at 7.30, we could have made that decision a lot more quickly.

Q10 Karen Lumley: Mr Wingate, you said that at about 7 o'clock in the morning you knew how serious it was going to be. How many extra staff did you draft in at that point?

Stewart Wingate: We had a full contingent of staff on Christmas eve. That was during the day, into the evening and during the night time as well. On Christmas eve we do not diminish our staff at all; we run a full schedule of staff. In the operational areas, the peak number of staff that we had was 430. From the back office, on Christmas eve, we added an additional 66 staff to help to shepherd the easyJet passengers from the north terminal into the south terminal. For the vast majority of the busy part of the day, we had approaching 500 members of Gatwick airport staff helping passengers in the terminal.

As we went through the day, many of those staff members who were working 12-hour shifts, particularly in the operational areas, actually stayed on beyond their shifts. For that, I am very grateful. The addition of those volunteers, who also often worked into the early hours of the morning, meant that we were at least able to try to help passengers to make plans to travel home and to repatriate passengers with their baggage. Without their assistance on Christmas eve, it could have been a lot worse.

Q11 Karen Lumley: In hindsight, was that enough?

Stewart Wingate: Hindsight is a wonderful thing, when we all look in the rear-view mirror. As I said earlier, if this incident had happened on any other day of the year, I am convinced that the airport, easyJet and the other airlines operating from the north terminal would have cancelled more flights early in the day. The reality of the situation, as I see it, is that on Christmas eve we all decided that we wanted to go the extra mile to get passengers to their destinations, because of the imperative of passengers travelling, but it was actually a step too far, not only for the airport but for easyJet and the other airlines operating at the airport. So we did something with the best intentions, and we were partially successful. Half of the north terminal flights departed. All of the south terminal flights departed. Unfortunately, we are very sorry for the disruption that this caused to those passengers who spent a lot of time at the airport and who, ultimately, did not get to their destinations.

Q12 Karen Lumley: Mr Duffy, do you think you had enough staff on duty? If you had known sooner, would you have brought in more staff?

Peter Duffy: We did bring in more staff on the day, as we began to see the problem emerging. Let us be clear—we had 31 planes at north terminal, fully crewed, with ground operations teams ready to go. Fundamentally, the issue that we faced was, how do we get those passengers on to the plane? We had 105 people on the ground. I will ask Jason to speak, because he was there for the whole time—from 5 to 5 onwards, right the way through until 10 in the evening.

Jason Holt: The 105 personnel Mr Duffy is talking about are what we call the front-of-house people. They are the people above the wing, who engage with the passengers. Obviously we had many staff below the wing, unloading and loading aeroplanes. We had all the component parts for our business in place when we started work on Christmas eve. The logjam was taking the passengers from the south terminal back to the north terminal.

All of our personnel went into what we would call discretion. Pilots and crew have a fixed time in which they can work. Each and every one of them suggested voluntarily that they would stay on until the very last minute when they could fly, after which they would have to step away from their duties. As a business, we put extra manpower into this. We did an awful lot of work back in Luton tweeting and e-mailing our passengers. The teams at the airport, including the handling teams, all stayed beyond the mid-afternoon tapering and went on into the evening. The answer is yes, we had enough.

Stewart Wingate: If we just step back from the event for one moment, it is important for the Committee to be made aware of the magnitude of the disruption that was happening not only at Gatwick but in the broader region. The River Mole, which flooded its banks, runs through a culvert underneath the runway. The River Mole is the river that disrupted many people's electricity supply right the way down the Mole valley. It actually runs through the Gatwick site.

If you step back, some of the things we were contending with were loss of power out on the airfield, loss of the instrument landing system, the fact that rail services to Brighton were not working, because of the disruption to rail, and subsequently—with the fire at East Croydon station—the loss of rail services up to Victoria. In addition, there was the closure of the M23 due to flooding. I do not think we should lose sight of the fact that this was an enormous event that was much bigger than just the Gatwick site.

We are very sorry for what happened on the Gatwick site on that day—we certainly tried our hardest—but this was an enormous event that was much bigger than Gatwick airport. We should not oversimplify it by saying that this was an event that was just about trying to get passengers on buses from the south terminal to the north terminal. There was an awful lot more to this event than that. I am sure that will come out in the McMillan review.

Q13 Karen Lumley: I have one last question. Do you think this has damaged your case for a second runway for Gatwick, bearing in mind that it is already built on a floodplain?

Stewart Wingate: I think we have an exceptionally strong case for a second runway. We can build a second runway faster than anybody else. We can build it cheaper than anybody else, which will result in lower air fares for passengers—

Q14 Chair: All those points have been made strongly, but does the situation of vulnerability that you have just described to us when talking about the enormity of the problem in the whole area on that day jeopardise the case?

Stewart Wingate: I think we just have to look at the timeline. The last time we had flooding of anywhere near this magnitude was in 1967. Many decades on, we are in a situation where we face a similar level of flooding. We have put in place flood alleviation schemes in the south terminal, which was the terminal at high risk. That £20 million-worth of investment has protected the south terminal. We will spend similar amounts of money, if we have to, to protect the north terminal. Any plans for a second runway would absolutely ensure that the second runway, the facilities and the terminal buildings were protected to a similar degree of risk from flooding.

Q15 Sarah Champion: Mr Wingate, I do not think that anyone doubts that the event that happened was exceptional and enormous, but from a customer point of view I am not convinced at all that the customer care you are striving for was in place. In terms of a customer care contingency plan, surely the principles of taking care of your customers should be there and should be absolutely fundamental, regardless of what the actual occurrence is—whether it is a terrorist attack, a snowstorm or a massive flooding. We are hearing of people left for 12 hours with no heating and only one hot drink, and with one toilet for thousands of people. It seems that your communications systems just collapsed.

As the Chair said, you came to us a few months ago and said that you had all of these reserve “yetis” in place and that the systems were strong. Why did it go so horribly wrong when a similar event happened in October and it worked? I know you are waiting for the report, but why did it go so wrong with communication?

Stewart Wingate: The event in October was a very different event. If I may move on to the Christmas eve event, Gatwick airport has a work force of approximately 2,500 people in total. Approaching 500 members of our work force—bearing in mind that we cover 24/7, seven days a week—were out helping passengers on the day. We had a very large contingent on the floor. Obviously easyJet also has a role to play in helping to serve, and in taking a duty of care for its passengers. As you heard from the easyJet representatives, in addition to our 500 staff, the easyJet representatives had about 100 staff out helping passengers.

I would like to take a moment to try particularly to describe the north terminal. The south terminal was in a normal state of operation, but at the north terminal four of the six switch rooms were operational. That meant that two thirds of the different systems in the north terminal were working. Some of the check-in areas worked, but some of them did not, depending on which switch room they came from.

Q16 Sarah Champion: How were you communicating to your customers which terminals they were to go to if there was a power failure? We heard that the departure boards went down. Why weren’t they on independent generator systems? It seems that some common-sense things were not happening.

Stewart Wingate: The power generation itself was in place throughout. There was no issue with power generation. It was essentially the switch rooms, which are the distribution boards, which then feed individual services in the airport. If I start in the north terminal,

some of the check-in area was taken out by the power; some was working. The security area—

Chair: I must suspend the sitting. A vote has been called.

Sitting suspended for a Division in the House.

On resuming—

Q17 Sarah Champion: Mr Wingate, do you feel that you failed your customers over the customer care that you delivered to them in this incident?

Stewart Wingate: I think that on the day, the airport, the company I am responsible for, easyJet and our other airline partners fell short of delivering the levels and standard of customer service that we pride ourselves on offering to our passengers. Yes, we fell short, but we did so in trying to get as many of our passengers as we possibly could to their Christmas destinations. On any other day, we would have cancelled significantly more flights earlier in the day. We tried our hardest to get passengers to the destinations, and we had some success, but at the end of the day we did fall short.

Q18 Sarah Champion: Mr Duffy, do you feel that the communication between the airport and easyJet was good enough?

Peter Duffy: No, it was not. We are very clear on that. If we had known what we ultimately knew, we would have cancelled flights very early. I will pass over to Jason, because he was in the airport from 5 to 5. Perhaps he can explain to you how that communication worked in practice.

Jason Holt: I received a phone call from our handling agents, Menzies, at about 4.55 in the morning, alerting me to the problem. I then telephoned our business to make sure that they knew about what was going on. At 5.07 I telephoned Gatwick's head of business continuity. He was at home in London. I alerted him and asked him to come into work and set up what is called the silver command, which is the crisis management function.

At about 5.10, I went across to the north terminal to see what was going on. I was confronted with something of biblical proportions. I had to stand on a balcony, on a table, to be seen, to look over 3,000 customers, to quieten them and then begin to explain—this was one of three separate occasions when I had to address the passengers—what we thought had happened, which was that two substations had been flooded, and three on the airfield. Subsequently I explained that we would do our level best, wherever we could, to get people away, but they should expect to have delays of some sort.

In that process, I should make clear to you that I did not see many blue lanyards; I did not see many Gatwick people, and I had a bird's-eye view. I saw a lot of distressed, upset passengers, who at the time were being brave enough to have only mild anxiety, but in truth you could see on their faces that they were looking at a Christmas eve with a very difficult day ahead of them, with youngsters, babies and other members of the family trying to get away. They were of many different nationalities as well, so it was a very confusing issue.

With regard to communications with the airport, we asked for the silver command to be launched, and it was launched at 7.30. Gatwick proposed the idea of moving passengers from

north to south. We went along with the idea. The various constituent parts of such a move—the buses and the hardware—rest very much in Gatwick’s lap. What we had to deal with was that we had no screens, no electricity, no systems, no IT and no loudhailers. No information was given to easyJet, either in Luton or to ourselves, unless we went ferreting for it, so our chief executive, our chief operating officer and our head of operational control in Luton took all their information and soundings from ourselves in Gatwick.

Only at 1 o’clock—at a 12 o’clock meeting that was deferred by Gatwick by one hour—did they reveal that they had only four buses to do the ferrying from north to south. At that point we interjected and said, “That’s not enough. You must go and get more buses.” They said, “That is what it is. It is Christmas eve.” I said, “No, you need to go and get more people.” We interjected that we wanted the police commander, and that we wanted a plan for passengers who might end up staying overnight in the terminals. We had the background complexity of a runway that had only 50% lights and where the landing systems were flooded. Nightfall began at 16.03, and there was a large sense of enormity. We asked for the gold group to be launched to tackle this issue. In answer to your question about whether or not we had perfect communication with the airport, I suspect that we could have done better.

Q19 Chair: Isn’t that a failure of contingency planning, for whatever reason? Shouldn’t there have been plans to deal with the situation, even if you could not anticipate that the flooding was going to happen that day?

Stewart Wingate: There are contingency plans at the airport level. On behalf of the airport business, I will certainly shoulder my accountability for passengers whose flights were cancelled on the day, but I cannot shoulder all of the responsibility as the airport operator. Clearly, the airlines, including easyJet, also have a big accountability to their passengers.

I have made it quite clear that the issues that we faced on the day were of significant proportions—flooding that simply has not been seen at Gatwick ever before—but we have contingency plans drafted. The contingency plan for the loss of a terminal building essentially says, “Cancel all flights for the said day and make preparations for the following day,” but on Christmas eve we just did not want to cancel all of the flights. We therefore made the extraordinary decision at the airport level, in conjunction with our airline partners, to try to run the full schedule. Ultimately, the airport does not cancel flights; it is the airline that is accountable for whether or not a flight is scheduled.

Q20 Chair: Is that correct? Was that a joint decision?

Peter Duffy: Jason, you were in the meetings.

Jason Holt: At the meetings, the situation was very much that Gatwick provided the information as and when they got it, and would give it to the airlines. The airlines took that information away and understood how they could best manage whatever was left of the airport. By the time we got to 12 o’clock, we had had two Gatwick meetings. Internally in easyJet we had had five, including all of our chief executives in Luton.

Q21 Chair: Yes, but I am asking you whether there was a joint decision in relation to cancelling the flights.

Peter Duffy: The decision we were asked to make was whether we would move our check-in from north to south, and then everybody would be bussed back to north. We

agreed to go along with that plan. If we had known that there was no capacity to take customers back to north terminal, we never would have agreed it and we would have put in batch cancellations at that point in time. As soon as we found that out at the 1 o'clock meeting, we instantly cancelled 57% of our programme. We put in place what we would call gold, as opposed to just a silver programme. Gold looks at the plan and says, "Is the plan working?" If it is not working, it asks, "What do you need to do to make it work, or do you need a different plan?" We asked Gatwick to put their gold process in place. That was declined. When we saw that there was not going to be the capacity within the airport to get our customers out on Christmas eve, we made some decisions at 1 o'clock to cut 60% of the flights, because customers had just been through too much at that point.

Q22 Jason McCartney: The nub of this is not whether the flood or the weather conditions were predicted or unpredicted, but how you guys and your teams reacted. We can have unforeseen circumstances at any time. They can be of a security nature or of a weather nature. Before I get on to my question, I want to establish where exactly you all were on Christmas eve. Mr Wingate, you were in Newcastle. Mr Holt, Mr Duffy said you were on site 5 till 5. Earlier, he said you were on site 5 till 10.

Peter Duffy: From 5 to 5—4.55.

Jason McCartney: Mr Holt, what hours were you on site?

Jason Holt: From 5 o'clock in the morning through until half-past 10 in the evening.

Q23 Jason McCartney: So that was a long day for you. Mr McGillivray, were you on site at all?

William McGillivray: From 7.45 am to 11.15 pm.

Q24 Jason McCartney: Wow. You beat him there. Mr Duffy?

Peter Duffy: I was at our Luton head office. The last call I participated in was at 6 o'clock.

Jason McCartney: In the evening?

Peter Duffy: Yes.

Q25 Jason McCartney: And then you went home.

Peter Duffy: Yes.

Q26 Jason McCartney: You went home at 6 o'clock?

Peter Duffy: I was available for calls and contact.

Q27 Jason McCartney: After 6 o'clock in the evening, did you take any calls? Did you continue communicating on this issue? Were you required to have any input on this?

Peter Duffy: At that point, we knew that we were about to start to cancel, which was an operational process, so no, I did not.

Q28 Jason McCartney: So your involvement with it ended at 6 o'clock.

Peter Duffy: No, it started again on Christmas day morning, as we began to work out what we were doing to repatriate customers.

Q29 Jason McCartney: At what time on Christmas day morning did you get your first call?

Peter Duffy: At 9 o'clock.

Jason McCartney: On Christmas day morning?

Peter Duffy: Yes—and it has been pretty constant since then.

Q30 Jason McCartney: Sure. Talking about the reaction, Mr Duffy, could you remind me and members of the Committee what a passenger is entitled to in terms of comfort, food and drink if their flight is cancelled?

Peter Duffy: Passenger welfare is what is required, so we have to look after our passengers. They need to be able to make telephone calls, to have reasonable food and drink—

Q31 Jason McCartney: What does that mean in reality? What do they get?

Peter Duffy: In this case, we were not able to produce the vouchers that we needed, because of the power failure, so we asked passengers to keep their receipts. Basically, we had a no-quibble policy. We said that we would cover the costs of any reasonable subsistence—anything they spent at the airport on food and drink. We accommodated all the passengers whose flights were cancelled or delayed and who could not get back; we booked and paid for 6,700 hotel rooms across the Christmas period as a result. Obviously we covered the costs of customers who were able to leave the airport and get on other airlines. We covered all onward transportation costs and customers' telephone costs; 70% of our customers have called up for us to do all of this. In total, it has cost us about £2 million to date.

Q32 Jason McCartney: I have already heard that there was a lack of loudhailers, and you talked about printing off vouchers. Can I suggest that you have a stash of vouchers ready to go if this happens again—and a stash of loudhailers?

Peter Duffy: For the vouchers, it is an electronic system. We will absolutely go back and look at it to make sure that that does not happen again. On loudhailers, it is a Gatwick issue in terms of airlines being able—

Stewart Wingate: We will certainly undertake to buy loudhailers; that is the least of our problems. The public affairs system was available throughout the issues.

Q33 Jason McCartney: When I was in a Royal Air Force operations room, we had both a technology-based operations system and one in case the power went down. We would go back to chinagraph pens on bits of glass, which you see from the second world war. It is

about understanding what kind of resilience you have there as well. I have just been looking at photographs of police manning information stands. Can somebody explain to me why the police were required to man information stands if you had so many staff on site?

Stewart Wingate: William was on site, so I will ask him to give you an update on what the environment was like on the day.

William McGillivray: We took our staff away from the landside information desk that we have as Gatwick airport staff, and put staff on the ground. We had more staff on the ground in the arrivals area, where the information desk is, at the shuttle station, where passengers were arriving into north terminal, and in the check-in hall, among not just easyJet passengers but all the other airlines' passengers as well. We had more staff giving out information on the ground than we would normally have at an information desk.

It was not just about departing passengers. One of the big issues we had in both north and south terminal was the lack of rail service. The roads to north site car parks were flooded, so it was difficult for passengers who were arriving back at the airport from their flights to make their onward journey. We had our staff helping those passengers make their way home, as well as trying to deal with passengers who were stuck—

Q34 Jason McCartney: I understand that, but you are getting away from the nub of the question. With all these hundreds of staff on site, why were police having to face up to angry passengers on information desks? Why were the police put in that position?

William McGillivray: The desk you refer to is airside. It is an airline information desk, which is not normally staffed by the Gatwick airport team. It is normally staffed by the airlines or their handlers.

Q35 Jason McCartney: Mr Holt, why were the police doing that?

Jason Holt: The reason that particular incident occurred is part and parcel of the problem. Later in the evening, when the repatriation of baggage back to passengers who had not flown commenced in the north terminal, we moved our staff into the north terminal. All of them were wearing orange lanyards. In fact, Mr McGillivray telephoned me at about half-past 9 in the evening to say, "Please don't come across to the north terminal. It is getting pretty hostile for orange lanyards. It is getting difficult."

At about 10.45, the police asked all of our staff to vacate the north terminal baggage reclaim because of the hostility and the public order consequences that might prevail. That is why you would not have seen any of our staff on customer services desks past 11 o'clock in the evening. The police took all of our leaflets and literature, which are part and parcel of our performance in disruption, and they did the distribution of that work.

Q36 Jason McCartney: Mr Wingate, that is shocking, isn't it?

Stewart Wingate: At no time did our staff vacate the areas. We had our staff out in the areas at all times. Undoubtedly, we are very sorry for the event. As I said earlier, in the future, even on Christmas eve, we will work with our airline partners to cancel flights early in the day and not make this extraordinary change that we tried to do to get passengers to their destination. Clearly, if you were one of the passengers on the flights that were ultimately cancelled, often late in the day—as easyJet explained—it is fair to say

that understandably you were very disappointed. Some passengers were quite distressed at that point in time. For that, we are very sorry.

Q37 Jason McCartney: Do you think it was acceptable that the police were put in that situation?

Stewart Wingate: The police officers are at the airport day in, day out. These are police officers who work only at the airport. They are funded by the airport and are very familiar with the airport environment.

Q38 Jason McCartney: So it is okay for them to be abused in a hostile situation.

Stewart Wingate: Clearly, I do not want to put any members of my staff, any members of easyJet's staff or any members of the police force in a hostile environment. As I said earlier, in this extraordinary situation on Christmas eve, we made the decision to make an unprecedented switch of departure flights from the north terminal to the south terminal. In future years, as long as I am the CEO of Gatwick airport, we will not make that decision. We would cancel early in the day.

Jason McCartney: I will leave it there.

Q39 Mr Sanders: We have established that you had a contingency plan. Did you have separate contingency plans for the north terminal and the south terminal?

Stewart Wingate: We have a lot of contingency plans for an awful lot of scenarios.

Q40 Mr Sanders: So you would have a contingency plan if it became inoperable.

Stewart Wingate: We have a contingency plan for the loss of a terminal facility. The core of that contingency plan is that on the given day you would simply cancel the rest of the schedule in the terminal that was impacted, given that at Gatwick we are often running towards the capacity of the facility, particularly in the summer. Then you would start the planning process for what lay ahead on future days.

Q41 Mr Sanders: So you have a contingency plan if one of the terminals becomes inoperable.

Stewart Wingate: We do.

Q42 Mr Sanders: The terminal became inoperable. Can you remind us at what time of day that terminal became inoperable?

Stewart Wingate: The terminal was not totally inoperable. Four of the six switch rooms were not taken out by the flooding, which meant that we had two thirds of the systems in the terminal working. As a consequence, the decision was taken for British Airways flights to continue to be processed through the north terminal—and that happened—and for the other airlines, including easyJet, to move to the south terminal. The entire north terminal did not become inoperable; parts of the north terminal became inoperable. That, in addition to the fact that it was Christmas eve, led us to the conclusion, working with our

airlines, that we should try to make an unprecedented move of flights from the north terminal to the south terminal to get as many people on their journey as we possibly could.

Q43 Mr Sanders: But you said that, if this happened again, at some point you would say no. Going back, at what point during the day was that reached? At what time of the day would you have decided, “It is now inoperable. We’ve got to cancel all the flights”?

Stewart Wingate: With the wisdom and the benefit of hindsight, which is a wonderful thing—

Mr Sanders: But you have that now, should it happen in the future.

Stewart Wingate: I think that in the early morning, somewhere between 7.30 and 9 o’clock, we could have taken the decision—and in the future we will take the decision—to cancel the schedule, or at least, the airport will suggest to the airlines that they cancel the schedule, should we have a level of disruption that is similar to what we faced on Christmas eve—even if it is Christmas eve.

Q44 Mr Sanders: Who is responsible, or who gives permission for an aircraft that is fully loaded to unload? Presumably it cannot just be a decision of the airline, because the airport has to receive that baggage and those passengers back. How is that decision reached, if you have a loaded aircraft out there, it cannot take off and it therefore has to unload? Who makes that decision?

Peter Duffy: Cancellations are a decision for the airline. The amount of capacity that the airport can fly is a decision for the airport.

Q45 Mr Sanders: But presumably the captain of the aircraft cannot just say, “That’s it,” and open the doors. Somebody has to ensure that the passengers can get into the terminal building and that the luggage can be unloaded. Who gives the ultimate permission for that aircraft to unload?

Peter Duffy: EasyJet would make the decision to cancel the flight. We would then work with our airport partners to manage the customer through that process.

Q46 Chair: The answer is that it is easyJet.

Peter Duffy: The cancellation is the airline’s decision.

Q47 Mr Sanders: We have been talking about cancellations mostly before people have even got on the aircraft. I am talking about cancellation when people are on the aircraft. That is your decision, and the airport would have to facilitate the evacuation of that aircraft.

Peter Duffy: That is right.

Stewart Wingate: If a flight is cancelled, it is the decision of the airline. The airline’s handling agent is then accountable for taking the baggage from the aircraft, under contract to the airline, to the baggage facilities. It is the accountability of the airport to provide the mechanical baggage systems and make sure that they are available.

Q48 Mr Sanders: Is there a contingency plan for when you have to evacuate passengers? In other words, is there a maximum time that you would allow passengers to remain on a stationary aircraft, even though at that point there might still be an opportunity for it to fly? Is there a maximum period in which an aircraft can be stationary, and what is that maximum time?

Peter Duffy: Not from a legal perspective; but from a best practice perspective, you would want the customer to be on for the shortest possible period of time before launching the aircraft.

Mr Sanders: Yes, but give us a time. What is the maximum time?

Chair: Is there a maximum time that you think is good practice?

Peter Duffy: There is not a legal maximum time that I am aware of.

Q49 Mr Sanders: But do you have in your contingency plan—

Peter Duffy: We certainly would not let it go beyond two and a half or three hours, at the absolute maximum, but that very rarely happens. EasyJet usually manages disruption very well, so these incidents are—thankfully—very rare.

Q50 Mr Sanders: Do any of you know what the longest waiting time on this day was for people waiting on the runway?

Peter Duffy: I do not have that information, but we could get it for you.

Chair: Could you let us have that, please?

Q51 Mr Sanders: And not just from easyJet, because you were not the only people affected.

Peter Duffy: We can give it from easyJet. Perhaps Stewart can facilitate that from other airlines.

Stewart Wingate: Yes.

Q52 Miss Smith: I want to go on to the technical aspects that accompanied the people and process aspects that we have gone over. Naturally a contingency plan has to cover all those things. In paragraph 2.5 of your evidence—and, I think, in the statement that you read out—you said that two of the six switch rooms in the north terminal flooded, knocking out much of the power. I think I heard you say earlier that that meant that one third of the systems, in your words, went down. That seems to me to be a direct consequence—if the switch room goes down, all the systems go. What is your assessment of the redundancy of your systems? Furthermore, can you give me an assurance that your comprehensive review will go over all of the technical aspects of your resilience as well?

Stewart Wingate: I can certainly give an assurance that our review will look at all of those aspects of resilience and what investment needs to be made going forward. I know that I will get shareholder support to make that investment.

As has been reported—or misreported—in the press over the past days, there seems to be the sense that the power supply, the power transformers and the substations were impacted by the flooding. That is not true in the case of the north terminal. The power supply was actually intact. Had the power supply and the substations been flooded, it would have been a lot simpler for us, because we would simply have brought in one of the back-up generators and plugged it into the system. That would then have supplied all the different systems of the north terminal.

Effectively, the part of the system that was flooded was two of the six switch rooms, where the power supply is fed in at 415 volts. We call that low voltage; most people would call it high voltage. It is then distributed on to the individual circuits out in the terminal buildings. The issue was in the switch rooms. To give you an idea, these switch rooms are about 10 metres by 10 metres. There is big industrial equipment in each of the six switch rooms. There is an element of redundancy within the switch rooms. If one particular area of the switch room fails, we can switch across quite quickly. What there is not is redundancy between the switch rooms. In 25 years of the north terminal operating—since 1988, when it opened—these switch rooms have never been flooded. They were never seen to be at a big risk of flooding. As I said earlier, there was a less than one in 100-year risk of flooding in the north terminal, so it was totally unexpected.

As a result, two thirds of the systems were working exactly as they are designed to work. So we had two sets of toilet blocks off on the landside, but we had two sets of toilet blocks working on the landside. We had all the toilet facilities working in the departure lounge. All of the lighting was working in the check-in area, but the check-in counters were not working, because that system was out. We had all of the shops available in the departure lounge, but not all of the shops available in the landside areas. It was just different systems.

One of the things we will certainly be looking at is, what are the critical systems that we must have power to, not only from a generation perspective but also from a switch-room perspective? Despite the fact that for 25 years these switch rooms have stood the test of time, clearly on this occasion they failed, due to the terrible weather that we encountered and that the UK has encountered in the two weeks since. We are still under a flood warning today.

Q53 Miss Smith: I have just one follow-up question. Taking what I believe to be the quite difficult conclusion that, if all six went, you really would be done for—if I hear your words correctly—and trying not to make that an invitation to anyone who is listening to our Select Committee today to try to do that, it seems to me that there are circumstances other than flooding that could make this happen. What is your assessment of those?

Stewart Wingate: If you look at the substations, we have back-up generators. Out on the airfield there was a known risk of the substations being vulnerable to flood. The back-up generators kicked in, although not immediately. It took us a number of hours to get the generators to compensate fully for the loss of power, but it certainly did not impact on the operation of the airfield. In the terminal buildings, we have the same for the generation of power.

The area we now need to look at is the area from the distribution boards out into the terminal buildings. These systems have stood the test of time at Gatwick in the north

terminal since the day it opened. This was never anticipated. Most buildings you would operate in have exactly the same sorts of designs and resilience that we have. We will now have to take it to another level and invest further multi-millions of pounds to get more resilience in the critical systems. There is no question about that, and we will do it.

Q54 Miss Smith: Presumably that will include assessing for things other than flood that could achieve the same consequences.

Stewart Wingate: Absolutely.

Q55 Graham Stringer: Do you think McMillan is the right person to hold an independent inquiry? As a non-executive director on your board, he is hardly independent.

Stewart Wingate: We did not say it is an independent inquiry. We have not publicised it as that.

Q56 Graham Stringer: I did not say you had, but I am saying that he is not independent. Don't you think it would be better if it were independent? He is one of yours.

Stewart Wingate: He is a non-executive director on the board. David McMillan is highly respected within the aviation industry and was formerly—

Q57 Graham Stringer: He has a prime responsibility to your shareholders.

Stewart Wingate: He is a former director general of the Department for Transport. We have undertaken a review, which we hope will be inclusive. We certainly have the support of easyJet, which will participate in this review, and of other companies at the airport. We will publish a comprehensive report in due course, in February time. The terms of reference of that report have already been drafted and have been shared with the Department for Transport and the Civil Aviation Authority.

Q58 Graham Stringer: I am not questioning your terms of reference. I am questioning the independence of a non-executive director who has prime responsibility to your shareholders and whether he is the appropriate person to carry out this inquiry. I would not have any confidence in a director of a company where there has clearly been a failure to deal with a very difficult problem.

Stewart Wingate: This is a review that we have initiated off our own bat. We did not wait to be asked.

Q59 Graham Stringer: That is the whole point of the question I am asking.

Stewart Wingate: We did not wait to be asked to initiate a review. If any other body such as the DFT or the CAA decides to undertake its own independent review, we will participate fully in that.

Q60 Graham Stringer: You have mentioned a few times that you have given passengers whose flights were cancelled £100. Did passengers on aircraft that were arriving and were diverted elsewhere get £100 compensation?

Stewart Wingate: The offer of the £100 good-will gesture is made to anybody whose flight was cancelled either to or from Gatwick airport.

Q61 Graham Stringer: There were some diversions, though, weren't there? There were planes that could not land and were diverted to other airfields or other airports.

Stewart Wingate: We have been quite clear. What we have offered as a good-will gesture, which is quite unprecedented for an airport operator, we have done because it was Christmas and, despite our best efforts, we had cancellations. We have offered £100 of shopping vouchers to each and every passenger whose flight was cancelled. That is for flights that were cancelled either to or from the airport.

Q62 Graham Stringer: So the answer is that people whose flights were diverted coming in did not get £100.

Stewart Wingate: If their flight was cancelled, they get £100.

Q63 Graham Stringer: But if it was diverted to another airport—as some were, I understand—they did not get £100.

Stewart Wingate: I am not sure that there were diversions on the day.

William McGillivray: I think the diversions you may be referring to are the ones that happened the night before, due to the high wind.

Q64 Chair: You do not think there were any diversions caused by the—

William McGillivray: Not that I am aware of.

Stewart Wingate: I do not think there were any diversions as a consequence of the flooding. For anybody whose flight was cancelled, we have made this gesture, which has never been done before, as far as we know—

Q65 Graham Stringer: My brief says that there were diversions, but if there weren't, there weren't. I would be grateful if you could clarify that in writing.

Stewart Wingate: We will certainly clarify it in writing after the event.

Q66 Graham Stringer: Why did you get your risk assessment so wrong?

Stewart Wingate: We worked with the Environment Agency, looking at the flood risk assessment. We did that following the Pitt review, which was in 2007. The assessments were done in 2008. Essentially, they looked at the terminal facilities. The south terminal was seen by the professional flood consultants to be the terminal that had a one in 20-year risk of flood, which is why we ploughed £20 million of investment into flood alleviation to protect that terminal. It seems to have worked, although we are still under a flood warning now and are still vulnerable. But the north terminal was assessed—not by me, but by people who are expert in this area—as having a flood risk of somewhere between one in 100 years, in parts, and one in 1,000 years.

Q67 Graham Stringer: So what you are saying when I ask why you got your risk assessment so wrong is that it was the advice you took.

Stewart Wingate: We worked with the Environment Agency. We will continue now to work further with the Environment Agency on drawing up further risk assessments when it comes to flood and likelihood of flood in the terminal buildings. I think that is all we can do.

Q68 Graham Stringer: Clearly that one was wrong. There were 68 mm of rain on that day. You said earlier that the Met Office forecast was wrong. What was their forecast?

Stewart Wingate: Their forecast was for 46 mm of rain. We had 68 mm of rain.

Q69 Graham Stringer: When did you take that—over what period? Was it the very high-resolution weather forecast that the Met Office gives?

Stewart Wingate: We were using the standard weather forecasts that we as an airport purchase on a routine basis from the Met Office. To put it into context, the 68 mm of rain was more rain overnight at Gatwick than had fallen in the entire month of December up until Christmas eve. This was a significant amount of rainfall.

Q70 Graham Stringer: I recognise that it is a huge amount of rain. You said the Met Office got it wrong, so I am just trying to ascertain which forecasts you were using. The Met Office does very high-resolution forecasts, which are not 100% accurate but are very accurate. I just wanted to ascertain whether you got those very high-resolution forecasts for Gatwick.

Stewart Wingate: We will have to follow up on the precise details of the forecasts that we buy. What I do know is that we buy extensive forecasts from the Met Office.

Q71 Graham Stringer: Perhaps you can let us know whether you used the high-resolution forecast.

You have had an 18% increase in profits. How much has that increase in profits come down to cutting investment programmes?

Stewart Wingate: If you look at the investment that we have made under new ownership—

Q72 Graham Stringer: I am not doubting the level of investment—I am asking about cuts in potential investment. Clearly you had not protected part of the north terminal. I am just asking, in terms of those increased profits, how many cuts you have made.

Stewart Wingate: If you look at it, in fact we have made more investment. Investment at the airport in the last four years has been £1 billion. In the prior 10 years, under Heathrow's ownership, investment at Gatwick was only £1 billion. We have more than doubled the rate of investment at the airport in four short years. That is what has led us to transform facilities at the airport. To boot, we have also invested £20 million in flood alleviation for the terminal facilities that were deemed by the professionals to be at most risk and have, indeed, protected those facilities. Going forward, we will make whatever

investment is necessary to protect the north terminal and to protect the electrical resilience of that facility.

Q73 Graham Stringer: I go back to the very first question that the Chair asked you—about the things you should have done before. You gave a very comprehensive general answer. What three things should you have done that were not done?

Stewart Wingate: In the future, as I have already stated—

Graham Stringer: No—I am talking about the past. I am talking about what you should have done, which was not done.

Stewart Wingate: If you look at what we did, we made the investment in flood alleviation for the south terminal and put the contingencies in place out on the airfield, with the back-up generators, where we knew the substations were at risk in the event of flood. If I go across to the north terminal, we can never do enough communication to passengers. Despite having over 500 of our members of staff out in the terminal buildings, with people going above and beyond, unfortunately, as it became clear that we were going to have 67 cancellations on the day, communication, as always, became a key factor. We had everybody out of the back office, we had all of our normal deployment of operational staff, but communication is the area where you can never do enough when you face a situation like this.

Q74 Graham Stringer: I am still not sure that I am clear about the three things you should have done beforehand. I have a final question. In your answers today, you made very bold statements about Gatwick's ability either to compete with or to take over from Heathrow. After this fiasco on Christmas eve, do you think that the public can have any confidence in your turning into a major hub airport?

Stewart Wingate: We are certainly sorry for the disruption that was caused following the extraordinary flooding at the airport on Christmas eve. Clearly it will have had an impact on our reputation. We will now redouble our efforts to deliver better service to our passengers going forward and to put in even more resilience than we already have on the airfield, in the south terminal and in the north terminal as well. Hopefully, by doing that we will be able to regain the trust of our passengers coming through the airport, as we move through 2014.

Q75 Martin Vickers: Mr Wingate, you said that under normal circumstances, had it not been Christmas, you would not have taken the decision to move passengers from one terminal to the other and that in the same circumstances you would not take the same decision. I put it to you that, by saying that, you are actually saying that you would rather have disappointed 100% of your passengers than only one third. You did manage to get roughly two thirds of your flights off.

Stewart Wingate: We would have had the full south terminal operating. The full south terminal schedule would have operated, so 50% of the flights would have gone. Of course, the fine judgment that needs to be taken—we will consult with our airline partners on this—is whether, when all is said and done, it is better for the passengers to cancel flights early when you have an issue of this magnitude, even though that results in disappointing

all passengers, or whether you should, as we did, try your hardest with your airport partners to get as many passengers as possible to their destination, knowing that the consequence of that if you fall short may be that some passengers will be really disappointed, because they will be at the airport for many hours and, ultimately, not reach their destination on that day. It is a very difficult judgment.

Having experienced what we saw on Christmas eve—bearing in mind that the airport operated a full schedule on Christmas day, Boxing day and every day since—I am inclined to say that in the future, if we have an incident of this sort of magnitude, which is very rare, we will take the decision to cancel flights earlier, to avoid letting our passengers down as the day goes on. It is a very difficult judgment.

Q76 Martin Vickers: Accepting that this was a fairly rare incident, nevertheless there are adverse weather conditions that frequently disrupt flights. Don't you think the travelling public have a reasonable expectation that the airlines and the airport operators will do all they possibly can to get them to their destination, rather than take the fail-safe position of cancelling all flights?

Stewart Wingate: On Christmas eve that is certainly the approach that we took. As a result of that—

Q77 Martin Vickers: But you said that you think you took the wrong decision.

Stewart Wingate: On Christmas eve that is the decision that we took. The result of that was that 72% of departures left the airport on Christmas eve.

Q78 Martin Vickers: Yes, but you are saying that you think that was the wrong decision.

Stewart Wingate: What I am saying is that that means that 28% of the departures, which had on board passengers who were at the airport, in some cases, for many hours, did not reach their destination. You need to look at the challenges that we faced. We had issues on the airfield with flooding, given that the River Mole had flooded, we had issues with the ILS—the instrument landing system—on the runway, we had the rail services to Brighton and to London down, we had the M23 closed for flooding and we were hearing stories of Horley, Leatherhead and Dorking all being flooded.

When you take all of that information—which is what was on our plate early on Christmas eve—in retrospect, possibly we should have cancelled flights earlier. In the future, that is the decision that we will take. However, what we will do is redouble our efforts to invest in the resilience of our facilities, to protect our facilities even more from flooding and to protect the electrical resilience of the terminal facilities. Our focus will be on prevention as we go forward, to try not to have a recurrence of this situation.

Q79 Martin Vickers: Despite those efforts, what you are saying is that in future all of the passengers will be disappointed, rather than just a third of them. Mr Duffy, as an airline operator, surely you want to satisfy all of your passengers.

Peter Duffy: Of course we do. Fundamentally, this issue is about what the capacity of the airport is and how we size for flying programme against that capacity. We need that information as soon as possible so we can get that right. It is not a question of cancelling

everybody's flight. It is about being honest up front about the contingency plan and what it can deliver; then we will size for flying programme against that. Inevitably, that will mean that some customers will get their flights cancelled, which is a very difficult thing, but I think that is the best solution in the circumstances.

Q80 Chair: Mr Duffy, in a lot of the comments you have made, you seem to be implying that all the problems came from the airport operator—the airport itself—and you were really at the receiving end. Do you think you have any responsibility for what happened?

Peter Duffy: We have a responsibility to our passengers in terms of how that is managed through, but we are very clear about what the problem was on Christmas eve at Gatwick. The contingency plan did not work, and we believe that it did not work for two key reasons. First, it was inadequately resourced. We could not get the passengers from north to south appropriately with Gatwick staff. The bussing was never going to be able to transit that number of people back to north, so the plan was—

Q81 Chair: But don't you think you should have asked the question about what resource was available?

Peter Duffy: That comes to my second point, which is about how well this was managed strategically. Typically, you would have a gold level of escalation, which we asked for, and it was declined. The gold level of escalation would look at a plan and say, "Is the plan working or not working? How do we change it? How do we make it work? What is required?" We asked for that gold level of escalation. That was rejected. Our chief operating officer tried to get in contact with Stewart directly at 1 o'clock to do that. We need these incidents managed at a more strategic level going forward, with the most senior people on it, to make sure that we are delivering the best passenger experiences—really clear contingency plans, well resourced, with senior people making key decisions.

Q82 Jim Fitzpatrick: Mr Wingate, I do not think anybody would challenge the fact that these were extremely exceptional circumstances. You have very graphically demonstrated why that was the case. We have heard from easyJet, and clearly there is unhappiness in its view of performance generally. What was the other airlines' attitude to the arrangements for the day? Do you have anything you can tell us about that?

Stewart Wingate: If I were to compare and contrast, the south terminal operation ran as a normal operation. The departures that were scheduled to depart from the south terminal were approximately 125 planes. They all left, so we were not getting any adverse feedback from the airlines in the south terminal. Across in the north terminal, along with easyJet, British Airways are a big airline. They took an early decision, based on the information that we were sharing with all airlines, to cancel 11 of their flights but to run the remainder of their schedule. That was successful. Of the other airlines in the north terminal, there were a number who successfully made the switch across to the south terminal and ran their full schedule. In fact, on the airport side, we have some letters from a number of airlines thanking us for the efforts of the airport on the day that enabled other airlines to run a full schedule.

Q83 Jim Fitzpatrick: I have two more quick questions. To go back to Mr Stringer's question about what you could have done, in your written evidence and in your verbal evidence today you said that a lot more could and should have been done. Are we talking about internal arrangements for dealing with the logistics of power supply, or are we talking about dealing with passengers and passenger welfare?

Stewart Wingate: When we look back on the sort of things that we now need to do to invest in further flood protection of the north terminal, clearly the one in 100-year to one in 1,000-year flood risk that we thought we had cannot possibly be the case. We need to redouble our efforts and look at what flood alleviation schemes we can put in place further to protect the north terminal. In addition, we need to look at the critical electrical supply to critical systems in the north terminal. If we need to make further investment to give us even more resilience than we already have, we should do that, too—and we will.

Q84 Jim Fitzpatrick: Finally, to go back to Mr Vickers's question, contingency planning is clearly supposed to be about the worst-case scenario and how we deal with it. Because it was Christmas eve, an emotional decision overrode all the effort and examination of contingency planning. I understand exactly why you arrived at that decision, and you said today that in hindsight you would not make it again—hence Mr Vickers's question about that meaning that even more people would be disappointed. I have the greatest respect for Mr McMillan. Will his examination and any external examination look at contingency planning? What are the consultative arrangements with the airlines for contingency planning? Are plans drawn up just by the airport and then shown for approval, or is there consultation? And for easyJet, would you want to have more involvement in the contingency planning?

Stewart Wingate: There is significant consultation between ourselves and the airlines, not only in terms of the contingency planning arrangements but also for winter preparation arrangements, to include things such as adverse weather. There is even detailed consultation when looking at, for example, the flood protection that we put in place for our terminal buildings and the investment decisions that we make. Both we and the airlines studied the Environment Agency documents and looked at the risk assessments. That led us to make joint decisions, through the joint steering group that we had at the airport, to make the £20 million-worth of investment to protect the south terminal. So there is an awful lot of consultation that happens from a contingency planning point of view, from a preparedness point of view and even from a capital investment point of view, but we should always be doing more.

Q85 Chair: Mr Wingate, are you saying that the airlines are part of that contingency planning and that it is not just you on your own?

Stewart Wingate: We share the contingency plans between—

Q86 Chair: Are they jointly responsible?

Stewart Wingate: We have our contingency plans, so we will take our accountability. We have our contingency plans for the airport, which we share with the airline community and other agencies at the airport on a regular basis.

Q87 Chair: If I can go back to easyJet, do you accept that you are part of this decision making? The impression that I think you have tried to give us is that you are a kind of injured party and that you are really nothing to do with the planning or the decisions that were taken. That is not right, is it?

Jason Holt: I think it is right. I think we need a regulatory piece that ensures that the contingency plan is broad and robust—

Q88 Chair: No. I am asking you about your role in this. I am questioning whether the impression that you are giving us is correct. You are giving an impression that all that was decided was to do with the airport itself, and you were the recipients and, perhaps, the injured parties, but you were not part of the people who were responsible. I am questioning that.

Peter Duffy: When the last flooding incident happened in October, we asked to see the full contingency plan coming after that from Gatwick airport. We are still to receive that. We are not clear today on that contingency planning, how effectively it is resourced and how we need to resource against it. It is not the integrated sort of plan that I think you as a Committee would expect to exist.

Q89 Chair: Clearly this is an area for us to look at further. Mr Wingate, I would like to ask you one final question. The CAA has concluded that there is no need for Gatwick to be subject to a licensing condition in relation to operational resilience. Do you think that decision from the CAA is still correct or do you think they should revisit it?

Stewart Wingate: With the greatest respect, I do not think that the CAA has made the decision on the licensing arrangements as yet. We are awaiting that for later this month.

Q90 Chair: I think its status is a final proposal.

Stewart Wingate: I think it is still in the consultation phase. Perhaps I can write to you after the hearing to confirm.

Chair: Thank you all very much for coming and answering our questions.

Examination of Witnesses

Witnesses: **Dave Ward**, Route Managing Director for London and South East, Network Rail, and **Chris Burchell**, Chairman, National Task Force, gave evidence.

Q91 Chair: Good afternoon. Welcome to the Select Committee. I apologise for the lateness of the session; we overran, as you saw. Could I have your names and organisations, please?

Dave Ward: I am Dave Ward from Network Rail.

Chris Burchell: I am Chris Burchell. I am the managing director of Southern and Gatwick Express, but I am here today as the chairman of the National Task Force.

Q92 Chair: Mr Burchell, is the rail industry prepared to deal with wind and rain as well as snow and ice? A lot of discussion before what happened on Christmas eve was to do with snow and ice. We now have different issues facing the network. Are they issues that have not been considered properly?

Chris Burchell: Before I answer that directly, perhaps I could make a few points. First, on behalf of myself and my colleagues, I would like to apologise to any passengers who suffered disruption either on a planned basis, due to the necessary improvement works that were undertaken over the Christmas period, or due to any unplanned disruption that arose because of the storms, the impact of which continue today. I also thank the thousands of Network Rail staff, train operating staff, freight operating staff and our contractors, who have worked tirelessly over the last two weeks, and continue to work tirelessly, to restore the network and to keep the network operating. There are still a number of cases—indeed, today we continue to suffer the effects of the storms—and people are working extremely hard to keep passengers moving. It has been a very challenging couple of weeks, but I am very pleased to be able to update the Committee.

Madam Chair, you asked whether we are prepared for wind and rain. As an industry, we prepare for all seasonal impacts. The effects of wind and rain on the network are quite different from those of snow and ice. When we spoke about the St Jude storm, we had put some very clear contingency plans in place for that, which we believe worked quite well. As I said, this example is not a one-off event; it is a prolonged event that has had and continues to have some peaks in it. The peak that arrived just before Christmas had been well prepared for. Similar to the way we prepared for St Jude, there had been advance information to passengers about potential disruption, through all media channels. Network Rail and train operators were working together very closely to gauge the effect and gravity of the storm and the potential resultant operational response we might put in place. Generally speaking, from about 4 o'clock on 23 December most routes were operating under a 50 mph speed restriction, which is the standard response for the forecast that we had experienced.

Of course, the big difference with wind and rain, as compared with snow and ice, is that often the effects—falling trees, landslides and flooding—are not predictable. With snow and ice, generally speaking, if the forecast is reasonable, you can get a view as to how much, where and when, so you can plan. We plan together to try to keep certain elements of the network open and have a pre-planned timetable. With wind and rain, where you have these effects, you are not quite sure where the trees are going to come down or where the flooding may appear. We are not in control of all of our destiny here; as we explained with St Jude, not all of the trees are on railway land. Some of them are on third-party land, and some of the effects of flooding do not arise because of railway drainage issues—they can be from third-party issues as well. You are never quite sure where the effect will be, but we certainly plan and prepare for it and work very closely together.

Q93 Chair: What more could be done to address that? It is true that you cannot predict exactly what is going to happen, but you have identified a number of issues. What are you doing to deal with the problem more effectively in the future?

Chris Burchell: From a seasonal preparation point of view, flooding and wind effects are on the register of activity that we work on between us. I am answering for Dave, in a way, but my understanding is that each Network Rail route has an understanding of its flood risk sites and has plans to mitigate and address those. There is routine infrastructure

preparation each season to clear drainage and culverts. We work together to make sure that we are ready for that before the season begins.

What we have been trying to do, particularly over the last couple of weeks, is to make sure that passengers are as informed as possible about the likely effects and the likely damage that we are seeing. Some of the damage we have seen to the infrastructure over the last couple of weeks has been unprecedented, and the challenges remain ongoing because of the saturation of the land.

Q94 Chair: Mr Ward, could you give us an idea of the cost of the damage? How much is it costing to put things right? Do you have a separate budget for that, or is it coming out of other budgets?

Dave Ward: To reiterate Chris's point, this has been an ongoing and unprecedented series of storms that have challenged us in many areas. One of the decisions that we took early on was that we would put safety and restoration of the network first, so we have not been going round calculating the cost of it thus far. We will do so. There are extensive works—over 10,000 additional man-hours have been used to restore the network, to clear trees and to make good the flood sites. We have a whole host of serious infrastructure issues that will take several weeks, if not months, to restore, where we have had severe wash-out of track bed and debris. The recent damage that has been caused to the north coast of Wales is almost unprecedented in its scale and in what will be needed to restore it. The best answer I can give is that the cost is likely to be considerable—

Q95 Chair: About how much? In what sort of area?

Dave Ward: It is in the millions, but it would probably be best if we communicated with you at some stage in the future—in the early spring. We could either give you a note or come back and be much more comprehensive on that. We are looking at an additional cost to the railway industry that is certainly in the millions, if not the tens of millions. Some of that is insurable, but the environment we work in is quite complex. This has been something that has taxed us probably more than most of us can recall, just because of the sheer length. As soon as we get past one storm event, another one hits us. As soon as we have restored a number of sites, we have a whole load more sites.

Q96 Chair: Where is that cost being met from? From which budgets?

Dave Ward: Via Network Rail. We are funded to meet those costs—

Q97 Chair: It will not affect budgets for maintenance or any other matters.

Dave Ward: In the final account, there will be a communiqué with the Office of Rail Regulation about how much additional spend the storms have cost that we could not have reasonably foreseen in the weather. As I said, there will be an element that is insurable. I am not trying to dodge—I just want to try to give a full picture. It will be several weeks, if not a month or so, before we have the full cost of the damage. Chris alluded to the fact that we are having further damage today. The problem with some of the earth stability issues we have is that they do not manifest themselves until you restore full traffic and you get the full tonnage; that is when the failure happens. I think we still have some way to go before we see—

Q98 Chair: But is it affecting any other planned work?

Dave Ward: No.

Q99 Chair: Not at all? Can you give us an assurance of that?

Dave Ward: I can give you an absolute assurance. As I said earlier, we took a decision right at the beginning that the restoration and safety of the network was paramount. We would not pull any work or any budgets to try to counterbalance the cost. We would restore the network, calculate the cost and then report back to the Office of Rail Regulation. We will gladly report that back to the Committee in the coming months.

Q100 Chair: All of these things are Network Rail's responsibility, aren't they?

Dave Ward: Yes.

Q101 Chair: Mr Burchell, can you give us a clearer picture of what the rail industry is doing to anticipate future problems and to prevent some of these things happening again, whether it is to do with trees or to do with other issues? Is there a programme in place? Is there planning in place?

Chris Burchell: Certainly seasonal planning is on a regular basis. It is something we look to learn from each year and something that develops each year, based on experience. Each network rail route and its operators will work together to produce an autumn plan, a winter plan and a summer plan. There are set maintenance activities both for infrastructure and for rolling stock to prepare for each season. At the National Task Force, in advance of each season we agenda seasonal preparation for the forthcoming season to get a flavour of how people are preparing for it. In advance of winter—and this year, in advance of autumn—we have taken agenda items that have gone round each of the TOCs and each of the Network Rail routes to see how we are doing in terms of our routine preparation.

In cases of extreme weather like this, I guess that perhaps there are areas of infrastructure that get exposed where we have not seen issues before, or there are third-party issues that have not manifested themselves before. Those have to be dealt with as they arise, but the routine things are regularly planned for and delivered.

Q102 Chair: What have you learned in terms of giving information to passengers and looking at the welfare of passengers? For example, we have been told that commuters in Hastings could not get a rail replacement bus—that buses were not available on 27 December, even though the line had closed on the 22nd. Why should that happen? What is being done to address that issue?

Chris Burchell: It is certainly fair to say that the effects of storms are quite different and more variable than those of snow and ice or of autumnal events. From a passenger information point of view, we therefore have to react more to the events that we see on the day. I am not familiar with the precise details of what happened at Hastings. I did speak to the managing director of Southeastern to gauge what efforts Southeastern had made to obtain buses. I was assured that they had contacted the local bus operator but it had been unable to provide buses at the time, for varying reasons—road conditions and its own services, for example. I understand that those efforts were made.

What we have done—all operators have done and will continue to do this—is try to use every available media channel, both in advance of a forthcoming event and during the event, to keep people updated. I think we mentioned before that the use of social media, Twitter and websites is a much more effective tool for giving real-time information, but also for giving a real flavour of what has been happening. Images of obstructions and landslips have been published on websites and on Twitter so that people can see the effect of what we are dealing with. That can accompany the advice and tends to bring these events much more to life.

Q103 Chair: We have been told that websites showed that services were running from Ashford to St Pancras on the morning of 27 December when in fact the line had been closed.

Chris Burchell: I am afraid I am not familiar with the specific example. Perhaps I can inquire with—

Chair: Would you look into that?

Chris Burchell: Absolutely. We will write to you.

Chair: It is people's specific experiences that count in all of this.

Chris Burchell: I understand. We will look into that and come back to you.

Q104 Jim Fitzpatrick: Picking up a question that the Chair asked a moment ago, it was not on the day, Mr Burchell. The Chair said that this event happened on the 22nd, and on the 27th it had still not been sorted—I accept that you are not responsible for Southeastern. Generally, on the arrangements between rail operators and alternative bus companies that would supply a service, other points that have been raised with us are that, where buses could not be supplied, there weren't arrangements in place for the existing bus companies to accept the ticketing arrangements for the rail companies. Do those arrangements generally apply in localities? Do bus companies and rail companies have reciprocal arrangements to say, "If we have a problem and you take our passengers, we will cover the cost; we will do the same for you"? The information coming from this part of the south-east seems to suggest that there were days of inactivity, lack of information and lack of contingency arrangements, and that people were not able to utilise anything, other than by paying for it and then going through the arduous process of having to claim it all back.

Chris Burchell: There are a couple of points to make on alternative services through buses. For planned engineering work, clearly it is a slightly different kettle of fish. We are aware of what is coming up and buses are contracted by the train operators to provide alternative transport for the routes that are required. That is fairly simple because it is pre-planned and you understand what is going on.

For unplanned disruption, it is slightly more difficult, but it is also different. Each operator will have arrangements to provide additional buses on an unplanned basis through local operators, where those are available. There are situations—for example, with operators of school contracts—where at certain times of day those buses may or may not be available. Because it is unplanned, you cannot have a fleet of buses just sitting idle with drivers for

the potential event when you might need them, so you are somewhat dependent on the circumstances on the day.

It is also worth underlining that, depending on the scale of the disruption, where it is and when it is, it is not always feasible, for example, to bus a mainline route if it is completely severed. If we are talking about a mainline route into London, you may be able to get hold of a few buses, but that will not be sufficient in any circumstance to carry the volume of demand that may exist. Often operators are unable to do that. We then have to gauge the right approach in terms of information. If we suggest to people that the route is open or alternative transport is available, we may create a surge in demand that we simply cannot meet. We have examples in the past where people have not been able to secure alternative transport sufficient to meet the likely demand, so we have to be prudent about what we can and cannot do.

Most operators will often also have what we describe as knock-for-knock arrangements with local bus operators. If there is disruption, you ring the bus company and say, “Can you cover this route for a period of time?” That is usually a defined period of time—less than 24 hours—and we will agree ticket acceptance. It also works the other way. In snow periods when we have been running a service, I know that we have accepted Brighton and Hove bus tickets, for example, on our services, but that does vary by operator.

Q105 Jim Fitzpatrick: It is not the norm, it is not a contingency plan—

Chris Burchell: No, it is—absolutely. It is what all operators will have in place. I am saying to you that it will vary in terms of which companies are used and how and what the particular arrangements are, but operators will have those arrangements in place with their local bus operators.

Q106 Chair: Mr Ward, can you tell us anything more about the Hastings to London route and why tickets for buses were not available?

Dave Ward: I am not aware of why there were not the ticketing arrangements for substitute transport that normally happen when rail routes are blocked. One problem, among many, that we saw on the Tonbridge to Hastings line was a serious earth slip and embankment failure at Wadhurst. That will probably take about three weeks to restore. We got the line open under a temporary arrangement on the 27th. The landslip occurred on the 23rd. There was no booked service on Christmas day and Boxing day. We were hoping to open it under degraded working on the 27th, but those plans failed because we had a further weather event overnight on the 26th and 27th that exacerbated the damage.

The only thing I can offer up is that there was a plan to run services on the 27th, but weather intervened on the 27th that meant that we had to route-prove that the routes were viable and safe. When we did that route-proving, there was further damage on the Hastings line that meant that for the first three or four hours of service operation there probably was not a robust contingency plan for substitute transport. We apologise for that. We did have a plan, but the further storm on the 26th and 27th scuppered that.

Q107 Chair: Do you know which areas are subject to landslips?

Dave Ward: Or susceptible to landslips. If I may give some context, we define an embankment as a structure that is over 3 metres high and supports a railway. We have over

175,000 embankments in the UK railway. We have something like 80,000 bridges, tunnels and structures that are all susceptible to various elements—

Q108 Chair: What about your area? I want to know what you know about the area you are responsible for and what is being done about it.

Dave Ward: We inspect them and give them a ranking; that is the easiest way. We have a ranking that we call poor or susceptible, for those that have a risk of being damaged by flood water and extreme weather. They are subject to a very stringent inspection regime that is annual. Quite often there is intervention through automated monitoring and data and plate monitoring. If need be, we reduce the latent speed of the train to reduce the load of the bank. As we come back in the spectrum, we have a different grade.

In the last 10 days, we have seen approaching 200 separate sites nationally where we have had severe flooding that has prevented any operation. We have seen over 20 embankment structures either completely washed away or demolished. Most of those 20 were not what we would define as poor and were not on our register. We are busily assessing those where we have done temporary repairs and reopened the line. Some of them need permanent repairs. Once we have stabilised the network, we will have to start all the process again and reassess them because of the severe load weight, both at the base of the embankments and at the toe, that this weather has caused. I suspect that we will also have to reassess our programme of intervention and monitoring of embankments, because what we have seen is unprecedented in terms of the pressure, the damp and the damage that has been done to what is essentially a Victorian railway structure. In some places, it has totally washed it away and we will have to rebuild it.

Q109 Chair: What about new electrification schemes to make sure wires can stay up in high winds? Are any new projects planned?

Dave Ward: Yes. We certainly have some huge investment around electrification in the northern part of the country, around Manchester, and we are going to electrify the Great Western main line in control period 5, starting on 1 April. If you look at the design specification for overhead line systems, they are designed to be resilient at a higher air temperature and in stronger gusts of wind than those our forefathers and sisters installed through the '60s and '70s.

Q110 Chair: Have any of these plans been changed in the light of the recent incidents of bad weather?

Dave Ward: Changed in what way, Madam Chair?

Chair: New schemes, changing of timing—how have you reacted to what has happened in recent weeks? Will there be more investment than was planned? Will it be done quicker? What is going to change as a result of what has happened?

Dave Ward: There are two aspects to that. The first one is to give some assurance that the new electrification that we plan to install in the next control period has a higher specification than most of the overhead line electrification that we currently have in the system, so it has higher tolerance against gusts of wind. We will still have difficulties with overhead line systems when you get gust speeds of over 60, 70 or 80 mph, because they

are not resilient to falling debris and falling trees. We have to manage expectations, but we have raised the bar from what we currently see in parts of the network.

We are currently assessing the regulator's final determination for the funding period from 1 April this year through to the end of the decade. Within that, we have already made significant monetary provision in the different asset categories for what we would call the changing climate—the weather challenge or climate resilience. That includes things such as those I have just alluded to in relation to embankment stabilisation and embankment renewal. We propose to triple our spend on that type of activity in the next control period compared with the previous five years. That is solely because we accept and can demonstrate that the challenge in the world has changed in terms of what these structures are expected to put up with.

There is a whole host of other areas we have spoken to the Committee about before around snow and winter preparation. Wind is a very difficult one. We spoke before, around the time of St Jude, about the fact that there are over 3 million trees adjacent to our railway nationally. The vast majority of them are not on our land, so there is a wider debate, involving not only Network Rail but the Government and other agencies, about the best strategy in terms of trees that are in the collapse envelope of a railway line. We will gladly look to inform that debate and give some costings around it going forward, but it is not for us to solve that, because 90% of the trees are not on our land. Wholesale felling of trees is a very emotive and difficult issue. It is another one where we have to make a judgment about what we see as the best course of action, against different priorities.

Q111 Graham Stringer: That is almost exactly the answer that you gave last time.

Dave Ward: Sadly it was only eight weeks ago, so it has not changed.

Q112 Graham Stringer: Is there anything that you could have done better during the period of severe weather over the Christmas period? Are there any decisions that you took that you regret, or anything that you could have done better so that passengers would have had a better time?

Dave Ward: It is a brave organisation or person that would say no. There are always things that we could have done better. There is always stuff that we learn.

There were some very big decisions that the industry had to take, and it was extremely encouraging that we took them collectively. One fact that has probably gone unseen is that we delivered the largest Christmas programme of works in the history of Network Rail. This Christmas, we delivered over £100 million of capital expenditure. That is about growth; it is about resilience and it is about future capacity.

It was a massive decision that we as an industry had to take on 23 December: do we start that work? We took it knowing full well what those risks were, what the contingencies were and what further contingencies we needed jointly to develop against a very changeable weather pattern. Our forecasting was as resilient as we could have hoped—and it has been, despite some other issues in the press. The Environment Agency once again supported us magnificently in its predictions of floods, water flows and where the risks were likely to be. When you compare that to what it was like five years ago, it bears no resemblance.

We can probably always look at how we provide information to the passenger, both pre-event, during event and after event, and we always look to learn from that. Some decisions

we took around the deployment of priorities; some sites we left because we knew that we were just overwhelmed. We had priorities similar to the previous witnesses, when we were absolutely determined to get everybody to the place they wanted to get to for Christmas. I think that was the right decision. The result was that some of the sites that had been damaged we consciously left until after Boxing day.

If I was to have my time over again, I might not have done that on all of those sites, but that is with hindsight. I knew that we were going to get another storm event on Boxing night, but I did not know that it was going to be as severe. We are in a situation now where we had a forecast for today for 50 mph gust winds, 20 mm of rain and thunderstorms, and I said, "That's good. Thank you."

Yes, there are things we could have done better, but I think we made the right decisions when the decisions needed to be made.

Q113 Chair: Was the closure decision right—the part of the network that was closed? Was that the right decision?

Graham Stringer: For Kent and Sussex.

Dave Ward: I guess that was my point, because the majority of the Kent and Sussex network does not have a booked service on Christmas day and Boxing day. The overriding decision and strategy was to get everybody to their destination on Christmas eve. If it took until 7 o'clock Christmas morning, that is what it took. We made the decision in contingency about our engineering works and the logistics—they would all be held off until we had put the system to bed and everybody was where they needed to get to.

I wish that we had also made a decision on Christmas day and Boxing day to start some route-proving, and route-proving on Boxing night and Boxing afternoon, because when we did it on Boxing morning we found a situation that meant that we could not restore services until midday. That, to me, meant that we had failed. We should have been more on the ball with that. We should have foreseen that two days of no service and another storm meant that it was likely, when we went to route-prove on Boxing morning, that we would come across significant problems. We should have prioritised that through Christmas and Boxing day. That is with hindsight.

Q114 Graham Stringer: You mentioned communication with the travelling public. Are you satisfied that your communication with the train operating companies was as good as it could be?

Dave Ward: It is best to ask Chris, but I believe that it was. I believe that it was open, transparent and timely. We were very clear about the decisions that we made on engineering work, particularly on the Brighton main line, and about what were the risks—when were the key milestones in that 10-day period, when we would know if those risks meant that we were going to overrun—but in the end we completed two out of the three works bang on time, and with one we had a planned overrun. It was the best we could do, but I will always take feedback.

Chris Burchell: From my point of view, the processes we have for planning our response to forecast extreme weather are already entirely integrated. When we have a forecast that we believe is going to give us some difficulties, the train operators and Network Rail already work together. The process demands that we work together to establish what is that forecast, what is the likely impact, and therefore what service we might operate. The

output from that is passenger communication as early as possible. That is what happened, and has happened frequently over the last couple of weeks in varying degrees, depending on the location of the forecast. That has matured over the last few years, and is effective.

The challenge for passenger information this time, around storms, is that you do not always know where the disruption will be. You can forecast generalised disruption, and operators had relaxed ticket restrictions because we knew that there would be some difficulties and we wanted to make life as easy as we could for passengers. Operators relaxed ticket restrictions and said, “It will be difficult, and we expect some disruption. Watch this space.”

Lessons have been learned from St Jude. The last time we were here, we talked about operators having given specific times for the resumption of services. What I saw this time around was operators saying, “Watch this space. We expect disruption.” For my own operator, we knew late on the 23rd that the network was going to be difficult the next morning, so we effectively suspended the service, similar to St Jude, and then said, “Watch this space. As soon as we can open the lines, we’ll tell you which lines are opening and in what order.” That was better than what we did for St Jude.

Information can always improve—no one is ever going to say that we have it perfect—and these events will be reviewed again as we seek to learn further things from them, but I think the integration is effective.

Q115 Graham Stringer: Does what you are saying in that answer relate to the previous witnesses—that certainty is better for the passenger than uncertainty, even if it means cancelling more trains? Is that what happened?

Chris Burchell: To a certain extent, yes. If I may talk about my example, on the 23rd and 24th combined, we knew we had over 50 trees down and we had eight flooding sites. We knew that it would be difficult to restore, so we took the decision that we would go through each route and make sure that it was clear, as we did for the St Jude storm, and that as soon as it was clear we would operate services again. That is what we proceeded to do, but it was compounded, because later in the day we had the flooding, and we also had two landslips on the main lines, which made the restoration of services particularly difficult, but the response, and the management, and the information was, I think, as good as we could do on the day.

Q116 Miss Smith: I would like to pick up on that point, pulling in some of the themes from our previous witnesses. Can you tell us of any occasions, either in your day-to-day operations or in your contingency plans, when you have to operate them, where you have conflicting incentives as a TOC and as Network Rail? I should acknowledge, Dave, that in my area I happen to know that your staff co-locate with the TOC. I know that there is good practice out there, but none the less are there still some snags?

Chris Burchell: At an operational level, no. Most TOCs are now integrated or co-located with Network Rail for operational control. We share an objective in operations control, which is to operate the network safely and as best we can for passengers. That objective overrides all other incentives.

There are other commercial arrangements that exist, but I do not think they appear, or have any presence, in the operational control room. Whatever the disruption and whenever it is, whether it is seasonal or for whatever reason, our objective is to minimise delay and to

operate services as punctually and safely as we can. I feel pretty comfortable and confident about that, and there is good evidence over this couple of weeks that punctuality was not the main factor; we wanted to move people and move them safely.

Q117 Miss Smith: You are not identifying a difference between normal operations via you and contingency operations.

Chris Burchell: No. We want to move people. We then reflect on the punctuality statistics afterwards. We have our heads in our hands, frankly, because the statistics are not great reading in terms of how many trains arrived on time, but, if we were to measure them by the numbers of passengers that we moved who successfully reached their destination despite the conditions, it would be happier reading.

Dave Ward: A subtle difference from the previous witnesses is that, if Network Rail instructs a train operator to cancel, that is absolute. There is no, “Well, we’ll think about it; we might not.” It is absolute. That responsibility within the rail industry clearly lies with Network Rail. That is quite important for the 23rd and 24th, because if we had wanted to play the commercial game, if we had wanted to minimise our exposure under our contracts to all our operators, we would have cancelled services wholesale on the 23rd and 24th, and said, “Well, if you can’t get home, get a bus.” We didn’t, because that is not what we are about as an industry.

Chris’s point is absolutely right; very rarely do we sit and have a discussion about what the contract says. We try, sometimes misguidedly, to do what is right and best for the passenger. There are a number of potential disincentives, but the fact is, in all our operations, that our controllers are the heart and the engine of our operation, and they sit side by side and work together. That means that things rarely get in the way of making the right decision. When they do, we normally have a conversation and try to sort it out.

Chris Burchell: There was some additional complexity with this particular storm just before Christmas, because Network Rail rightly had one eye on its huge improvement programme. We had one eye on that as well, because, certainly for my operation, our main line was going to be severed for over a week, so we needed to make sure that the assets were in the right place for the contingency service that would apply the following week.

That was a complexity rather than anything else, but we were fully engaged with Network Rail in terms of making the right decisions for getting people home that night, the programme of improvement works, and how and whether it should continue and in what circumstances we did that. The contingency plans that we had for the following week, and indeed the possession plans that Network Rail had for the major works that it was planning, all had to be changed on account of the impact of the storm. Where the landslip had appeared, engineering trains were due to use that line, so something else had to be planned. We lost our only rail route into London because of a landslip, so we had to amend our bus plans. That was all done dynamically, and in an integrated way—and, I think, reasonably effectively, or certainly as effectively as we could do it.

Q118 Miss Smith: Sticking with incentives for a second, and speaking to us as lawmakers who like to hold our Ministers and officials to account on the quality of the franchises that are written and the various layers of other regulations that govern them, are

there no improvements that you would suggest, and no disincentives that ought to be ironed out, looked for or removed?

Chris Burchell: I would like us to retain the ability to be focused operationally for passengers in these circumstances. There are various amendments and changes that happen to the commercial arrangements and the schedule of rates that might appear for how disruption should be managed afterwards, but the most important thing for me is that that does not influence the operational response and management that we have between us. That needs to be maintained.

Dave Ward: An added one for us is our relationship with the regulator. We make decisions that are best for moving people, knowing full well that we will have a commercial exposure on that, but that is secondary. More importantly, if we manage to move people but not with punctuality, it means that, when we look at what is period 10, people will say, “Oh, my god, look at that,” but for me as a pragmatist, you cannot have it both ways.

If we want to move people under these conditions, be it snow, be it the wind and rain that we have seen, then we have to accept that it is impossible to deliver a time to five punctuality railway in those conditions, because it means that I would be violating safety. I would be putting safety at risk, and not only of the people on the trains but of the people who work on them. Somewhere in that, as we move towards a more resilient railway system, through investment around climate change and different challenges, we have to accept that there has to be a journey about tolerance—that in some conditions on some days, time to five is not the appropriate measure for this industry. For 364 days a year, maybe.

Chris Burchell: We have started to have that exact conversation, because the passenger performance measure times all trains from nought to five or nought to 10, depending on which kind of operation it is. As Dave correctly says, there are certain circumstances where that probably is not our objective, yet we continue to be measured on it. There is a sort of purist argument that says we should always be clear and reflect the service that was provided on the day, and there is something to be said for that, so that you have a good record of it; but in terms of how we should be incentivised, if we are beaten up for having 20% PPM on a particular day but we managed to move people, there perhaps could be a way of putting parenthesis around it.

Q119 Chair: Are you saying that different criteria should be applied?

Chris Burchell: We struggle with this; there is a strong argument to say that the PPM regime ought to be kept pure, because it reflects what passengers experience on the day, but I certainly would not want to see a situation where an operator or a Network Rail route was focused more on the statistic than the passenger. I am not suggesting that that happens today, but it is a factor that needs to be considered.

Q120 Miss Smith: May I ask one more question on a different topic, which is about people? I had the privilege of talking to you last, Dave, just before you were going to go on telly and defend what happened with St Jude, but it is a good question for both of you.

To what extent do you have to move your own people about to cover what happens to you? It is fairly clear, as you said, that there is a long-term improvement programme, in which we all want to see things happen. You may answer that you cannot be in every place at every time, but how do you both deal with where you have to put your own people?

Dave Ward: As Chris said in his opening statement, there were literally three quarters of a million man-hours of industry staff—the majority were Network Rail staff—over this Christmas period, either to restore a railway or enhance a railway. Those people all had to travel to work. They all had to get to work and to get back from work. Every signal box, of which there are 800 on the network, was open every single day, with people travelling to work, sometimes through atrocious conditions, because of the innate professionalism they have.

When we have storms, when we have events, we plan to try to second-guess where we think there is risk, and where we think that the road system will hold up best—the helicopter is a useful tool, but when there are gales it is not very useful for moving people and stuff. We put a lot of effort into planning to make sure that our people are kept safe, that they have the right environment, but also, when we need to respond, that they are there and can respond in a timely fashion.

We quite often use trains if they are available; we commandeer a train and put our staff on it with chain saws when we have to route-prove. We do not just have a train and say, “Oh, there’s a tree, I’ll wait.” We have a bunch of people on there with chain saws, who can go on to the next one and the next. A lot of thought goes into it, but the biggest issue—and again in this period—is the innate professionalism of people in the service industries who just want to do the job that they are paid for in conditions where they can get to work and do their work to open it up. That sometimes gets forgotten when we look at the overarching statistics. Again, it was incredible this year to see the dedication of all industry staff to deliver a railway. Indeed, as it is today—

Q121 Chair: Mr Ward, all these things that you are saying are relevant, but our focus is on what happens in the case of adverse weather, and knowing that there will be more of this. There has to be some sense of urgency in addressing it, so we should concentrate on that as well. All these other features that you have mentioned are there, but we are looking today at how we deal with situations of adverse weather, which, as you have said in the course of our discussion, are going to come again. You talk about planning for things in future, but I am not sure that I get a sense of urgency.

Chris Burchell: From our point of view, where more than one mode is affected by adverse weather—if the roads are flooded or blocked by trees as well—there is a risk to our ability to staff the network. It very much comes down to detailed attention, and ringing around, if I am honest. I am speaking on behalf of Southern at this point. Our local managers will look at rosters, they will ring ahead and find out where people are living and what circumstances they have. If people cannot get to their main place of work, we will ask them to try and attend a place of work that is on the network, because that then perhaps allows us to move other people around the network. If the train service is running, it is a lot easier because we can move people around on trains if they can at least get to a station. Certainly for drivers, conductors and station staff, we will ring through the roster and establish whether we have a difficulty or not, but what Mr Ward says is absolutely right: our staff in general are hugely committed and dedicated and will find a way.

Q122 Martin Vickers: I want to follow on where Mr Stringer left off. He mentioned the certainty of cancellation perhaps being better than leaving passengers in no man’s land, as it were. Passengers have paid good money for their tickets and they expect, reasonably

enough, that the railway companies will do everything possible to get them to their destination, and they would rather get there at 50 mph than not at all.

You make a good case for the decisions that you made, and it is a complex operation. Nevertheless, there is a nagging doubt in the travelling public's mind that it is an easy option to say, "We are going to cancel the trains tomorrow." If that decision is taken at midday, lots of people will be in mid-journey and will need to get home, so it causes no end of problems. Will you give an absolute and categorical assurance that with all the constraints, and obviously bearing safety and so on in mind, you will always do everything possible to get the travelling public to where they want to go and that you will not default into cancellation?

Chris Burchell: Yes, absolutely. We do not cancel services lightly. When we gave evidence on St Jude, it was the first time in—well, for as long as I can remember—that wholesale service cancellation was decided upon. The decision for us with Christmas eve morning was simply around safety. We knew that several trees were down, and we knew that we needed to clear them before we could operate safely, and that was the decision we took. We operated the lines of route as soon as we possibly could, and we made sure that we got everybody home on Christmas eve, which we believe we did despite some additional challenges.

If it helps to provide additional assurance, despite those measures, over the Christmas period around 30 Southern trains still hit an obstruction on the line, whether it was a tree, a landslip or something else. That was despite those precautions. Up to yesterday, however, all but four of those units were back in service, having been repaired. It is not just people on the ground; it is people in the background in the depot performing out of their skin to keep the service running. There were something like 640 weather-related incidents nationally, yet on the main return to work yesterday, 96% of services were running. We really do go the extra mile to get services operating where we can.

Q123 Martin Vickers: Network Rail inevitably has a slightly different focus from the train operating companies, although the end result is obviously getting the travelling public moving around. Can anything be done to improve the relationship? It appears that there is a good relationship between Network Rail and the train operating companies, but their focus is slightly different. Do you feel that any further improvements could be made?

Dave Ward: What the last 12 weeks has shown perhaps picks up on the Chair's point about urgency. In my career, we had to route-prove a line probably six times a year. In the last 10 to 12 weeks, we have probably done it 6,000 times.

We need to go and reflect, and the one issue that we need to do some work on is contingency planning. When we have a forecast that might mean that we need to route-prove before we open, the question is what plan and resources we have for that so that it can be done almost in multiple or in tandem, and quicker, and fit the challenge of moving people. We all agree that the one lesson we have learned from this is that we need to step back and look at that element of our planning.

The point about cancellation is important. What we say about being committed to cancel or giving knowledge of cancellation, is that we tell people we will not operate a service until we have proven that it is safe to do so. The challenge and the onus on us is to do that in the safest and most expeditious manner. That is the learning that we probably need to take away from the last 12 weeks: we probably need to sharpen up our act.

Q124 Martin Vickers: A lot of freight has to move around strategically, to power stations and the like, for essential services and so on, and a lot of it starts and ends in my constituency, where we have Immingham dock. There have been problems in the past, and more recently, as a result of the floods. When passenger services are cancelled, what happens to freight services, which obviously move at slower speeds?

Dave Ward: We treat freight almost on a flow or location-by-location basis. The point you make is extremely relevant. They necessarily move more slowly, but they have a different risk profile in terms of passengers being stranded. However, they have the same risk profile for potential derailment, and the consequence of freight derailment is often quite damaging to the infrastructure.

We tend to take freight at the first pass the same as all trains; we then work through it on a case-by-case basis. We are quite comfortable using freight trains to route-prove routes, because they do not have passengers and are not subject to that risk. We treat them the same, but with some slight relaxations when appropriate.

Chair: Thank you very much for answering our questions.