

Newcastle Airport Consultative Committee

Airport Company Report
Quarter 2 2023

1. Performance Overview

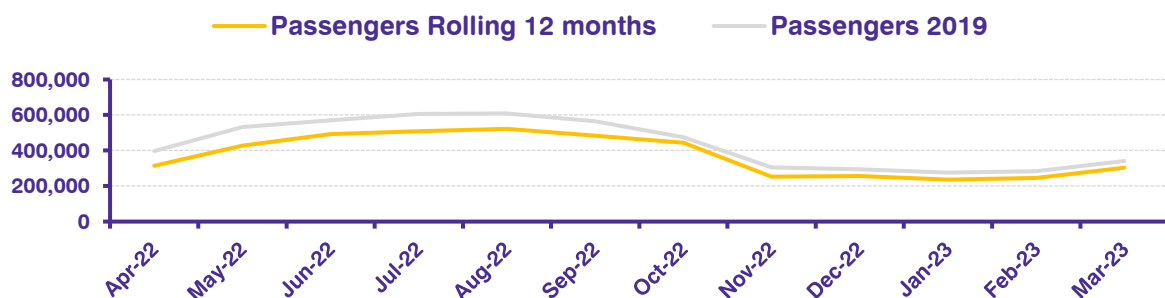
1.1 Passenger Numbers

Q1-2023 passenger numbers ended at 787k; -13% pts versus pre-pandemic 2019 levels. Passenger volumes during the respective months of January, February and March were -14%, -13% and -11%.

Our leisure airline partners continue to report strong advance bookings in line with or ahead of 2019 levels. New airline partners SunExpress and AEGEAN sales are performing well. Some of our scheduled carriers have made proactive frequency reductions for the summer 2023 season to avoid a repeat of summer 2022 disruption at their respective hub airports. Where possible, aircraft sizes have been increased to counteract reduced frequency. These reductions are not specific to Newcastle and apply to their full network.

We are currently operating our largest ever seasonal flight and holiday programme to the Canary Islands, Greece and Turkey. The earthquake in Turkey in Feb-23 did have an initial impact on bookings, however these have since recovered and passengers and forward bookings remain strong.

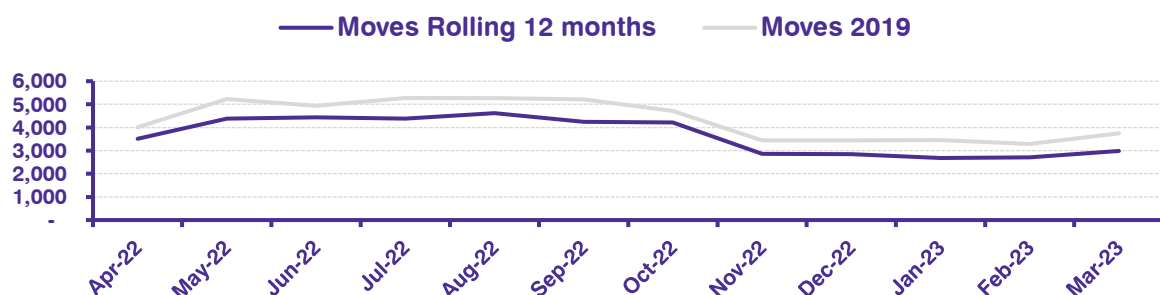
The below graph shows passenger numbers for the rolling 12 month period compared to the equivalent month in 2019 (pre-pandemic):



The following new announcements have been made:

- **AEGEAN:** new twice weekly service to Athens, Greece starts 14 June and following positive sales the route has been extended to operate until 25 October.
- **TUI:** new services to Sal, Cape Verde and Sharm El Sheikh from Nov-23. TUI has also announced an extra based aircraft for summer 2024, growing frequencies to existing destinations, resulting in an extra 120,000 seats.

1.2 Aircraft Movements



1.3 Customer Services

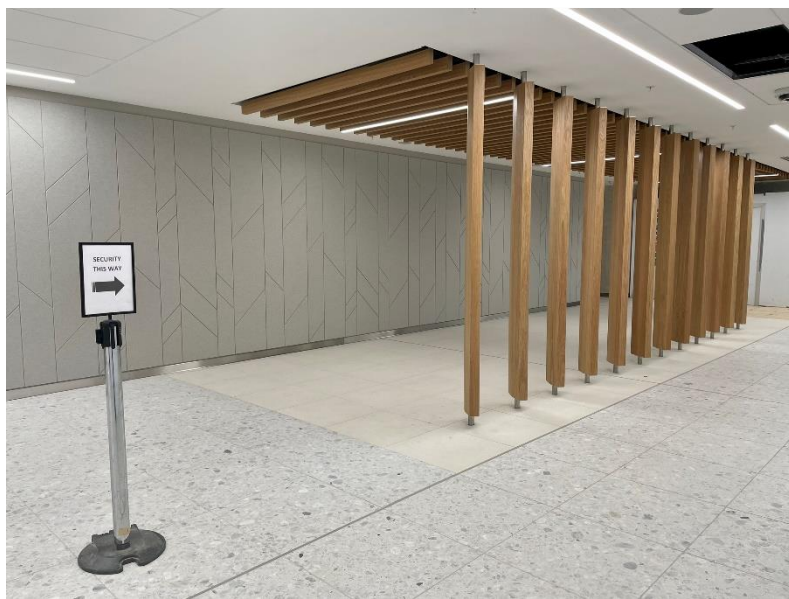
Security

Waiting times at security search YTD are as follows:

0-6 minutes = 98%

7+ minutes = 2%

The first phase of the redevelopment of the security area has been completed. Phase two will commence this winter.



Passenger services

Number of passengers with reduced mobility assisted between the 1st February 2023 and 30th April 2023: 12,745

Total for January - April 2023: 16,385. This is a 64% increase compared to 2022.

2. Marketing & Communications

2.1 Social Media

Follower numbers - *Correct as of 25th May 2023:*

Twitter: **76,533**

LinkedIn: **14,349**

Facebook: **78,133**

Instagram: **28,884**

Every month our social media channels continue to grow, the table below shows the growth since the June 2022 report:

Platform	2022 Follower Number	2023 Follower Number	% Increase
Twitter	76,025	76,533	0.65%
Facebook	62,173	78,133	24.21%
Instagram	25,916	28,884	11.61%
LinkedIn	12,300	14,349	17.86%

As you can see Facebook and LinkedIn are our fastest growing, these are also the two channels that we see the highest level of engagement.

Although our following on Twitter hasn't seen a significant increase, we do continue to provide very high levels of customer service on this channel – many of whom do not follow the NCL Airport account.

Over the last quarter we have had 2 Facebook posts that have reached over 1.5m people each:



2.2 Internal Communications

We continue to communicate regularly with our workforce via email and in person Team Briefs, which the Directors also regularly attend.

Although the open rates of our emails remain very high, we regularly review the emails to identify any employees who haven't opened a message and follow up with the employee to ensure the message hasn't been delivered to their Junk inbox.

Another employee survey was undertaken in May, and will provide comparative data from the same survey which was completed in May 2022. Actions from the previous survey which have been completed are:

- Improvements to crew rooms and staff facilities
- Development of a new Equality, Diversity & Inclusion Strategy
- Market rate remuneration benchmarking exercise
- Enhanced Maternity Pay Policy
- NIAL Spotlight Awards launched to recognise 'above and beyond performance'

2.3 External Communications

During the recent months we have released a consistent level of external communications to promote new routes, services or airlines operating from the Airport:

- More flights to Greece departing from Newcastle Airport this summer
- Starbucks is officially open at Newcastle Airport
- ChangeGroup to operate foreign exchange services at Newcastle Airport
- Newcastle Airport celebrates 1 millionth passenger for 2023
- Newcastle Airport launches first CSR report and plans for future
- TUI's 'biggest ever' holiday programme announced at Newcastle Airport

The opening of new foreign exchange outlets and Starbucks has given us the opportunity to promote the passenger experience at the Airport ahead of the summer season, both new outlets have been very positively received on social media.

2.4 Marketing Campaigns

Various airline specific marketing campaigns launched following the Airport's own Summer 2023 campaign.

A region-wide TUI campaign is currently live with adverts on display on buses and Metro network, social media channels and on Smooth Radio North East. The campaign is estimated to reach 1.9m people and will run for 8 weeks.



We continue to promote the new route with AEGEAN to Athens and have recently completed an Instagram competition to win 2 x tickets to the Greek capital city.

The competition reached over 340,000 people in the region and the winner was announced at the end of May:



3. Commercial

3.1 Retail and catering outlets

We are pleased to announce the opening of Starbucks on the check-in concourse which replaces Café Ritazza. Starbucks will be operated by our catering partner, SSP and is a positive addition to our commercial portfolio.



Change Group replaced Travelex as the provider of our Foreign Exchange and Currency Services provider in April – they are operating from both landside and airside locations with 6 ATM's located throughout the site.



Over the next 12 months, SSP will be making a significant investment in all their departure lounge outlets, starting with the introduction of a new healthy eating concept, Soul & Grain, with an expected opening date of July 2023. Aspire Lounge will also be investing in a new extended Lounge concept later this summer. Further announcements will be made in the next ACC meeting.

3.2 Car Parks

Car park bookings continue to outperform 2022 levels, helped by strong prebook performance. Additionally, conversion is 7% ahead vs same period in 2022. Car park occupancy reached 8300 in May 2023, which was 82% of total capacity, occupancy is expected to exceed 95% in June 2023.

4. Corporate Affairs

We have submitted our formal response to the Department for Transport (DfT) Call for Evidence on the Zero Emissions Airport Target. Our response was in conjunction with the Airport Operative Association submission. A summary of our key responses has been provided below:

- In principle, we remain opposed to this policy approach as requiring English airports to become absolute zero, instead of net-zero by 2040 will result in minimal additional early carbon reduction but at a significant cost to UK businesses. This fails to ensure the UK as a whole, progressively achieves net-zero by 2050 in the most cost-efficient fashion.
- The development of the policy should be centred on the definition of 'airport operations' that DfT have identified and all businesses contributing to this definition should be included in the policy. The target should not be placed on

Airport Operators only as they do not have the legal, financial or operational control of reducing emissions from sources that are owned by other businesses who contribute to 'airport operations'.

- We are supportive of a list of irregular airport operations to be established that would be exempt from the target, specifically emissions from fire training activity.
- The target should be applied to all Airports. If competing Airports are not treated the same, the competition becomes distorted and there would be economic implications. Competition between airports and in the wider aviation industry is a key driver for innovation, cost reduction, increased choice and value. This must be maintained with the implementation of this target, therefore all airports should be included.
- There should not be a penalty scheme for not achieving the target. The regulatory model for this target needs to support investment into technology that will decarbonise airport operations. Businesses responsible for delivering airport operations are already under significant pressure to decarbonise their operations from stakeholders, shareholders and society. The burden is greater as a result of the Covid-19 Pandemic where the aviation industry suffered major economic losses and the recovery is currently ongoing. The lack of access to finances to successfully transform infrastructure and equipment to green alternatives could be a significant barrier to overcome to achieve the target and businesses responsible for delivering the airport operations should not be penalised for this.

The official opening of the Airport Solar Farm is set for 30 June 2023 where Lord Callanan (Minister for Energy Efficiency and Green Finance) will formally open the solar farm. The Chair and Deputy Chair of the Airport Consultative Committee will be attending.

5. Environmental Monitoring

4.1 Noise

4.1.1 Noise Complaints

During the period 1st February – 30th April 2023, Newcastle International Airport received 187 complaints from 27 individual complainants. A full breakdown is shown in Figure 1 and 2 and Table 1 below.

Figure 1: Complaints v Complainant during February – April 2023

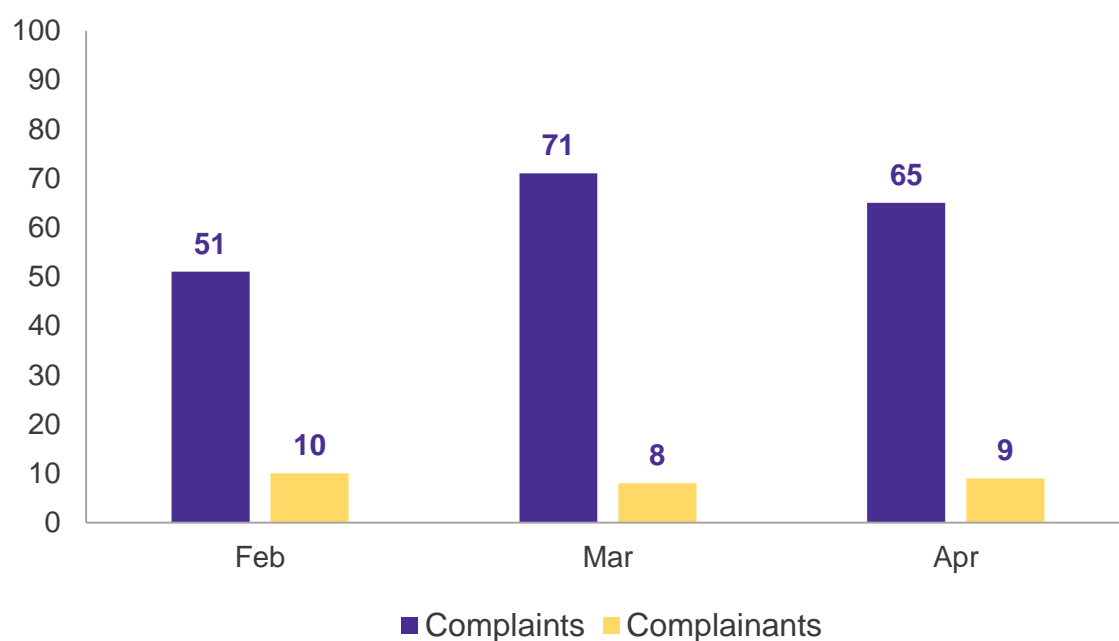


Figure 2: Percentage of aircraft movements generating a complaint during the months February through to April for 2010 to 2023.

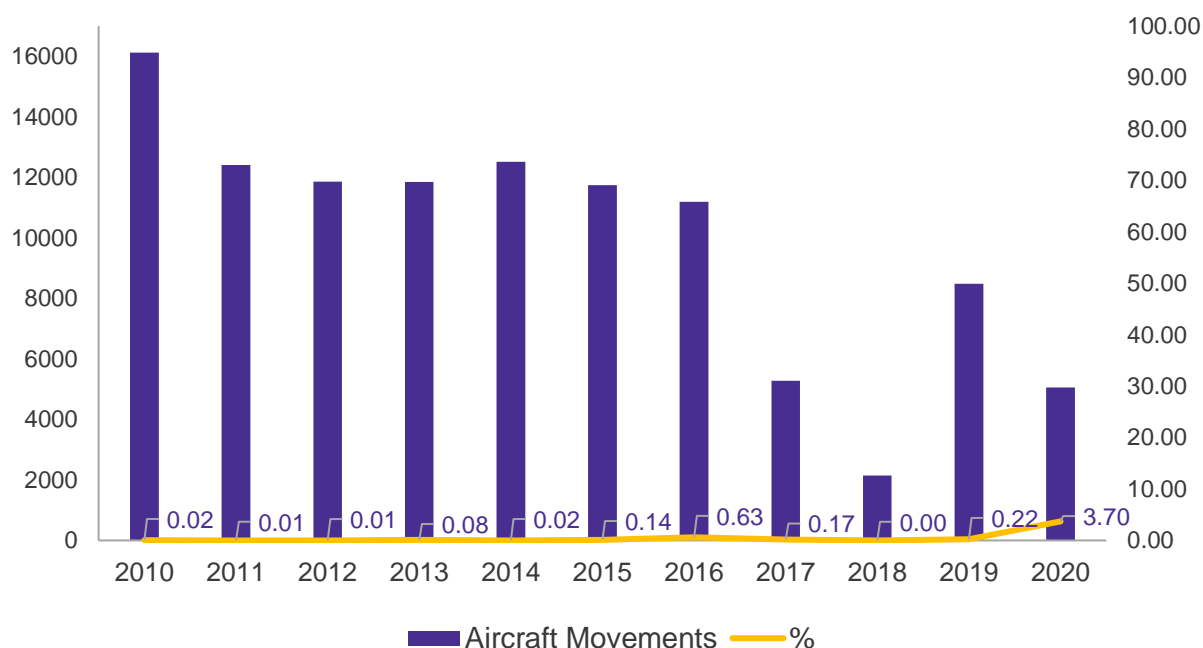


Table 1: Breakdown of Noise Complaints received 1st February – 30th April 2023.

Month	Location	Reason	Operator	No. of complaints	No. of complainants
Feb-23	Clara Vale	Flight Path / Noise	Departures	6	1
	Heddon	Flight Path / Noise / Military	Departures	31	7

	Throckley	Flight Path / Noise	Departures	14	2
Mar-23	Clara Vale	Flight Path / Noise	Departures	11	1
	Heddon	Flight Path / Noise / Military	Departures	37	6
	Throckley	Flight Path / Noise	Departures	23	1
Apr-23	Clara Vale	Flight Path / Noise	Departures	8	1
	Darras Hall	Noise / Flight Schedule	Departures	1	1
	Heddon	Flight Path / Noise	Departures	35	4
	Ponteland	Noise / Flight Schedule	Departures	1	1
	Throckley	Flight Path / Noise	Departures	20	2
TOTAL				187	27

The number of noise complaints received leading up to the summer season have continued the trend of steadily increasing, as shown in Figure 1. The number of complaints received in this period is trending higher than previous years, as shown in Figure 2 above. However, the number of complainants have remained consistent and relatively low across the months, as well as compared to 2022. In addition, 2/3 of complainants have complained previously. All complaints received between 1st February and 30th April were received from complainants who reside in communities to the west of the Airport. For each month, the most amount of complaints received are from complainants who reside within Heddon-on-the-Wall, as seen in Table 1.

4.1.2 Noise Sub Committee

The Noise Sub Committee was held on Friday 26th May 2023, three weeks prior to the Airport Consultative Committee. The meeting was well attended and constructive discussions were had. The main area of discussion was on the revision of the Noise Action Plan.

A presentation of the results from the noise contour mapping exercise undertaken in 2022, using data from the 2021 calendar year as required by the Environmental Noise (England) Regulations 2006 (as amended)¹. This showed a general reduction of the noise footprint compared to the noise contour maps produced in 2016. The Noise Actions Plans must be prepared based on the results from the noise contour mapping exercise. As 2021 was an unrepresentative year, noise contour maps based on the peak summer movements during 2022 are currently being prepared for the masterplan review process which will be used to supplement the 2021 contour maps.

¹ <http://www.legislation.gov.uk/ukxi/2006/2238/contents/made>

A discussion of the existing and proposed noise abatement measures was held. The main points raised were:

- The need for the Noise Action Plan to be presented in a printer friendly format;
- Importance of residential property searches to identify the proximity to flight paths and working with local authorities to ensure informatives provided by the Airport are processed appropriately; and
- Review of the placement of noise monitors and potential identification for new areas for noise monitors, especially for communities along the western Standard Instrument Departure route.

A copy of the meeting minutes from the Sub Committee will be provided.

4.1.3 Noise and flight track monitoring system

The Noise and Flight Track Monitoring system, NoiseDesk is performing well and continues to be used for monitoring and investigating complaints, noise levels and compliance with the noise abatement procedures.

4.1.4 Web Trak

Web Trak is a publicly available software to track aircraft and monitor noise levels.

Web Trak tutorials are available on request - direct link is as follows:

<https://webtrak.emsbk.com/ncl4>.

4.1.5 Noise Complaints Line

Members are reminded that the direct complaints line telephone number is 0191 214 3569 and email noise@newcastleinternational.co.uk.

4.1.6 Noise Action Plan

The Environmental Noise (England) Regulations 2006 as amended require certain airports in England to produce noise maps and Noise Action Plans and update these every 5 years. The current round (Round 4) require new noise contour maps to be produced in 2022 using data from the 2021 calendar year and the updated Noise Action Plans to be published by February 2024.

In the upcoming June 2023 meeting, a presentation of the Noise Action Plan will be provided, including feedback from the Noise Sub Committee on the proposed noise abatement measures. A discussion will be welcomed from members to inform the revision of the Noise Action Plan.

The current Noise Action Plan can be accessed for online viewing here:

<https://www.newcastleairport.com/media/2655/noise-action-plan-lr.pdf>

4.2 Air Quality

Air quality monitoring for Nitrogen Oxides (NO_x) continues. The latest results recorded are for April - May 2023 which are shown in Table 2 below. The results for each location are added to the rolling average for the previous 12 months (also shown in Table 2) which are then compared to the legal limit for NO_x. The Air Quality Standards Regulations 2010² require that the calendar year mean concentration of NO_x must not exceed 40 micrograms per cubic metre (ug/m³). The legal limit for NO_x has not been exceeded at any of the locations around the airfield.

Table 2: Air Quality Monitoring Results for January – March 2023.

Location	NO _x ug/m ³		Exceedance of Legal Limit? (Y/N)
	April - May 2023	Calendar Year Average	
In front of the Terminal Building	17.3	13.7	No
Stand 11 (north pier)	33.7	31	No
South-West end of Runway	15.1	12.3	No
North-East end of Runway	8.1	12.1	No

4.3 Water quality

Monthly sampling of seven locations across the Airport continues. The additional water monitoring procedures that were in place during the winter months have now ceased as the de-icing period has formally ended.

All monitoring data have recorded levels significantly below the set thresholds.

4.4 Waste

Recycling continues on site, with concerted efforts to increase recycling rates. The trial for switching one of our compactors in the North Goods Yard for the disposal of cardboard only was extremely successful, so the change has remained permanent. Since 1st February to 30th April 2023, 8.96 tonnes of pure cardboard has been recycled compared to 4.48 tonnes recycled in the same time period in 2022.

A new compactor has been delivered in the North Goods Yard and successfully integrated into the operations for the disposal of international catering waste (category 1 animal by-product). The new compactor will increase operational efficiency for our business partners, save space within the North Goods Yard, reduce the overall cost disposal and further reduce the risk of contamination.

A food waste trial has commenced the w/c 29th May 2023 with one of our catering outlets. This is being managed carefully to understand the savings this new initiative can potentially generate. The food waste will be sent to anaerobic digestion.

Monthly walkabouts continue to be undertaken to monitor litter around the entrances to the Airport.

5. Planning

² The Air Quality Standards Regulations 2010, accessed here:
https://www.legislation.gov.uk/uksi/2010/1001/pdfs/uksi_20101001_en.pdf

5.1 Solar Farm

Phase 1 of the solar farm was completed in March 2023. The solar farm began generating electricity in April. In April 2023, the solar farm generated 24.28% of the total Airport energy demands.



5.2 Woodland Planting

Tree replacement works were undertaken in April 2023 to accommodate for the trees that have died since the original planting was undertaken.

The Airport are liaising with Tillhill in the early stages of outlining land to the north of the Airport to accommodate Phase 2 of the woodland planting project. Bird surveys have been undertaken on the proposed site. A community consultation process has also been undertaken.



5.3 Air View Park

Phase 2 of the Air View Park development is underway, which comprises of two new commercial office buildings.

A planning application has been submitted for the next phases of Airview Park. The application includes the development of three additional buildings with a range of office spaces and sizes proposed. A ground floor café is proposed as part of this development.

Two occupiers are set to move into the next phase of Airview Park by the end of May 2023. They are SadlerBrown Architects and Art Health Solutions.

5.4 Airport Masterplan

The Airport have appointed the engineering consultancy Arup, to undertake a review of the Airport Masterplan. The review will assess all areas of the Airport Operation and will recommend infrastructure improvements to accommodate the Airport's growth up until 2040. Arup will have finalised the review by the end of 2023. The content of the review will go out to consultation in early 2024. The final Masterplan is likely to be published at the end of 2024.

5.5 Electric Vehicle Charging Station

The Airport is preparing the submission of a planning application for an electric vehicle charging plaza and associated food and beverage drive through unit at the former Bellair Parking Site. The Bellair parking site is located adjacent to the Callerton Parkway Metro Station and has been unused since 2018. As a result, the Airport intend to re-develop the site to create an electric vehicle charging station.

The proposed rapid electric vehicle charging plaza would consist of 12 charging bays. The bays would be covered by a modern canopy incorporating solar panels. The rapid electric vehicle charging plaza would be developed by Fastned.

A food and beverage drive through unit is also proposed. This facility would provide refreshments whilst users of the electric vehicle charging plaza wait for the vehicle to charge. The food and beverage drive though unit would be occupied by a coffee retail franchise.

