

3.1: ALBANY AIRPORT – SCREENING AUTHORITY

Land Description	: Albany Regional Airport
Proponent	: City of Albany
Attachments	: Nil
Responsible Officer(s)	: Community Services Leaders (L Hill)

IN BRIEF

- There is a requirement to comply with federal government legislation to introduce security screening capability at Albany Airport by 1 July 2012 and to determine the responsibility for a Screening Authority and Screening Provider.

ITEM 3.1: RESPONSIBLE OFFICER RECOMMENDATION

That Council SUPPORT the recommendation to appoint, through a tender process, a third party to operate as a Screening Authority and Screening Provider at the Albany Airport.

BACKGROUND

1. In response to the Aviation White Paper released in December 2009, a range of increased security initiatives is to be introduced at regional airports across Australia. In order to comply, Albany Airport will be required to screen passenger and baggage for passengers' departing on aircraft over 20,000kg maximum takeoff weight (MTOW) effective 1 July 2012.
2. The aircraft used by SkyWest to provide regular public transport from Albany is currently rated in excess of 20,000kg MTOW and there are plans to move to larger planes in the future.
3. Introducing the security screening capability will involve changes to infrastructure such as installation of equipment in a screening area, establishing a sterile lounge where passengers are held after screening, installation of conveyor belts for checked baggage screening. It will also necessitate installation of other security requirements such as CCTV cameras and more sophisticated swipe card access.
4. It will also involve ensuring that all security screening occurs in accordance with legislation. This necessitates updating the Transport Security Program, establishing a Screening Authority and appointing a Screening Provider.

DISCUSSION

5. A Screening Authority is the person or body corporate that has been given the legal responsibility by the Office of Transport Security, Department of Infrastructure and Transport, to ensure that screening occurs in accordance with legislation.
6. A Screening Provider screens and clears passengers and baggage prior to being granted access to a sterile area and to boarding an aircraft. Screening provision is a separate and distinct function from being the Screening Authority.

CEO:	RESPONSIBLE OFFICER:
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****REFER DISCLAIMER****

7. The decision to approve a Screening Authority license by the Office of Transport Security will focus on the applicant's ability to provide screening operations which are compliant with the Act, Regulations and Aviation Screening Notice (ASN). This describes the methods, techniques and equipment to be used for screening. The ASN is a written notice made under the Regulation and gives operational effect to the Act and Regulations.
8. The Office of Transport Security must be satisfied that the applicant has the capacity and capability to undertake and sustain screening and clearing responsibilities.
9. The Screening Authority (not the Screening Provider) is legally responsible for demonstrating compliance with the requirements under the Act, the Regulations and the ASN. Irrespective of whether a third party is engaged as the Screening Provider, the entity authorised as the Screening Authority will be held legally responsible for demonstrating compliance, and actually complying with the Act, the Regulations and ASN.
10. Correspondence from the Department of Infrastructure and Transport has provided little detail on the Screening Authority application process, beyond providing a template for the application and advising that the application process can take up to six months.
11. Recent correspondence from the Department, received on 20 October 2011, provides more detail along with a working draft of a Screening Authority Submission Guidance Document (dated 14 October 2011) and is the most instructive correspondence to date. It is identified in the working draft of the Submission Document that submissions can be made on behalf of a specified screening authority who is not the airport operator (as well as an airport operator where screening has not previously occurred i.e. a new entrant screened airport such as Albany).
12. Regardless of who becomes the Screening Authority, as the operator of the Albany Airport, the City of Albany is required to update our Transport Security Program (TSP), along with a recent risk assessment. The TSP forms one element of the application to become a Screening Authority. The City of Albany will continue to be the TSP holder, regardless of who becomes the Screening Authority and Screening Provider.
13. Port Lincoln and Coffs Harbour Local Government Authorities' (LGAs) plan to/or have outsourced both their Security Authority and Provider operations to one third party Screening Authority citing cost and risk management issues as primary deciding criteria. Albany LGA retains the role of Authority however has outsourced the Provider role. In terms of other known and comparable West Australian airports, both Geraldton and Esperance have determined they will be the Screening Authority and have/will be outsourcing screening provision.
14. Known Screening Authorities in the market are: MSS Security, Security ID with SkyWest considering becoming an authority.
15. Known Screening Providers in the market are: MSS Security, SNP Security, Security ID, SkyWest.
16. It is anticipated that the most attractive proposition for a third party is to tender to be both the Screening Authority and Screening Provider. Operationally, it makes sense for the authority and screening role to be performed by one entity.

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17. Assessing how the decision was made by airport operators to become, or contract out the function of, the screening authority, appears to be based on:
 - level of experience and number of trained staff available at the operating airport
 - level of experience of Airport Operator (in this case City of Albany) in airport operations
 - volume of departing passengers
 - level of risk, liability and legal obligations the Airport Operator is prepared to manage rather than delegate.
18. City of Albany staff at the Albany Airport are reporting officers. There is no compliance officer or security professionals at the City of Albany Airport as is the case at other airports. While staff are trained in the operational safety and current security requirements at the Airport, if the City was to become the Screening Authority, there would need to be a designated officer appointed to take responsibility for the management of screening operations. This position would need the appropriate level of training, qualifications and intimate understanding of the appropriate legislation.
19. The level of operational and security maturity at the Albany Airport is currently low which presents a risk to the City.
20. The number of departing passengers from Albany, in comparison to other screened airports, is also low at approximately 27,000.
21. Given there are no specifically trained staff, and the relatively low level of expertise, in overall Airport security operations it is recommended that the City of Albany not become the Screening Authority, at least in the short term. It is recommended that a third party be contracted to become both the Screening Authority and Screening Provider.

GOVERNMENT CONSULTATION

22. There is continued liaison between the City of Albany officers and federal and state colleagues, primarily on implementation timelines and requesting further information re compliance requirements.
23. The Department of Infrastructure and Transport state that they will not become involved in any commercial deliberations between an applicant and a Screening Authority nor will the Department become a consultative source for an applicant in sourcing or formulating commercial arrangements to establish screening operations.

PUBLIC CONSULTATION / ENGAGEMENT

24. Consultation has occurred with other regional airport operators across Australia to determine how many would become the Screening Authority and who would outsource and on what basis.
25. Consultation with Esperance and Busselton (other airports in Western Australia introducing security screening in a similar time frame) was undertaken specifically to determine if there was merit in developing a consortium.
26. There was no appetite by those Airports to enter a consortium, given the different level of expertise available at each Airport and level of risk each Shire/Council was prepared to take. Shire of Esperance has decided they will become the Screening Authority and Busselton is undecided.

27. Additionally, contracting as a consortium for the Screening Provider does not provide benefits beyond what could be achieved through diligent contract development and management by the City of Albany.

STATUTORY IMPLICATIONS

28. All aspects of security provision at the Albany Airport must comply with the *Aviation Transport Security Act and Regulations 2005* (amended 2010).

STRATEGIC IMPLICATIONS

29. This item directly relates to the following elements of the City of Albany Strategic Plan 2011-2021:

Key Focus Area

Sustainability and Development

Community Priorities

Albany Regional Airport

Proposed Strategies

Plan for future expansion of the airport to allow larger aircraft to access the airport.

POLICY IMPLICATIONS

30. There are no policy implications relevant to this item.

RISK IDENTIFICATION & MITIGATION

31. The risk identification and categorisation relies on the City's Risk Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Post 1 July 2012, a security breach occurs at Albany Airport	Possible	Medium	High	Appoint experienced Screening Authority who is contractually bound to comply with legislation. Diligent contract management between Authority and City of Albany.

FINANCIAL IMPLICATIONS

32. The operational costs of the provision of security screening at Albany Airport will need to be passed on to the passenger, most likely added to the cost of an outbound SkyWest ticket.
33. Cost estimates conducted by the Department of Infrastructure and Transport for screening are based on:
- number of passengers departing the airport
 - infrastructure development requirements
 - flight scheduling and frequency (as it impacts on staff required).

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34. For airports with 20,000 or more departing passengers (Albany has 27,000) the cost could be up to \$40 per departing passenger ticket (Reference: Discussion Paper, Possible Security Classification for Australian Airports, Department of Infrastructure and Transport, 2010).
35. The Screening Provider in Geraldton (SkyWest), due to be operational by 1 November 2011, has advised it intends to charge approximately \$15 per person.
36. The cost associated with tendering out the Screening Authority will be an additional cost to providing security screening. Port Lincoln has recently done an Expression of Interest (EOI) for both the Screening Authority and Screening Provider. The responses to the EOI indicate that companies have added a minimal additional cost to act as the Screening Authority to secure the contract to become the Security Provider.
37. If the City of Albany were to become the Screening Authority, there would be additional staff required incurring additional costs.

LEGAL IMPLICATIONS

38. The appetite by the City of Albany to directly manage any legal implications that may result from a security issue as the Screening Authority is central to making the recommendation to outsource the Screening Authority.

ALTERNATE OPTIONS

39. The City of Albany could become the Screening Authority and only outsource the Screening Provider. This option would see the City of Albany as the entity that will be held legally responsible for demonstrating compliance, and actually complying with the Act, the Regulations and ASN.

SUMMARY CONCLUSION

40. City of Albany to outsource, to a third party, the responsibilities of becoming the Screening Authority and provision of screening services at Albany Airport.

File Number (Name of Ward)	
Previous Reference	OCM May 2011, Item 3.2 SCM September 2011, Item 6.2