

**STANSTED AIRPORT ADVISORY PANEL held at COUNCIL OFFICES
LONDON ROAD SAFFRON WALDEN at 7.00pm on 10 JANUARY 2012**

Present: Councillor J Cheetham (Chairman).
Councillors A Dean, D Jones, M Lemon, K Mackman, D Perry and J Rose.

Officers in attendance: R Dobson (Democratic Services Officer), R Harborough (Director of Public Services), J Pine (Planning Policy/DM Liaison Officer), G Smith (Head of Environmental Health) and A Taylor (Assistant Director Planning and Building Control).

Also attending: From Stansted Airport Limited: Nick Barton (Managing Director), Tim Hawkins (Regulation and Planning Director) and Chris Wiggan (Head of Public Affairs).

Members: Councillor J Ketteridge (Leader), Councillors C Cant, R Chambers, J Davey, K Eden, E Godwin, A Ketteridge, H Rolfe and A Walters.

SAP13

PRESENTATION BY NICK BARTON, BAA

Councillor Cheetham welcomed to the meeting all members and guests.

Nick Barton, Managing Director of Stansted Airport, then gave a presentation. He said Stansted was a world-class airport, which was capable of taking 35mppa, and was designed to such a high standard that there was little to improve in terms of its infrastructure. He was proud to say that customers had voted Stansted the best low-cost airport in the world in 2011; its performance was good, as it was the most punctual airport in Europe and it was the third most punctual in the world. Stansted was also popular with airlines, and two additional airlines would operate from Stansted during the next year, which was an indication that business was returning a little. The airport was still dominated by Ryanair and Easyjet, which were both solvent to a remarkable degree, which was of great benefit to the airport.

Mr Barton referred to challenging economic circumstances, in that following deregulation in 1995 the number of passengers had doubled by 2007, but that the figure in 2011 had reduced significantly to 18,260,000 passengers. However, the combination of the airport's excellent infrastructure and rolling stock helped protect the business.

Regarding demand versus capacity at the London airports, Mr Barton said figures demonstrated that Heathrow, Gatwick and Luton were consistently used beyond their capacity; by contrast, Stansted was 50% full. As the industry recovered from depression Stansted would benefit from the spill factor and expected to fill its capacity.

Mr Barton said the airport was now 21 years old; maintenance costs were £20m-£30m per annum, and were expected to continue at that level, with no further capacity investment for the next six or seven years.

Regarding noise, Mr Barton said the airport had broken the link between growth and impact, due to improvements in engine technology. As most of the aircraft now were new, there had been a huge benefit in reducing the noise impact.

Regarding the Olympics, Mr Barton said it was his primary aim to ensure that "business-as-usual" passengers would not be disadvantaged by using the airport during the occasion, but he also took the view that the airport should maximise the opportunity for the region by giving a good first impression and to try to enhance the probability that people would return. There were many workstreams; the aim was to achieve resilience as far as possible. He expected Stansted to handle another 120,000 passengers over the 2-3 weeks of the Olympics, with additional cargo and visiting Heads of State.

Regarding marketing of slots in readiness for the Olympics, Mr Barton said that whilst currently there were not as many as forecast, of those that were being booked Stansted had 100%. The airport was also planning for the event of a failure at another airport. The airport's busiest day would be 13 August 2012, the day after the Olympics closed, when 100,000 passengers (including business-as-usual) were predicted to use the airport.

Regarding the Competition Commission decision, Mr Barton said Stansted was under final undertakings, which it was challenging.

Finally, Mr Barton said Stansted had recently accepted the Airframe Code F aircraft. These were stunning pieces of technology which not many airports were able to handle, and although this announcement had prompted concern from residents regarding potential noise, the aircraft were not as noisy as some might have anticipated.

Regarding housing, Mr Barton spoke about the compensation schemes offered by the airport, and about the houses it currently owned. Since the airport had withdrawn its application for a second runway there was no appetite for retention of these houses, as they were operationally irrelevant. However, the airport did not wish to distort the housing market or cause problems and was looking to reduce ownership in a way which did not result in significant disruption or distortion to the housing market.

Councillor Cheetham raised a concern that community cohesion tended to suffer where houses were let rather than sold, and she therefore wondered if it was possible to give a timetable of when the airport would sell houses in safeguarded areas.

Mr Barton replied that the main issue was with the difficulties faced by the housing market. This situation was a source of frustration as whilst 96 to 98% of the houses the airport owned were occupied, the market was currently dysfunctional, and the airport did not have all the options open to other types of vendor. However, he wished to reassure Members that the vast majority

were let to families and only a tiny proportion to airport staff. Of these lets, many people then moved to the village of Takeley, as the airport was trying to sell to occupants in order to try to avoid leaving properties vacant.

In reply to a question from Councillor Dean, Mr Barton said he had asked agents to increase the rate of sale, but that new homes had had an impact on the airport's market.

Councillor Lemon said he was pleased about the alteration of the flight paths over Hatfield Heath and Hatfield Broad Oak but said now every plane came over Hatfield Heath and residents were subject to more noise despite fewer planes.

Mr Barton said the Noise and Track Keeping Working Group monitored such issues; on the question of track keeping, the airport had 95% compliance, but was very much aware of any deviation. There was a proposal to use satellite navigation to follow waypoints, and the NPR method would be trialled soon.

Councillor Godwin asked about addressing noise from night flights and shoulder periods, as late night slots affected people living in her ward, Birchanger.

Mr Barton said the intention was to limit flying to between 0500 and 2200 hours. The current noise regime was due to expire in the autumn of 2012, and he expected that the current regime would be continued.

Councillor Cheetham referred to the clause in the Section 106 agreement relating to no increase in night flights. Nick Barton said the airport was complying with this obligation.

Councillor Dean referred to the clause in the Section 106 agreement requiring a visitor centre to be built. Mr Barton said it was due to the risk of terrorism that the centre could not be built within sight of the runway. An application for planning permission to build the centre on land south east of the Hilton had been granted in 2008/09. It was now a question of getting someone to resource building the centre, once the market improved, and this was something the airport would promote.

Councillor Cheetham suggested displaying at the terminal some of the artefacts which had been dug up during the construction of the airport.

Councillor Cant asked about the impact on retail figures of airline penalties imposed for excessive baggage. Mr Barton said the retail turnover of the airport was £500 million per annum, and that whilst the 'one bag rule' had a direct impact on the profitability of the airport and on the experience of the passenger, nevertheless, duty free sales had not been affected as much as one would think, and passengers were perhaps getting wise to the rule with options such as 'shop and collect'.

The Head of Environmental Services asked whether there were plans to expand the airport's cargo facilities.

Mr Barton said he would like cargo to increase, particularly high-value cargo, as this helped the region's internal trade. The airport had the capability to accept 600,000 tonnes of cargo per annum, but was currently trading at 200,000 tonnes. The original designers had prepared well for the future, and the airport had also invested £4million in the Alpha cul de sac, which with the Code F aircraft, would enable increased cargo capability.

Councillor Rolfe asked for an indication of where airport employees tended to come from, and whether their jobs were retail or airport related, and about retail and other job opportunities.

Mr Barton said about 10,000 people were employed at the airport; the majority of people working at the airport came from outside the area and from within Uttlesford there were 1,898. Approximately 50% of the whole number came from within Essex, and of these, Uttlesford was the district with the largest single source of employees.

In reply to a further question from Councillor Rolfe, Mr Barton said Uttlesford had one of the best employment figures in the UK and the airport had 7.5% of Uttlesford's total workforce; the airport had 47 vacancies, and would be recruiting very quickly as it got busier for the Olympics.

Councillor Cheetham thanked Mr Barton for coming to speak to Members tonight. She said this was a useful dialogue; the employment figures were interesting and now that the second runway was out of the way the relationship between the council and the airport had improved.

Mr Barton said the airport was a brilliant asset and a source of pride for the region. He welcomed these engagement sessions, and would be happy to return, and also to invite Members to come to the Airport.

SAP14 **APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received from Councillors Artus, Rich and Wilcock.

Councillor Cheetham declared her interests as a member of NWEHHPA and as the Council's representative on STACC.

Councillor Dean declared his interest as a member of SSE.

SAP15 **MINUTES**

The Minutes of the meeting held on 28 September 2012 were agreed and signed by the Chairman as a correct record.

SAP16 **MATTERS ARISING**

- (i) **Response to DfT consultation on developing a sustainable framework for UK aviation**

The Planning Policy/DM Liaison Officer said the draft framework was due to be issued in March, but its publication could be delayed.

SAP17 **REPORT OF PRESENTATION OF AIR SPACE MANAGEMENT MEETING**

The Planning Policy/DM Liaison Officer gave a short resume of the briefing that had been given to the Panel in November 2011 by the Director of Airspace Policy at the CAA and the Head of ATM Development and Delivery at NATS. The briefing had been circulated to all Members, and a few of the slides were highlighted.

SAP18 **SECTION 106 OBLIGATIONS**

The Planning Policy/DM Liaison Officer presented a report updating Members on monitoring of the Section 106 agreement relating to the planning permission for airport expansion to 25mppa. He said the obligations contained in the agreement had a variety of trigger points, some being actual dates unrelated to the implementation of the planning permission. The Council had started monitoring the implementation of the agreement immediately after it was signed, with regular reports being made to the Panel. Formal implementation of the 25mppa planning permission took place on 22 May 2006 when terminal forecourt improvement works commenced.

The Planning Policy/DM Liaison Officer said the agreement was now nearly nine years old, and many of the obligations had either been completed, were ongoing, had expired or had not been triggered. The report that had been circulated set out the current position on all the obligations. The report also cross-referred to STAL's unilateral undertaking which it had signed as part of the Generation 1 planning permission granted on appeal in 2008. This permission was for expansion to 35mppa, and would be implemented when the first of the following three occurred:

- 1) Annual passenger throughput exceeded 25mppa (*currently 18.08mppa having dropped from 23.9mppa in mid 2007*)
- 2) Air transport movements exceeded 241,000 pa, of which no more than 22,500 could be cargo (*currently 137,246pa and 10,116 respectively – ATMs were round about 194,000 in 2007*)
- 3) The next piece of infrastructure was built that was "rolled forward" from 25mppa to the Generation 1 permission (*such as terminal departures bays 9 & 10, Enterprise House II, Endeavour House II or 3rd phase at Taylors End*)

The Planning Policy/DM Liaison Officer highlighted the fact that the unilateral undertaking included obligations that were triggered either by specific dates or "when required to do so" clauses irrespective of whether the Generation 1 permission had been implemented.

Councillor Cheetham asked officers to provide an update on the position regarding the Community Trust Fund, which she understood had come to an end, as she considered it was important to continue arrangements that benefited the local community. Page 5

The Assistant Director Planning and Building Control said STAL had suggested setting up a fund partly in relation to the Olympics to benefit groups with a talent in sport, but that officers had responded that this was not an appropriate way forward. Members agreed, on the grounds that it was preferable to operate a scheme within a smaller area to compensate those who lived near the airport.

Members asked various questions in relation to the Section 106 obligations document. It was agreed that officers would provide an update at the next meeting on a number of obligations, including tree planting; unauthorised parking behind the Hilton; and data on complaints about fly-parking.

Further questions were asked regarding obligations relating to rail infrastructure and station capacity. Officers explained that platform extensions at Stansted Mountfitchet had now been implemented, but that the extent of the obligation was for STAL to enter into a binding agreement with the then Strategic Rail Authority. The trigger point for the obligations was 'if required by Network Rail'.

Councillor Dean asked why the airport had not yet complied with the obligation to construct a visitor centre. Officers explained that the requirement had not yet been triggered, so the airport was not in breach of this obligation. Nevertheless, planning permission for a visitor centre had been obtained but due to terrorism risks this development was 'on the back burner'. Councillor Cheetham said even without the construction of a visitor centre, it would be good to display in the airport itself some of the artefacts which had been found during its construction, and perhaps documents relating to its history. The Planning Policy / DM Liaison Officer said that, in his discussions with STAL, he had raised the idea of the visitors' centre containing information on the history of the development of the airport.

In relation to a question on the obligation to fund a Materials Recycling Facility, officers explained that these days recycling facilities were provided by the industry and costs were for the County Council to incur as the waste disposal authority.

Councillor Rose suggested that either the visitor centre when built, or the Hilton, should provide for local business to be represented. The Planning Policy/DM Liaison Officer agreed to raise this suggestion at the next quarterly liaison meeting with the airport. Councillor Dean asked that the view of Members should be conveyed to the airport that it would be ideal to have a visitor centre before the Olympics.

It was noted that officers would now re-edit the report to focus more on the unilateral undertaking and 'live' obligations from the agreement relating to 25mppa.

SAP19

ANY OTHER BUSINESS – ABELLIO BRIEFING

The Planning Policy/DM Liaison Officer reported on a briefing given in December by Abellio regarding its plans for the Greater Anglia rail franchise.

Abellio would operate the franchise for 29 months from February 2012. The company operated Merseyrail and Northern Rail in partnership with Serco, and ran buses in Central and South London and Surrey. It also operated rail and bus services in the Netherlands, Germany and the Czech Republic.

As the franchise was limited to only 29 months, Abellio was constrained in what it could do, but officers had gained the impression it seemed keen to make a real difference on areas such as customer service and train / station cleanliness.

Abellio intended to trial a shuttle bus for a 6-month period from Audley End to Saffron Walden, but would be speaking with Essex County Council over the effect this would have on the existing 301 bus service, which was commercially operated.

The Panel agreed that indications were that the award of the franchise to Abellio was a positive step, and that it was a pity the length of the franchise was limited.

Members discussed the possible government funding of a third rail at Tottenham Hale. It was agreed this would be a good solution to a highly used line where further timetable revisions would not address capacity issues.

The Planning Policy/DM Liaison Officer said he would attend the next West Anglia Routes Group meeting later this month and would report back on anything further following the meeting.

SAP20

ANY OTHER BUSINESS – STAL TRAVEL SURVEY

The Planning Policy/DM Liaison Officer said that as one of its 15-25mppa obligations, STAL was required to produce every two years a survey of staff travel patterns to inform the Airport Surface Access Strategy. This monitoring obligation continued with 35mppa. He gave a brief summary of the 2011 survey results which had been published.

Total staff numbers in 2011 were 10,231, a fall of 5.8% from 2009. The fall was mostly explained by the economic downturn, reduced passenger numbers and the move to on-line check in services. The biggest growth in staff numbers as a percentage of the total workforce since 2002 was security, passenger search and security access control (1.6% in 2002, 10.6% in 2011).

In 2002, 87.6% of the workforce were car drivers, with 7% using public transport. In 2011, the figures were 69.9% and 19.8% respectively, with a modest increase in the number of car passengers as a result of the airport's car share scheme. Most of the PT mode share increase was bus / coach. Worryingly, 17% of the workforce was not aware of the car share scheme, which was an issue for the Travel Plan and Local Access Working Group to look at.

Councillor Cheetham thanked officers and asked for the figures for East Hertfordshire to be supplied as a comparison, and officers agreed to provide a breakdown.

The meeting ended at 9pm.