

## London Stansted Airport Consultative Committee

Wednesday 5 October 2016

### Airport Management Report

#### Management update

The airport management team are as follows: CEO, Andrew Cowan; 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; Transformation Director, Martin Lyall and Commercial Director, Martin Jones.

#### Passenger numbers and transport movements

August 2016	Monthly			Moving annual total		
	2016	2015	Diff	2016	2015	Diff
<b>Total passengers</b>	2,494,732	2,231,568	11.8%	23,868,401	21,981,329	8.6%
<b>Air transport movements</b>	15,681	14,273	9.9%	164,411	154,688	6.3%
<b>Cargo tonnage</b>	20,219	18,939	6.8%	249,365	233,729	6.7%

August 2016 was Stansted's busiest month for nine years, with 2.5 million passengers passing through the terminal. Growth has been driven primarily by increased traffic to holiday destinations in Spain, Portugal and the USA as well as the growing popularity of destinations like Bulgaria and Croatia. Load factor remain strong with an average of 93% of seats occupied on each flight. The annual total is now 23.9 million, representing an increase of 8.6% over the previous 12 months.

The Committee has been made aware in previous meetings of a further planning condition that is imposed on the 25mppa+ planning permission that adds further limits to the airports operation. This is an additional restriction that is not currently in force under the 15mppa+ planning permission that the airport currently operates within.

At present, the airport is required to report only **passenger transport movements and cargo transport movements**. Thereafter, the remainder of the traffic is classified as 'Other'. Compliance with the further condition specified in the 25mppa+ permission, requires that aircraft not carrying, for hire or reward, any passengers or cargo, and aircraft engaged on a non-scheduled air transport service where the seating capacity of the aircraft does not exceed ten, should not combined together exceed 10,000 movements in a 12 calendar month period.

This is a specific metric which is not currently reported. It is not the same as the current 'Other' movement count as this includes a broader range of traffic classifications. The airport will report on this new condition, as required, at the appropriate time.

#### Jet2 land first southern base at Stansted

Jet2.com has announced in September that it has chosen Stansted as its ninth UK base and the first in the South of England. The company's arrival will create 250 new jobs at the airport, including cabin crew, engineers and ground operations staff and support further jobs across the region. The airline has announced 21 destinations, basing six aircraft at Stansted. Jet2 has recently been voted the 'UK's Top Airline' and 'Most Loved Airline' by users of TripAdvisor and Skytrax respectively.

### **London Stansted Cambridge Consortium Growth Commission**

After a 12 month period of evidence gathering from business leaders, politicians and academics, the London-Stansted-Cambridge Growth Commission published its final report in the House of Commons on 14 July. The report makes the case for unleashing the potential of one of the UK's major economic regions and outlines a 20-year vision that would see the corridor become one of the top "knowledge regions" in the world, competing alongside the likes of Silicon Valley and Boston in the USA. For MAG, the report recognises the key role Stansted plays as an economic driver at the heart of the region and its potential to deliver additional runway capacity to attract new businesses, trade and investment. It also recommends the creation of a new airport economic zone and suggests this should form part of the Infrastructure Commission's priorities. A copy of the report can be found at <http://www.lscgcommission.org.uk/?p=812>

### **West Anglia Rail Taskforce**

On 23 July, the West Anglia Rail Taskforce published its recommendations to improve the line between London, the airport and Cambridge. The Taskforce, chaired by Sir Alan Haselhurst MP, sets out a 15 year plan for the railway. For Stansted, this would include reducing journey times by 4 minutes to London and timetable refresh to improve reliability on the line leading to the four tracking in the mid-2020s and integration with Crossrail 2 services by the 2030s. MAG has campaigned to see a bigger reduction in journey times and will be now working closely with Abellio East Anglia, Network Rail, the DfT and Local Enterprise Partnerships to realise our ambitions and implement the improvements as soon as is feasible.

### **Autism Awareness Scheme**

The airport has launched an autism awareness scheme to help improve the journey through the airport for autistic passengers. Passengers now travelling with an autistic child can register online to access a video of the entire passenger journey - pavement to plane and back again - along with a booklet so passengers can plan the route through the airport. The booklet contains hints, tips and puzzles and passengers will also receive a 'Special Flyer' wristband, for easy recognition by all airport colleagues. The scheme also entitles up to five passengers to use Fast Track or the family assisted lane.

### **Airlines and business development**

- **BA CityFlyer:** Following a successful summer programme, the airline has announced a continuation of its Berlin Tegel route, in addition to a new service to Chambery for the winter ski season.
- **Atlas Global:** The Turkish airline will move its daily Luton to Istanbul Ataturk service to Stansted from October 2016. This will allow passengers to connect to over 40 destinations across Europe and the Middle East.
- **Ryanair:** The airline has announced services to Strasbourg as well as Oslo Gardermoen (Oslo's primary airport). Both services will commence from 1 November 2016.
- **Jet2:** Jet2.com and Jet2holidays have launched flights and holidays from Stansted. The airport will be their 9th UK airport base and first in the South of England. Six brand new aircraft will operate a total of 83 weekly flights (800,000 seats per year). A total of 21 European leisure destinations will be served from April 2017 – Lanzarote, Malaga, Alicante, Dubrovnik, Faro, Madeira, Fuerteventura, Girona, Crete (Heraklion), Ibiza, Kos, Larnaca, Gran Canaria, Menorca, Paphos, Majorca, Pula, Reus, Rhodes, Tenerife and Zante.

## **Capital projects**

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

<b>Project</b>	<b>Timescale</b>
Immigration Hall	Works complete with minor ammends on-going. 30 new e-gates now available for operational use and immigration hall fully reconfigured. Formal opening of the e-gates was undertaken in August.
Asset replacement of items such as valves, air conditioning, lifts, CEM readers, doors and lighting	On-going throughout 2016/17.
Sat 3 Forward Gate Facility	Access to and queuing facilities improved to ease congestion at peak times. Completed during July 2016.
Track Transit System Car Refurbishment	Eight refurbished vehicles back in service. Overall programme to complete by November 2016.
Track Transit System Control System	Full testing of newly installed and updated control systems to be carried out during October and November 2016.
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 16/17.
Auto Bag Drop	A new process and technology to Stansted is being 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 at check-in desks.
Additional Short Stay Car Parking	A new short stay car parking facility was completed and opened to the public during July 2016. This has produced an additional 800 short-stay spaces with an additional 70 spaces being created through an efficiency redesign of the red short-stay car park.
IT Schemes	Stansted is investing in more reliable and enhanced Wi-Fi capability for passengers.

### **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 airport operation, surface access connectivity and long term vision for the airport.

The management team met with a number of external stakeholders, including meetings with the Deputy Mayor of London, Valerie Shawcross; James Cleverly, Sir Alan Haselhurst and David Lammy MPs; the Leaders of Uttlesford and East Herts District Council; Harlow College and representatives of the West Anglia Taskforce, GLA and CBI East of England.

The airport also hosted a **parliamentary and business leaders dinner in partnership with the Essex Chamber of Commerce** that was attended by MPs and key business leaders in Essex along with the new Chief Executive of Essex County Council, Gavyn Jones and the Chair of South East LEP, Christian Brodie.

### **Community funds**

The current status of each Fund is as follows:

#### **1. Stansted Airport Passenger Community Fund**

Funds available are expected to be £40,000 for 2016.

This fund donates money to local causes within a 20 mile radius of Stansted Airport. The money donated by the committee is raised from unwanted foreign currency from passengers and staff, which is collected in the terminal. Consideration is given to requests from sports clubs, pre-school nurseries, junior sports clubs, brownies, guides, clubs, elderly and animal charities.



Expenditure from January to September 2016 was £52,883.

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

- £1,470 – Elsenham Youth Football Club
- £1,500 – Roger De Clare Nursery, Puckeridge
- £700 – Isabel Hospice, Bishop's Stortford

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
- Liz Brassington - Environment Standards Manager, London Stansted
- Kim Ruskin - Photography & Filming Manager, KR Filming & Photography
- Chris Bishop - Airport Chaplain (retired)
- Brian Edwards - Compliance and Assurance Manager, London Stansted
- John Farrow - Operations Director, London Stansted
- Marcella M'Rabety - Corporate Social Responsibility Manager, London Stansted

## 2. Stansted Airport Community Trust

Funds available are £221,000. This trust supports projects which protect and enhance the social, economic and environmental well-being of the community within a 10 mile radius of Stansted Airport.



Expenditure from January to September 2016 was £41,220.

Stansted Airport Community Trust has recently supported the following bids:

- £1,550 – Takeley Park Qualifying Residents' Association
- £2,000 – Bishop's Stortford Lawn Tennis Club
- £1,750 - Great Dunmow Maltings Preservation Trust

Current membership includes:

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

The last payment of £109,591 under the original agreement was made in July 2015. The noise fines payment of £1,000 was made to the Trust in May 2016.

### **School mentoring programme – Stansted and Harlow schools**

The airport has recommenced its mentoring programme and is increasing the number of mentors to 28 senior leaders. The programme supports GCSEs students at Forest Hall School in Stansted Mountfitchet and Stewards Academy in Harlow. The mentors meet students twice a month during the school term and the aim of the programme is to encourage personal and professional development.

### **Meet the Buyers annual local procurement event**

This year's event will be held on 6 October at the Radisson Blu hotel. In addition to the main event, the airport held three pre-events to raise awareness amongst local businesses and to support suppliers and buyers. These preliminary sessions included an '*Understanding Airport Procurement*' event, an '*Understanding Public Procurement*' event in partnership with Essex County Council and a '*Pitching, Presenting and Closing Skills*' Workshop.

## **Noise management, environment and utilities**

### **Community outreach sessions – NATS airspace changes**

Following recent correspondence with local residents on airspace concerns, Stansted will be organising three community drop-in sessions, in partnership with NATS, to discuss recent airspace changes brought about by the LAMP 1a scheme. The details of are set out below:

- Thursday 20 October, 4-8pm, Hatfield Heath Institute (opposite Hatfield Heath Village Hall)
- Wednesday 9 November, 3-7pm, High Easter Village Hall
- Tuesday 15 November, 4-8pm, Felsted Village Hall (this session will take place in the classroom adjacent to main hall)

The concerns and views raised in these sessions will be compiled and fed back to the CAA ahead of the 12 month review of the airspace change. Representatives of the Committee are encouraged to attend these sessions.

### **Essex Wildlife Trust**

Stansted has developed a partnership with Essex Wildlife Trust, who have been helping the environment team to better understand the ecological value of the green space at the airport and identifying areas around the site that could be enhanced. This supports both Stansted and MAG's goal of zero net loss in ecological value at the airport. The partnership has also created opportunities for staff volunteering and supporting local wildlife initiatives.

### **Energy management**

In June, Stansted was awarded the ISO50001 accreditation for energy management for the second year. This comes after a three day audit undertaken by the certification body SGS UK Ltd, which examined how we account for the airport's energy consumption, identify high consuming areas and develop energy reduction plans. The auditor was particularly impressed with our smart metering and energy data management systems.

We are currently rolling out phase 1 of our project to change the high mast lighting on the airfield to LED lamps. Phase 2 will be delivered in 2017. Overall, the programme will deliver a 1 million kwh saving in electricity and reduce the maintenance burden as LED have a much longer expected life than standard lamps.

## **Property**

### **Residential property portfolio**

Following an airport residential property update to the Committee in June, the property team has confirmed that three residential properties have completed and 12 properties are sold subject to contract.

A further eight properties are currently being marketed with a plan to release more properties onto the market between now and late 2016. The airport will continue to update the committee on a quarterly basis.

## Part 1 Land Compensation scheme

On 7 July, Stansted Airport Limited (STAL) published a guidance note for any residents wishing to lodge Part 1 compensation claims relating to airport works dating from 1999 to 2007. The full process including an identified area and relevant timescales were detailed on the Stansted Airport website at [www.stanstedairport.com/compensation](http://www.stanstedairport.com/compensation). An advertisement also appeared in the Herts and Essex Observer.

Those residents who plan to lodge claims must refer them to the Lands Tribunal no later than 31 July 2018, otherwise STAL will regard the claims as having 'timed out'. For ease, STAL provided the 'Guide to Residents' (to deal with background and common questions) and a template claim form. Given the complex and technical nature of the issue, STAL continues to stress the importance of residents taking specialist professional advice on the issues and their particular individual circumstances.

This has now generated a significant amount of interest and activity. Dialogue has commenced with residents and agents and a number of formal claims have now been lodged. These are being examined and considered in terms of eligibility and their merits. STAL has undertaken to handle claims as swiftly and efficiently as possible.

## Surface access and passenger services

### Mode share

Current mode share:

Final Mode	Total	Quarter			
		Q2 2015	Q3 2015	Q4 2015	Q1 2016
Bus/Coach	24.90	26.84	20.89	25.59	27.03
Rail	26.22	23.07	25.70	28.13	28.64
Park on Airport	15.84	16.54	18.51	14.02	13.50
Kiss & Fly	20.59	20.79	21.59	21.14	18.46
Taxi	11.21	10.77	12.33	10.05	11.52
Car Rental	1.21	1.91	0.99	1.07	0.78
Other	0.03	0.07	0.0	0.0	0.08

Public transport usage continues to be strong with 51.12% of our non-transfer passengers using bus, coach or rail to travel to & from the airport, ensuring Stansted continues to lead the way in the UK for sustainable transport usage.

### Rail

Abellio East Anglia was named as the successful bidder for the 9 year East Anglia franchise, including the Stansted Express. Headlines for the franchise, which commences on 16th October 2016, are:-

- **New trains to Stansted Airport from February 2019** incl. a 10% reduction in journey times which would equate to healthy 5 minute saving to the airport from London Liverpool Street
- A brand **new hourly direct Norwich - Cambridge – Stansted Airport service** – provides new public transport options for passengers in Norfolk and Cambridgeshire
- A commitment to **improve reliability, punctuality and reduce delays** on the mainline – a key concern of our passengers who are obviously very time sensitive

- Improvements to the on-board passenger experience and customer product including the continuation of **free-wifi**, **new automatic 'delay repay'** and a host of new ticketing initiatives, starting in October 2017, including new offers for part time users and those who don't travel every day

## **Bus and Coach**

The Stansted-London coach operators Stansted Citylink, Airport Bus Express and National Express continue to grow with the new destinations to Paddington, Waterloo and Kings Cross stations all performing very well and attracting new passengers to coach on these services.

First Group, in partnership with Stansted, introduced the X10 bus service on 10 July connecting to Basildon and Wickford. This service links to the airport's bus and coach strategy, which seeks to increase the airport's public transport offer. Brand new high quality vehicles will be introduced to the service this autumn which will have free Wi-Fi, USB charging points, leather seats and luggage racking.

## **Airport Commuter Centre**

Our Airport Commuter Centre has hit record figures for the sale of the Airport Travelcard for the second month in a row. In August, the Commuter Centre sold 1,960 travelcards to airport employees which was 400 more than August 2015 and eclipsed the previous month's sales of 1,841. Sales of the travelcard generate over £1 million a year of revenue for our bus, coach and rail providers.

**Andrew Cowan, CEO**  
**29 September 2016**