

London Stansted Airport Consultative Committee

Wednesday 3rd October 2018

Airport Management Report

Management update

The airport senior management team are as follows: Ken O'Toole, Chief Executive; Brad Miller, Chief Operating Officer; Commercial Director, Aboudy Nasser; Corporate Affairs Director, Jonathan Oates; Customer Service and Security Director, John Farrow; Finance Director, James Dix; Operations Director, Nick Millar; Landside Operations Director, John Fowler; Assets Director, Roy Elphick; Aviation Director, Mats Sigurdson; HR Director, Liz Austin and Business Change Director, Martin Lyall.

Passenger numbers (August 2018)

Aug-18	Monthly			Moving annual total		
	2018	2017	Diff	2018	2017	Diff
Total passengers	2,975,568	2,742,046	8.5%	27,223,584	25,400,662	7.2%
Air transport movements	18,283	16,926	8.0%	181,876	170,782	6.5%
Cargo tonnage	22,103	21,299	3.8%	262,679	260,913	0.7%

London Stansted has passed the rolling 27 million passengers a year milestone for the first time in the airport's history following its busiest ever month and a record breaking summer.

Stansted welcomed over 2.9 million passengers in August, up 8.5 per cent on last year and saw a total of 8.4 million passengers passing through the terminal during the peak months of June-August. The total was an increase of nearly 700,000 passengers on the similar period last year.

During August Stansted also recorded its first ever 100,000 plus passenger days with the busiest being 24 August when a total of 101,500 passengers passed through the terminal.

The rolling 12-month total to August 2018 now stands at 27.2 million passengers, an increase of 7.2 per cent over the previous year.

35+ Planning Application

Following the close of the additional publicity period, Uttlesford District Council has now confirmed the timetable for considering the application. Three public speaking sessions will be held at UDC offices to enable Planning Committee members to hear submissions. Details of how to register to speak are yet to be announced. The dates are:

- Tuesday 9 October 2018: 10am-1pm
- Wednesday 10 October 2018: 2-5pm
- Wednesday 10 October 2018: 6-9pm

The Planning Committee will then meet to consider the application on Wednesday 17 October.

Part 1 Claims

A large number of new claims were submitted shortly before July 31. Good progress is being made towards a resolution. A settlement has been agreed with agents for over 200 claims; negotiations continue with other agents for the remaining claims.

Operational disruption

The airport faced a number of operational challenges over the summer season, the majority of which related to adverse weather across the East of England and mainland Europe, frequent UK ATC delays and restrictions, and airlines experiencing problems with their baggage handling operations at the airport. Significant progress has been made with key third parties (Ryanair/ Swissport/ NATS/ Border Force) to address areas under their control in advance of Summer 2019 to ensure adequate resources are in place to support the continued growth of the airport, and which will complement the continued improvements and direct investment being made by the airport to those areas under our direct control.

A 'lessons learned' exercise was conducted by the airport after summer 2017, to identify the key areas that had performed below expectations. As a result of this exercise, which was informed by customer feedback and consultation with frontline staff, the following measures were successfully implemented under a "Fit for Summer 2018" improvement programme:

Forecourt

- Congestion was regularly experienced on the approach to the Forecourt and drop off areas. Through a targeted £500k investment, the Forecourt was reconfigured and now flows freely, with no congestion experienced to date
- Additional staff have been employed on the Forecourt (traffic marshalls) and within Check-in (ambassadors), in order to be visible to passengers and help with queries (mainly directions to check-in desks), ahead of new facilities being delivered

Security

- 89 new Airport Security Ambassadors have been introduced to the operation, with the aim of better preparing passengers for Security - a key function at Stansted given the high numbers of foreign nationalities. Every Security Lane now has two Ambassadors helping passenger prepare for Security and to help them having gone through Security
- The Team Leader population in Security has been increased from 5 per shift to 24 (one per Lane and 2 on rotation), which helps drive performance and customer service, by being 'on-hand' for escalations
- A third bag searcher has been added to the roster for each Lane, such that the 'Reject Lane' no longer causes queuing to occur
- Performance screens have been introduced to each Lane, to drive healthy competition, which is rewarded by 'Team of the Day, Week and Month'
- A Smiths X-Ray technician has been based in Security during peak operating hours to improve response times to out of service X-Rays (from three hours to immediate response)

- Almost £3m was invested in a major overhaul/major maintenance of the Security equipment, which included an uplift in essential spares on site and a dedicated workshop adjacent to the Security Hall, again with the aim of reducing out of service periods by improving response times
- The rostering pattern was overhauled in January, to offer a more team-based ethic and combat absence

All of the measures above have meant performance has increased from an average of 190 passengers/hour to 235/hr on average per Lane and new measuring equipment has meant that 'time in security' has reduced to an average of 12 mins.

Customer experience

- £1.8m is currently being invested to introduce a dedicated PRM Lane and a separate Staff Lane, with the added benefit of improving OTP and greater throughput in the Main Hall
- £1.7m has been invested in new seating that will provide an uplift of 700 incremental seats, the first phase was completed in August, the remainder will be complete in September
- 12 new Check-in Desks were completed in time for the peak of the peak, including a much needed queueing zone
- Wayfinding for the road network and within the Terminal has been refreshed
- All car parking barriers across the site were replaced at the beginning of the summer season, along with the roll out of our 'Licence to Operate' for all Car Parking/Meet&Greet roles, which has dramatically improved the service compared to last year. The Meet&Greet Reception has also had a refurbishment and the welfare facilities have received much needed investment
- Our WiFi has been increased from 200mb to 800mb and is provided free for 4 hours as standard and free during periods of disruption (up to the point of being 'Ops-normal')
- A multi-lingual, multi-message function has been added to the legacy PA/VA system to improve information messages to customers, ahead of a wholesale replacement in conjunction with the STP delivery

Resilience/Response

- The maintenance contract for lifts and escalators at Stansted has been renegotiated, such that planned maintenance is now conducted at night, outside of passenger hours. This has reduced passenger congestion on stairs and in lifts, while the works are carried out and has also reduced the number for reactive maintenance occurrences;

As part of the longer-term solution to accommodating demand and improving the airport experience, we are also investing £600 million over the next five years to transform the airport, including the construction of a new arrivals terminal, the complete re-vamp of the existing terminal, upgrades to the baggage system and introduction of more car parking spaces.

Third Parties

Constructive discussions between Ryanair and the airport have been taking place all summer and in recent weeks the level of service to our customers has improved significantly following; the arrival of additional resource into their third-party baggage handling operation; the arrival of increased numbers of Ryanair handlers from Dublin and across Europe; MAG providing additional staff into their baggage operation.

MAG has also been working closely with Ryanair to find the right solution going forward and we are pleased with their decision to make a step change investment in their operational staff, assets and processes at the airport. This solution will see Ryanair partner with a handling company to create a dedicated staffing and ground handling operation at Stansted which will see significantly more staff and equipment than there is today on the apron and in the terminal and will also provide an increased level of resilience and flexibility.

It is important that we work closely with Ryanair to provide the right level of service to passengers and the airport is confident that this collaborative approach will enable Ryanair to reinforce their position as one of Europe's most punctual and reliable airlines.

NATS has confirmed to us they will have sufficient resources in place to ensure ATC services to the airport are not interrupted next summer, they also moving to implement solutions over the next two years which will provide stronger air space resilience for Stansted. Border Force is confident they will have sufficient available resource to cater for continued passenger growth at Stansted through 2019.

I want to take this opportunity to put on record my gratitude to all of Stansted's staff who throughout the summer have been working extremely hard to deliver the high levels of customer service that we expect from ourselves.

New COO appointed

Steve Griffiths, most recently Chief Operating Officer for the London Underground at Transport for London and previously Chief Operating Officer for Virgin Atlantic Airways, has been appointed Chief Operating Officer of London Stansted Airport and will take up his role on the 15th October. He will be responsible for the safe and secure day to day leadership of the airport and report directly to me.

During his time as Chief Operating Officer for London Underground, Steve was accountable for the safe, secure and efficient delivery of London Underground operations and the customer promise 'Every Journey Matters'. He led a team of 17,000 people from front line customer operations through to engineering and maintenance. Highlights of his time in the role included the successful launch of the Night Tube and transformation of the Stations operating model to enhance customer service.

At Virgin Atlantic Steve was accountable for the safe and cost-effective delivery of the day-to-day airline operations and customer service promise – a role which saw him have leadership responsibility for a team of 6500 employees in flight operations, engineering, airports, cargo, cabin crew, safety & security and customer experience; including customer design and innovation.

CAA report on PRM

London Stansted acknowledges the findings of the CAA's Accessibility Report and is committed to working closely with the CAA, Omniserve - our service provider - and all our on-site partners to ensure that passengers with disabilities are able to travel independently and confidently through the airport.

Over the past year Stansted has invested significantly in its infrastructure by re-locating access points, expanding reception areas and purchasing equipment to speed up the process of boarding aircraft. As a result, we now welcome record numbers of passengers with disabilities to the airport.

We have also worked in partnership with organisations such as Changing Places and Dementia Friends and also established a dedicated Disability Forum which has fed directly into new ideas to improve the airport experience for passengers with disabilities.

We recognise that we still have more work to do, and were disappointed that administrative matters, as distinct to service quality, were identified as an area needing improvement by the CAA. We remain committed to ensuring Stansted is as accessible as possible, and we are committed to further improving on our record of service and engagement.

New route launches

Primera Air’s latest long-haul route from London Stansted has taken to the skies with the launch of its new five direct flights a week service to Washington Dulles Airport. The direct service to the US capital is operated by one of Primera Air’s brand-new Airbus A321NEO aircraft, which offer a choice of two cabins, full-service premium and low-fare economy, free Wi-Fi and onboard charging points.

The new Washington Dulles service joins the airline’s long-haul routes to New York, Boston and the Canadian city of Toronto which all launched earlier this year.

In addition, Norwegian airline Widerøe launched the first direct route from London Stansted to the southern Norwegian city of Kristiansand. The four-times-a-week service operates on a 78-seater Dash-8 Q400 aircraft, with the first flights arriving into and leaving Stansted fully booked.

Residential Property update

Total properties sold to date are 236.

There are a handful of properties sold subject to contract that are expected to exchange in the coming months, with 2 properties currently being advertised for sale with vacant possession. One further property to be marketed once the tenant has vacated.

Armed Forces Award

London Stansted Airport’s support for serving and former military personnel and reservists has been recognised with the prestigious Armed Forces Employer Recognition Scheme Silver award.

The award comes just 13 months after Stansted became the first airport in England to pledge support for the Armed Forces community and their families by signing up to the UK Armed Forces Covenant.

Capital Projects

Project Area	Timescale and detail
Summer / Winter Readiness	The majority of works have been completed, with others associated with improving our IT systems in the main terminal, being finalised in the next month. The completion of the various overhaul projects in the main security hall has seen less faults and greater throughout achieved month on

	<p>month. One of the main improvement completed was the widening of the ESD forecourt, meaning we could increase the number of pick up and drops off per hour by c. 25%, even at peaks. It is the delivery of these improvements, quickly and with minimal disruption to passengers, which has been particularly pleasing and something we will take into future years as part of our agile capital planning capability.</p>
Landside	<p>The Passenger Transport Interchange capability has been improved over the last few months, with the provision of modern, informative screens, better lighting and enhanced approach road signage – all of which will give our passengers a better experience. To support our people, we have completed the installation of the new staff welfare facility meaning our colleagues have a better placed to enjoy breaks and down time before / after their shifts. We are also exploring improvements to our M&G offerings over the next 12 months, which will improve our products and enhance the experience. Improvements to our car parks estate have seen us replace old barriers with new to increase reliability and speed upon which customers enter and exit our facilities to embark on their holiday or journey home, respectively.</p>
Airside	<p>Following a number of investigations and increased asset driven reporting from our operations and maintenance teams, we have embarked on a large-scale improvement programme across the various areas of the airfield. We have kicked off a targeted plan to replace taxiway bays and joints, which will continue over the next 5 years. Similarly, we will be upgrading / replacing our FEGP and standby generators so that we have the very best systems in operation for our airlines.</p>
Terminal	<p>We have completed an extensive improvement programme on customer facing toilets which will continue into future years and be complemented by state of the art facilities being implemented by STP over the next 3 years within the new Arrivals Hall. We have completed a number of passenger journey enhancement schemes, whether it be delivery of the Camden (food & beverages) retail unit or increased seating in the IDL to maximise the use of space (utilization), so that we are able to meet the changing needs of our passengers.</p>
Assets & Engineering	<p>We will be replacing the worst performing escalators and lifts over the next 5 years as part of a programme of £11m of improvements. This will kick off with 2 escalators before the end of the financial year 2018/2019, as well as various lift improvement works completed by our maintenance teams as part of BAU operations. On top of this we will look to deliver a year on year asset driven replacement programme of HVAV units, so that passengers and staff can travel / work in comfortable surrounds all year round.</p>
PRM	<p>Building on the work last year in providing an increased and improved departure area for PRMs, schemes are underway to further improve access routes for PRMs to and from the Satellites. Our commitment to improve</p>

	PRM capacity at Stansted is long term as we look to make the Airport as accessible as we can across all functions.
IT	Numerous schemes are to be delivered around IT resilience, maintenance and enhancements during 2018/19. An improved scheduling and rostering scheme will benefit capacity, customer service and efficiency and will be delivered.

Meet the Buyers

It was announced that London Stansted Airport’s last annual ‘Meet the Buyers’ business event had surpassed its previous success, generating over £9.3 million in sales for businesses who attended, a 95% increase on the previous year’s event.

The event welcomed 280 businesses from the East of England and London, ranging from small start-ups right through to larger companies, who attended in the hope of securing deals with nearly 50 organisations, including National Express, London Stansted Airport, Uttlesford District Council, HSS Hire, University of Essex and the NHS.

In total, since 2011 London Stansted Meet the Buyers has generated just under £22 million worth of business.

The 2018 London Stansted Meet the Buyers event will take place at the Radisson Blu Hotel on 1 November 2018. A number of buyers have already signed up including LPL Construction, University of East London, Cambridgeshire County Council and ISS.

Community Relations

1. Stansted Airport Passenger Community Fund



The Stansted Airport Passenger Community Fund donates money (up to £1500) 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 is given to requests from sports clubs, pre-school nurseries, junior sports clubs, brownies, guides, clubs, elderly and animal charities.

Total funds available for 2018 are expected to be £40,000, with expenditure from January to August 2018 already being £32,299, including the following recent donations:

<i>Essex Search and Rescue</i> Established in October 2002, the organisation provides a pool of trained volunteers ready to assist the Police searching for missing vulnerable persons (children, despondents, dementia sufferers, diabetics, etc.), primarily within the County of Essex	£1,000
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<i>Bishop's Stortford Youth Project</i>	
This project is an independent Charity that was established to help mentor and train young men and women in Bishops Stortford, teaching them good values, morals and life skills. The charity also operates the town's 'Thirst Youth Café	£750
<i>Organic Countryside, Saffron Walden</i>	
Organic Countryside operates in the area around Saffron Walden and exists to conserve and increase the variety of wildlife on nature reserve small holdings and promote nature conservation and public access to the countryside.	£500

Current membership includes the following volunteers:

- Steve Edwards Terminal Facilities Team leader, London Stansted Airport
(Chair)
- Sandra King Electronic Document Controller, London Stansted Airport
- Maria North Parts & Distribution Controller, London Stansted Airport
- Liz Brassington Environment Standards Manager, London Stansted Airport
- Sarah Martin H&S Business Partner, London Stansted Airport
- Simon Parker Fire Safety Advisor, 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'Raberty Corporate Social Responsibility Manager, London Stansted
Airport

2. Stansted Airport Community Trust



The Stansted Airport Community Trust supports capital projects which protect and enhance the social, economic and environmental well-being of the community within a 10-mile radius of the airport.

Funds available for the year are anticipated to be in the region of £200,000, with expenditure from January to August 2018 being £76,427.

Stansted Airport Community Trust has recently supported the following bids:

<i>1st Clavering Scout Group</i>	£2,000
<i>Friends of Newport Primary School</i>	
The Friends of Newport Primary School run various events throughout the school year to raise funds to support the school – enabling the purchase of equipment, updating of facilities and supporting activities such as educational trips.	£2,000

<p>High Easter Village Hall</p> <p>The Village Hall exists for the communal benefit of the inhabitants of High Easter and its surrounds. The management committee aims to provide first class facilities at an affordable cost to local people and voluntary organisations serving the community.</p>	<p>£2,000</p>
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Current membership includes:

- Cllr Susan Barker Essex County Council
(Chair)
- Cllr Philip Wilson Chelmsford County 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
- Andy Daines Ryanair
- Brian Ross STACC member
- Canon Chris Bishop Airport Chaplain (retired)
- Marcella M'Rabety Corporate Social Responsibility Manager, London Stansted Airport

The Trust was originally set up as a S106 obligation which has now ceased, however the airport has agreed to continue to pay £50,000 per annum into the Trust. The 2018 £50,000 donation for 2018 was paid to the Trust in April 2018 together with the noise fines of £8,750 for 2017.

The relaunch of Stansted Airport's dedicated Employment Academy

London Stansted Airport officially relaunched its dedicated Employment Academy, bringing the service 'in-house' and re-branding it.

Guests including Robert Halfon MP, on-site business partners, Harlow College, Job Centre Plus and current apprentices gathered to mark the occasion and celebrate a new phase for the service, which is now operating as part of Manchester Airports Group in partnership with Harlow College.

The Stansted Airport Employment and Skills Academy, based at Enterprise House next to the main terminal, is a one stop shop for anyone interested to find out about on-site vacancies. In addition; tailored aviation training programmes and apprenticeship schemes provide jobs seekers with an opportunity to effectively learn and gain necessary skills to enable them to secure employment with one of more than 200 on-site employers.

With more than 500 job vacancies regularly on offer at the airport, from pilot and cabin crew positions to engineering, maintenance and security roles, the Academy plays a key role in securing candidates for businesses and ensuring they are job ready.

By working closely with employers, as well as Harlow College, job-seekers are guided through available opportunities and the recruitment process.

Stansted Airport College

293 students enrolled to study at the Airport College and commenced their courses in September. The £11m College is the first on-site educational establishment of its kind at any major UK airport and is a joint venture between Harlow College and London Stansted Airport. The College will aim to boost the skills of students in the region and provide a pipeline of future talent for the airport and its 200+ on-site companies. The two-storey facility is located on a one-acre site made available by the airport. As well as a £600,000 investment from Harlow College, it has received two separate £3.5 million grants from the South East Local Enterprise Partnership (SELEP) Local Growth Fund and Essex County Council, in addition to a £300,000 grant from Uttlesford District Council. At capacity the college will welcome up to 500 students each year and offer courses designed to bridge the skills gap in STEM (Science, Technology, Engineering and Maths) subjects as well as specific airport areas such as aircraft and operations & maintenance engineering, business & logistics, hospitality and aviation operations.

Environment and Utilities

Noise Action Plan

The airport launched a public consultation on its draft Noise Action Plan (NAP) setting out the airport's approach to managing aircraft noise and reducing its impact on the local community.

The five-year action plan – the third for London Stansted – looks to build on the extensive progress that has already been made in managing the effects of aircraft noise on local people and proposes a range of new measures, including:

- Further restricting the use of the noisiest types of aircraft that can operate at night
- Proposing stricter penalties for noisy aircraft
- Looking to implement further improvements to the flying accuracy of aircraft using our departure routes.

Since the publication of the first NAP in 2011 the number of people within Stansted's noise contours has reduced, even though the airport has returned to significant growth. This is largely due to the introduction of new, quieter aircraft – Stansted's fleet of aircraft is one of the most modern in Europe. Other measures that have reduced the impact of noise includes the introduction of satellite navigation to further improve aircraft track keeping.

The draft Plan considers the airport's future growth whilst also assessing potential associated noise disturbance to communities living near Stansted. It also explores the likely benefits of new aircraft technology and operating procedures, plus, where necessary, the introduction of enhanced noise controls and tracking capabilities.

Following consultation during 2018 with a range of stakeholders who have an interest in the airport, the new plan will be presented for formal adoption by the Department for Environment, Food and Rural Affairs (DEFRA) in 2019.

To date, the airport has received eight responses.

Surface Access and Passenger Services

Mode Share Data

Mode	2017 %	2017 volumes	2016 %	2016 volumes
Rail	30.22	7,274,535	27.93	6,287,889
Bus & Coach	20.58	4,954,330	22.95	5,165,511
Private Car	36.4	8,761,363	35.54	8,000,195
Taxi	10.41	2,506,053	11.10	2,498,757
Car Rental	2.25	541,490	2.30	517,303
Other	0.14	34,720	0.18	40,624

Rail continues to be dominant mode but overall public transport remains at just over 50%. 2018 data to be available shortly and will be circulated to STACC members. The new Stadler Stansted Express rail fleet is continuing to be constructed and tested and will be introduced during 2019.

Bus and Coach

A new Staff and Coach Driver Welfare facility has been introduced and is located in the coach station for all bus and coach drivers as well as car park staff. This includes a high quality rest area, toilets, shower, microwaves and fridges.

Car Park Bussing

The tender for the new Car Park and Airside Bussing contract is now in process and down selected to five bidders. The specifications includes:

- New vehicle fleet to potentially include Hybrid and Electric vehicles
- Real Time Information screen at stops
- Automated stop announcements on buses
- On bus screen to provide pre-security prep information

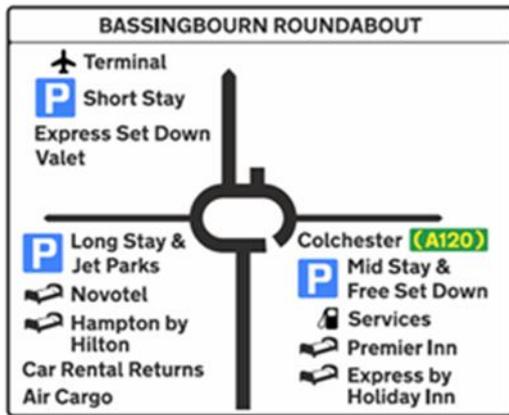
The new contract is planned to go live as from 1st June 2019.

Staff Car Parking

An additional 66 Staff Car Park spaces have been introduced in Coopers End Car Park with a further larger extension containing 400 spaces being constructed ready for the end of 2018.

Road Signage

Replacement of wayfinding road signage has been completed and NPS scores have increased as a consequence from 3.92 in Aug 17 to 4.24 in Aug 18. Overhaul of internal car park signage is being planned.



Coach Station

New digital screens showing bus and coach information have been introduced in the Waiting Room and Coach Station passenger entrance

Airport Commuter Centre

Airport Travelcard has hit new records with sales in August 2018 hitting 2273 sales in August compared to 2058 in Aug 2017.

Ken O'Toole
Chief Executive
3 October 2018