

**London Stansted Airport Consultative Committee
Wednesday 28 January 2015**

Airport Management Report

Management update

Board members of the Stansted management team include Managing Director, Andrew Harrison; Customer Service and Security Director, Karen Smart, Engineering Director, Roy Elphick; HR Director, Daniel Gallo; Finance Director, Matt Williams; Operations Director, John Farrow; Head of Development and Construction, Matt Allen and Head of Passenger Services, Mat Garner.

Passenger numbers

An additional two million passengers passed through the airport last year with a total of **19.98 million**. The 12% annual increase means that 2014 has been the busiest year for the airport since 2008 and Stansted is now the fastest growing airport in the UK.

Monthly passenger traffic in December grew by 18.5% to over 1.56 million - almost 250,000 more passengers than in the same month in 2013. The traditional Christmas getaway helped make the month the busiest December at Stansted since 2007.

The volume of cargo passing through the airport continued its upward trend as December volumes increased by 30.3% over the same month last year. Total cargo tonnage for 2014 grew by 6.9% to over 226,000.

Dec-14	Monthly			Moving annual total		
	2014	2013	Diff	2014	2013	Diff
Total passengers	1,562,167	1,318,528	18.5%	19,978,766	17,844,355	12.0%
Air transport movements	11,699	10,095	15.9%	143,463	132,234	8.5%
Cargo tonnage	19,839	15,231	30.3%	226,384	211,738	6.9%

Airports Commission

Sir Howard Davies wrote to Network Rail on 12 December calling on them to act on his recommendations in the Interim Report to improve rail links to Stansted. This came after extensive lobbying from M.A.G and a range of external stakeholders including the London-Stansted-Cambridge Consortium, Essex County Council and local MPs.

Sir Howard calls on Network Rail to '*articulate more clearly the needs for airport users and the role that Stansted plays in maintaining and enhancing the UK's aviation connectivity*' and to '*set out the early stages of a longer term strategy for a more ambitious upgrade of the line serving the airport...*' A copy of Sir Howard Davies' letter was distributed to the committee secretariat.

Construction begins on new airport Education Centre

Construction work began in December on the £500,000 airport education centre, designed to boost skills across science, technology, engineering and maths subjects (STEM). The facility will offer tailored STEM activities designed to give youngsters from local schools, colleges and community

groups a taster of airport life and an insight into the variety of careers on offer across the site. An old administration building adjacent to the airfield is being completely refurbished to house the classrooms while the surrounding area will be landscaped to include picnic, viewing and parking areas. Galliford Try is constructing the centre which is due to be completed in spring 2015.

Sustainable Development Plan

Following the launch of our draft Sustainable Development Plan last autumn, the team are now reviewing all feedback received during the consultation period. A final version of the plan and consultation report will be published in February 2015. A special thank you to all STACC members for their valued contributions throughout the SDP process.

Terminal Transformation update

The airport continues to make progress in its Terminal Transformation project (TTP). New food, beverage and retail units:

- Next retail opened airside at the end of October.
- In November, a new Marks and Spencer Simply Foods opened in the landside area of the terminal, replacing the old Spar shop.
- Healthy fast-food chain Leon opened airside in December.
- Starbucks is the next unit due to open at the end of the month.

The customer flow in the main departure lounge has now been reconfigured – all passengers now exit the departure lounge from one central point to access their gates. This has allowed for a simplified route for passengers and aid way-finding through the lounge. There is new signage to support this.

Within security the team have trialed the introduction of ‘parallel divestment’ which allows four customers to be divesting of their belongings simultaneously rather than individually as is the current process. Full roll out of this initiative is anticipated in the first quarter of 2015 with the impact being quicker processing times for passengers which should in turn reduce queue times during peak flows.

The TTP team continues to strive to understand how we can improve the look and feel for our customers during the construction works to minimise the short term impact to them.

Capital projects

The following capital projects have been completed or are under construction:

<i>Project</i>	<i>Timescale</i>
Terminal Escape Lounge	Works have commenced on site. Operational Q4 2014/15.
Immigration Hall	15 new ePassport Gates became operational on the 15 th August. New floor, tensors and portals installed. Minor works continue on the remaining area. New lift to become operational March/April 2015.
Pond C Capacity Works	Works ongoing. Completion by end of March.
Education Centre	Works commenced on site. Anticipated completion spring 2015.
Meet and Greet	Expansion of M&G pick up and drop off facilities.
Asset replacement of items such as chillers, air conditioning, lifts, CEM readers and lighting	On-going throughout 2014/15

Car Rental Village	Relocation of car rental operation to Coopers End Road. Stansted construction anticipated completion March 2015. Operational date to be determined by concessionaires fit out programme.
Satellite 1 Refurbishment	Commenced work on site. Completion summer 2015.
Satellite 2 (domestics)	Start on site February 2015.
Tunnels	Start on site Q4 2014/15. Anticipated completion end of April.
Fresh Water Pumping Station	Start on site February 2015. Anticipated to be complete summer 2015.
De-icer	Two de-icer pads complete (Alpha and Delta). Two de-icer pads in Charlie due for completion March 2015.

Airlines and routes:

New airlines / routes announced:

- Flybe:
 - Launch of new services to Isle of Man (x3 daily) and Newcastle (x2 daily) from 29 March 2015.
 - New seasonal service (four times a week) to Newquay between 16 May and 29 September 2015.
- Ryanair:
 - Twice weekly flights to Deauville starting 3 April 2015
 - Weekly flights to the Azores starting 4 April 2015
 - Continuation of new winter services to Cologne, Edinburgh and Glasgow for Summer 2015

Cyprus Airways – in administration

From early January, Cyprus' 'national carrier' ceased operations at Stansted after an EU decision said it must repay over 65m euros (£50m) in illegal state aid. The EU Commission said the Cypriot government had breached rules on support for struggling companies. The airline has repeatedly received aid between 2007 and 2013. The government, which owns 93% of the carrier, had searched unsuccessfully for outside investors.

On **long haul development**, Nick Sime has been appointed as the new Corporate Relationships Lead and will be responsible for the continuing work to gather information and build relationships with businesses to attract long haul airlines and routes to Stansted.

Stakeholder and community engagement

Stansted Airport directors and senior managers have met a number of key stakeholders since the last report, attending external meetings to explain and answer questions about the operation, Terminal Transformation Project, rail access and the Sustainable Development Plan and long term vision for the airport.

The management team has meet with external stakeholders, including meetings with Transport Minister, Baroness Kramer at the Department for Transport; Cities and Innovation Minister, Greg Clark; Sir Alan Haselhurst, Julian Huppert and David Lammy MPs; Essex County Council and Braintree and East Herts District Council. The airport was also present at the launch of the Haven Gateway Partnership A120 business campaign.

In partnership with Michael O'Leary of Ryanair and regional Chambers of Commerce, the airport has hosted a number of business events in London, Billerica and Ipswich to showcase Ryanair's new business products.

Community Funds and engagement

The current status of each of the Fund is:

1. Stansted Airport Passengers Community Fund

Funds available expected to be £30,000 for 2015. This fund donates money to local causes within a 20 miles radius of Stansted Airport. The money donated by the committee is raised from passengers' and staff's unwanted foreign currency which is collected in the terminal. Consideration are given to requests from sports clubs, pre-school nurseries, junior sports clubs, brownies, guides, clubs, elderly and animal charities.



Expenditure from January to December was £18,741.

Stansted Airport Passenger Community Fund has recently supported the following bids:

- £500 – Newport Brownies
- £1,000 – Stansted Day & Community Centre
- £500 – Hatfield Forest Parkrun

Current membership includes:

- Steve Edwards (Chair) - Terminal Facilities Team leader, London Stansted
- Sandra King - Electronic Document Controller, London Stansted
- David Marsh - Electronic Document Controller, London Stansted
- Maria North - Parts & Distribution Controller, London Stansted
- Claire Callaghan - Customer Service Duty Manager, London Stansted
- Kim Ruskin - Photography & Filming Manager, KR Filming & Photography
- Canon Chris Bishop - Airport Chaplain
- Brian Edwards - Compliance and Assurance Manager, London Stansted
- Graeme Ferguson – Commercial Director, M.A.G
- Marcella M'Rabety - Corporate Social Responsibility Manager, London Stansted
- All volunteers

2. Stansted Airport Community Trust

Funds available for 2015 are £100,000 + noise fines. This trust supports projects which protect and enhance the social, economic and environmental well-being of the community within a 10 miles radius of Stansted Airport.



Expenditure from January to December 2014 was £62,000.

Stansted Airport Community Trust has recently supported the following bids:

- £2,000 – Birchanger Bowls Club
- £2,000 – Little Canfield Village Hall

- £2,000 – Saffron Walden Town Football Club

Current membership includes:

- Cllr Susan Barker (Chair) - Essex County Council
- Cllr Simon Walsh - Essex County Council
- Cllr Philip Wilson - Chelmsford City Council
- Cllr Richard Morgan - Epping Forest District Council
- Cllr Alastair Walters - Uttlesford District Council
- Cllr Gary Jones - East Herts District Council
- Cllr Simon Carter - Harlow Council
- Ralph Gilbert - former member of STACC
- Canon Chris Bishop - Airport Chaplain
- Marcella M'Rabety - Corporate Social Responsibility Manager, London Stansted

Student mock interviews

In December, the Stansted Airport Community Network members joined a number of M.A.G employees at Stewards Academy in Harlow for the school's annual mock interview days. The event is designed to improve students' interview skills and techniques and prepare them effectively for the transition between full time education and employment.

Careers event

In December, Stansted Airport Community Network members and M.A.G employees took part in a 'What's my Line' event at the Helena Romanes School in Great Dunmow. The event aimed to raise young people's awareness of the variety of different jobs and careers at the airport and inspire a group of 40 Year 10 Business Studies students to consider a career in aviation.

School mentoring programme

Over 20 airport senior leaders have continued to mentor GCSE's students at Forest Hall School in Stansted Mountfitchet and at Stewards Academy in Harlow. The mentoring scheme provides students with an opportunity to discuss topics such as revision and exams techniques and supports them as they approach their GCSEs.

Environment

Key headlines for 2014:

- Lighting replacement works on the baggage hall have commenced. This is a wholesale replacement of lighting with LEDs which is expected to give us at least a 40% saving on energy consumption.
- The airport's electricity consumption for 2014 has decreased by 5% on 2013. A large proportion of this is down to work we have done on heating and cooling systems in the terminal and LED replacement.
- Waste recycling has remained high at over 60%.

Surface access and passenger services

Current CAA Mode Share:

Mode	Oct 2013 to Sept 2014	Oct 2012 to Sept 2013
Bus & Coach	26.4%	27.1%
Rail	22.1%	22.6%
Kiss & Fly	20.9%	21.4%
Park & Fly	14.1%	12.4%
Taxi	9.1%	9.7%
Rental Car	2.2%	2.5%
Others	5.2%	4.6%

Overall public transport mode share has dropped to 48.5% with Park & Fly increasing. Kiss & Fly modal share has reduced year on year. Stansted Airport still remains the top major airport in the UK for the percentage of public transport use by air passengers.

The annual **Transport Forum** conference is being held on 19 February at the Stansted Radisson Blu with an array of speakers. For any members of STACC who wish to attend, please email transportforum@stanstedairport.com with your name and organisation.

Rail

Network Rail's Draft Anglia Route Study was published in November 2014; the study sets out the strategic vision for the future of the rail network in East Anglia over the next 30 years. Stansted and a number of regional partners felt the draft plan lacked ambition and vision and failed take into consideration the growth potential at the airport and along the London-Stansted-Cambridge Corridor

Stansted will be responding highlighting the need for a journey time improvements to the airport, Cambridge and other stations as first part in a long term programme to the four-track the line between Tottenham Hale and Broxbourne. A copy of the consultation document can be found at: <http://www.networkrail.co.uk/long-term-planning-process/anglia-route-study/>

The **DfT Greater Anglia franchise consultation** is now open until 16 March 2015 for stakeholder and businesses to respond. The airport is working with members of STACC to formulate a response from the Stansted Area Transport Forum. A copy of the consultation document can be found at: <https://www.gov.uk/government/consultations/east-anglia-rail-passenger-franchise>

Work is continuing to introduce a new joint M.A.G./Stansted Express customer service desk at London Liverpool Street that will include live flight information. This will be delivered by end of February 2015.

Fast Track facility

Two new fast track kiosks were installed in December for passengers who wish to purchase Fast Track security entry when they arrive at Stansted. This compliments the on-line Fast Track product that passengers can pre-purchase before their Airport journey which is available on www.stanstedairport.com

**Andrew Harrison, Managing Director
January 2015**