

London Stansted Airport Consultative Committee

Wednesday 28 June 2017

Airport Management Report

Management update

The airport management team are as follows: CEO, Andrew Cowan; Commercial Director, Martin Jones; Customer Service and Security Director, Daniel Gallo, Operations Director, John Farrow; Finance Director, James Dix; Assets Director, Karen Smart; Aviation Director, Mats Sigurdson; HR Director, Liz Austin; Head of External Affairs, Chris Wiggan and Change Director, Martin Lyall.

Passenger numbers

May-17	Monthly			Moving annual total		
	2017	2016	Diff	2017	2016	Diff
Total passengers	2,294,643	2,144,773	7.0%	24,714,192	23,329,990	5.9%
Air transport movements	15,561	14,599	6.6%	167,017	161,890	3.2%
Cargo tonnage	22,700	20,463	10.9%	256,674	247,217	3.8%

Stansted served **2.29 million passengers in May 2017**. This was an increase of 7.0% on May 2016. In the 12 months ending May 2017, Stansted's passenger numbers grew by 5.9% compared with the previous year with the moving annual total rising to 24.7 million. The most popular destinations were Dublin, Edinburgh, Glasgow, Rome and Barcelona. It is expected the airport will reach 25 million passengers next month and c.26.5 million by the end of the financial year.

Cargo volumes increased by 10.9% over May 2016 with over 22,700 tonnes shipped through the airport during the month. In the 12 months to May 2017, the annual total grew by 3.8% on the previous year to 256,674 tonnes.

Future growth and infrastructure plans

Following a presentation by Martin Lyall at the April meeting and the publication of the Stansted Airport Sustainable Development Plan and associated sessions with STACC in 2015, STAL plans to submit an application later this year to make full and efficient use of the single runway.

To cater for future passenger growth at Stansted over the next 10-15 years, the application will ask Uttlesford District Council (UDC) for permission to raise current planning caps from 35 to 44.5 million passengers a year (mppa), allowing up to 11,000 additional flights. This would equate to a 4% increase on the number of permitted flights from the airport (274,000 to 285,000 flights). The application aligns with STAL growth forecasts that will see the airport reach 35mppa by 2024 and complements plans to build a new £130 million arrivals building and associated improvements to the existing terminal building and airfield.

STAL is at the early preparatory stage in the planning process and has recently submitted an environmental assessment scoping opinion request to UDC. This technical document sets out the information the Local Authority will need from the application before determining the future application. This document is publicly available on UDC's planning portal, under reference UTT/17/1640/SO.

A note was circulated to STACC on 14 June setting out this position and a meeting of the Corporate Affairs sub-group is scheduled for 4 July 2017 to discuss these plans in more detail. As part of these plans, STAL has already undertaken a number of local focus groups and will be engaging with the local community through public consultation events in July to garner views before a formal planning application is submitted in late summer. Further details on these events will be shared with the Committee and general public in due course.

Part 1 Land Compensation claims

As of 19 June, STAL has received Part 1 land compensation claims relating to c.160 properties in the communities around the airport. Progress is being made in a number of areas; with the current focus being on eligibility to claim; legal issues; evidence relating to noise and valuation and negotiations leading to settlements.

STAL is actively engaging with local companies acting for claimants, self-represented claimants and local residents who have not yet claimed. The airport remains committed to seeking to resolve the matter locally rather than through litigation and is making good progress with residents.

Airlines and business development

- **Eurowings** - In addition to the Munich route that launched earlier in the year, the airline has announced a new 4 x weekly service between Stansted and Salzburg. The service will launch in October this year.
- **Arkia** - The Israeli airline began 3 x weekly services to **Tel Aviv** on 29 May. Tel Aviv has been un-served at Stansted for a number of years and it is hoped that the airline will continue the route in to the winter months.
- **BMI Regional** – The airline launched the Stansted to Derry service on 2 May. The service is initially 2 x daily with the potential to increase to a third daily service if there is sufficient demand.
- **Jet2** - The airline has announced that they will be operating 4 flights to **New York** this winter. They will be using a new A330 aircraft and will be offering both seat only and package holiday options. New York will be the airlines first long haul service from Stansted and fulfils an un-served route for the airport.
- **Thomson Airways** – the airline launched a new service to Jamaica on 4 May, using a state-of-the-art Boeing 787 Dreamliner. The new route to Jamaica takes the total number of destinations served by the airline from Stansted to 23.

Capital projects

Project	Timescale
Airside stand capacity	Through the first phase of our transformation plan we will be increasing our stand capacity at the Echo stand. This will see an increase in parking capacity for predominantly Code C aircraft. All due for completion this fiscal year.
Increased IDL seating capacity and retail offerings	Numerous schemes are underway to increase seating capacity within the IDL and improve our retail offering to customers. An additional 1,200 seats will be provided in and around the IDL with a mix of dedicated food and beverage seating and common use seating. All to be provided, in a phased manner by June 2018.
Car Parking schemes	The first tranche of four car parking schemes is due for completion by the end of July 2017. An additional 4,000 'Meet and Greet' spaces will be provided in this scheme.
Asset replacement of items such as valves, air conditioning, lifts, CEM readers, doors and lighting	On-going throughout 2016/17.
PRM customer service Improvements	A relocated landside desk and reception area for our PRM customers, and an airside arrivals building are both due for completion by late June 2017. An increased capacity airside departures area is currently in the planning stage with completion due during this current financial year.
Track Transit control system	Full testing of newly installed and updated control systems carried out during the start of the year and successfully handed over into operations during first quarter 2017/18.
Security specific projects	A number of regulatory and security enhancing schemes are currently underway in both the Security Hall and Baggage Area. This is the current major area of capital spend within the fiscal year 2017/18. Tangible customer service improvements have already been realised with the first phase of the security hall projects.
Auto Bag Drop	A new process and technology to Stansted has been implemented to ease check in for passengers. Auto bag drop technology will enable passengers to tag their own check in bags and is currently being rolled out along with flexible branding to check in desks. All zones able to utilise technology where airline operating procedures allow.
IT Schemes	Numerous schemes currently underway to improve the connectivity between all group airports. In addition we are investing in more reliable and enhanced WiFi capability for the passenger within the airport.
Additional stands and taxiway	Now moving into the construction phase for the reconfiguration of stands to both Satellite 1 and 2 and the provision of an extended taxiway. Programme of works to be completed during fiscal year 2017/18.

Stakeholder and community engagement

Stansted Airport CEO and directors have met a number of key stakeholders since the last report, attending external meetings to explain and answer questions about the arrivals building, surface access connectivity and the long term vision for the airport.

The management team met with a number of external stakeholders, including meetings with the; Immigration Minister; Robert Goodwill MP and new MP for Saffron Walden, Kemi Badenoch; Keith Prince AM, Chair GLA Transport Committee; CBI, Stansted Airport Chamber of Commerce and representatives from the London-Stansted-Cambridge Consortium.

Community funds

The current status of each of the Fund is:



1. Stansted Airport Passengers Community Fund

Funds available expected to be £40,000 for 2017 - this fund donates money to local causes within a 20 miles radius of Stansted Airport. The money donated by the committee is raised from passenger 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 May 2017 was £20,990.

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

- £1,000 – Braintree District Mencap Society
- £650 – Saffron Walden Nursery School
- £500 – The Livewire Trust Community Youth Theatre, Harlow

Current membership includes:

- Steve Edwards (Chair) - Terminal Facilities Team leader, London Stansted Airport
- Sandra King - Electronic Document Controller, London Stansted Airport
- David Marsh - Electronic Document Controller, London Stansted Airport
- Maria North - Parts & Distribution Controller, London Stansted Airport
- Liz Brassington - Environment Standards Manager, London Stansted Airport
- Kim Ruskin - Photography & Filming Manager, KR Filming & Photography
- Chris Bishop - Airport Chaplain (retired)
- Brian Edwards - Compliance and Assurance Manager, London Stansted Airport
- Marcella M'Rabety - Corporate Social Responsibility Manager, London Stansted Airport

2. Stansted Airport Community Trust



Funds available are £180,000. 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 May 2017 was £13,000

Stansted Airport Community Trust has recently supported the following bids:

- £2,000 – High Easter Cricket Club
- £2,000 – Royal British Legion, Thaxted
- £2,000 – British Red Cross

Current membership includes:

- Cllr Susan Barker (Chair) - Essex County Council
- Cllr Philip Wilson - Chelmsford City Council
- Cllr Tony Durcan - Harlow Council
- Cllr Marie Felton - Uttlesford District Council
- Cllr Diane Hollebon - East Herts District Council
- Cllr Richard Morgan - Epping Forest District Council
- Cllr Simon Walsh - Braintree District Council
- Mary Sartin – STACC member
- Canon Chris Bishop – Airport Chaplain (retired)
- Marcella M'Rabety - Corporate Social Responsibility Manager, London Stansted Airport

This S106 obligation has now ceased however the airport has agreed to continue to pay £50,000 per year to the Trust. The trustees discussed the new proposal at their bi-annual meeting on 10 February and have subsequently agreed to:

- increase the number of committee meetings from two to three per year
- bring in a new trustee representing an on-site business community
- collectively raise awareness of the Trust and increase the number of applications

£100,000 donation covering two years (2017 and 2018) was transferred to the Trust together with the 2016 noise fines of £4,000 in May 2017.

Saffron Walden community outreach event

Representatives of the airport were on hand to answer questions from members of public at an outreach event at Saffron Walden Town Hall on 9 May. The team distributed information about on-site vacancies, Aerozone, community funds and residents discount scheme. Further outreach events are planned over the coming months.

Stansted Airport Jobs Fair

The airport held a Jobs Fair on 25 May at the Radisson Blu Hotel, which was attended by almost 500 job seekers. 50 on-airport companies were in attendance including the airport's soon-to-open Hampton-by-Hilton hotel, MAG, FedEx and Jet2.com looking to fill 500 positions ranging from security officers, chefs, baggage handlers, drivers to pilots. 108 job seekers have secured job interviews at the event.

Aerozone

The Aerozone continues to exceed all expectations. Since its opening in June 2015 over 6,500 young people have now visited the facility from over 200 schools and colleges across the region, all commenting on the excellent and free facilities.

Residential property portfolio

Since 1 April 2017 a further 6 properties have been sold taking the total to 131; 2 of which are to tenant occupiers. There are a further 5 properties being advertised for sale with vacant possession, and 5 months' notice has now been served on a few tenants to gain vacant possession to put those properties on the market later in the year.

Portfolio disposal(s) are still being considered and all tenants have been written to in this regard, informing them that our advisors will need to gain access to inspect and measure the properties. It remains the airport and MAG's intention to sell the properties in a responsible way, with a preference for portfolio sales where tenants will remain in place under their existing tenancy agreements but with a different landlord.

Environment and utilities

Northside stand maintenance works

STAL is currently carrying out essential maintenance work on taxiways and parking stands to the northside of the airport. As a result of the work, some helicopters will be using different routes for landing and taking off. This vital and necessary safety measure is to protect employees and construction workers while work is carried out and conforms to CAA regulatory requirements. This is a temporary measure and it is anticipated normal flight operations will resume in late July.

We are working closely with the Fixed Based Operators to minimise any inconvenience and disturbance to those living closest to the airport and affected by this temporary change. Any enquiries should be directed to stanstednoiseline@stanstedairport.com

Surface access and passenger services

Mode Share – Full 2016

Final Mode	Total	2016-12	2016-09	2016-06	2016-03
Rail	28.46%	28.83%	26.95%	29.19%	29.13%
Bus/Coach	23.45%	25.80%	20.52%	22.44%	26.56%
Kiss & Fly	19.24%	18.13%	21.83%	18.35%	17.98%
Car Parking	16.52%	16.27%	17.57%	18.08%	13.56%
Taxi/Minicab	11.60%	10.16%	12.10%	11.61%	11.98%
Rental car	0.71%	0.79%	1.03%	0.32%	0.75%
Other	0.02%	0.03%			0.04%

Public transport continues to go from strength to strength growing from 51.17% in 2015 to **51.91%** in 2016, with Stansted remaining the number one airport in the UK for public transport mode share and one of the best in Europe. Rail use has now taken over the dominant mode with competitive pricing and earlier trains driving up usage. Parking on airport has also increased from 15.10% to 16.52%.

Rail

Work is continuing to deliver a new Stansted Express train fleet that will be introduced in 2019/2020 as part of the new East Anglia franchise.

The airport also spoke on a panel at the London-Stansted-Cambridge Consortium Conference on 20 June alongside representatives from the rail industry. All panel members pressed the need for a sustained programme of investment in the West Anglia Mainline over the next decade starting with journey time improvements before 2019, leading to four tracking by the mid-2020s and full integration with Crossrail 2 by early 2030s.

Bus & Coach

On 15 June, Arriva buses introduce a brand new Euro 6 bus fleet to the 510/509/508 services operating 24 hours a day between Harlow, Bishops Stortford and the airport. The vehicles are fitted with free 4G Wi-Fi, USB charging points, leather seats and CCTV.

National Express are introducing a new Euro 6 coach fleet to their Stansted operations that will also add more capacity to existing routes.

Car parks

On 25 April, Stansted Airport's car parking estate management and operation transferred from Emparks to STAL, this included the transfer of 70 employees from Emparks to the airport team. The completion of the insourcing project aligns Stansted to the car parking operation at Manchester and East Midlands airports and provides STAL with further opportunities to improve the passenger experience.

Andrew Cowan, CEO
21 June 2017