

**ABERDEEN INTERNATIONAL AIRPORT
CONSULTATIVE COMMITTEE**

ANNUAL REPORT 2019

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Retiring Chairman's farewell message



Welcome to the annual report for my last year of office as Chairman of the Aberdeen International Airport Consultative Committee (AIACC). About two years ago I informed the Committee of my intention to retire at the end of 2019. I formally demitted office at our quarterly meeting on 6 December 2019.

I have retired, having served on the Committee for 19 years, of which the last 13 were as Chairman.

Now, as one of my final actions on behalf of the Committee, I have prepared this, my sixth annual report. Chairing my last meeting was a bitter sweet affair, making me realise that, although my decision to retire was the right one, how much I shall miss in terms of contribution to aviation policy and most of all the fellowship of a great group of members. In particular, I am grateful to Steve Szalay, MD of the airport, for his friendship and support for the AIACC, and Maggie Mackenzie, our Secretary, who kept me on the straight and narrow.

I sincerely wish Alan Stewart (who writes his own welcome on page 3) and all the members all the very best for the future of the Committee. I am sure there are many challenges ahead to keep them on their toes.

Peter Smart
RETIRING CHAIRMAN

December 2019

New Chairman's message

Being selected to take on the Chairmanship of the AIACC is a real honour. I have shadowed Peter for the past several months attending two quarterly committee meetings.

I would like to thank Peter for his years of work in the AIACC and wish him a very happy retirement, and from me personally a huge thank you for his guidance and assistance to me in taking over the chairmanship.

The committee provides a very important structured forum for the exchange of information relating to airport matters such as operational updates, environmental matters (including noise) and to protect and enhance the interests of airport users.

I look forward working with everybody on the committee for the greater good of the area and the airport.

Alan Stewart
CHAIRMAN

December 2019

Section 1: Why do we have an airport consultative committee?

Aberdeen International Airport has had a consultative committee since 1953, when the then War Department asked the Clerk of the former Aberdeenshire County Council to set one up. Looking back through past minute books, there was no strict pattern of minutes in the early days; and from December 1959 to January 1972 there were no meetings “because of lack of business”. The same certainly not be said these days.

There is now a statutory requirement on all the UK’s main airports to provide “an appropriate mechanism for consultation with local stakeholder interests”. It is the statutory responsibility of the airport operator to set up and maintain the consultative arrangement. There is no specified format that consultation should take, although the UK Department for Transport issues guidelines setting out recommendations of best practice for the conduct of airport consultative committees (ACCs). These were last updated in 2017, following consultation with ACCs and other interested bodies.

The guidelines suggest the types of issues Committees might wish to consider and the range of organisations that might constitute their membership. Ultimately, though, the constitution, membership, frequency of meetings and workload of each ACC is determined by the committee itself: there is no ‘one size fits all’ approach.

In the case of AIACC, we operate under our Constitution, which was last amended in 2018. Both the AIACC’s Constitution and the DfT guidelines are published on our website.

Features of the AIACC

The AIACC has three important features. First, we are, as our name implies, ‘consultative’. This means we have no executive powers within the management structure for the operation of the airport. But we expect to be consulted by management on any issues that might impact on the quality of life of local communities or the economic development of the north east of Scotland.

Second, we are independent of the airport management, although the Managing Director (MD) has a major role to play in presenting reports and advising on issues under discussion. The Chair sets the agenda for each meeting, in consultation with the MD, and the stakeholder organisations appoint their own representatives. The only members who are directly appointed by the airport management are the Chair and the passenger representatives (including the representative of passengers with special needs).

Third, we have a vital role in reflecting to management the views of stakeholders in relation to everything from noise management to the interests of passengers with special needs.

We met on four occasions during 2019 and copies of our agendas and minutes and other relevant documents are available on our website.

Section 2: Who is on the Consultative Committee?

Our membership is set out in our Constitution. There are four main clusters of members: local authority and community representatives, local business, economic development and trade organisations, aviation and travel management interests, and passenger interests.

local authority and community representatives

It is essential that the communities most affected by the operation of the airport are represented on the AIACC and take an active part in our discussions. This representative role is discharged by elected representatives from the City and Shire Councils and a nominee of each of the two community councils whose areas are most affected by the operation of the airport.

Aberdeen City Council has four seats and Aberdeenshire Council has three. The Dyce and Stoneywood, and Newhills and Bucksburn, Community Councils each has one seat.

The local authorities and the community councils appoint their representatives to the Committee.

local business, economic development and trade organisations

It is vital for the Committee to include representatives of organisations involved in economic development, the promotion of trade and commerce and the development of public transport strategy within the region.

These include the Aberdeen and Grampian Chamber of Commerce, Oil and Gas UK, the North East Scotland Transport Partnership (NESTRANS), Visit Aberdeenshire and the Scottish Council Development and Industry (SCDI), each of which has one seat on the Committee.

aviation and travel management interests

The Airport Operators' Committee, which represents the ground handling agents, the Association of British Travel Agents/Scottish Passenger Agents' Association (ABTA/SPAA), the Oil and Gas UK and NATS bring the professional knowledge of diverse aviation interests and customer preferences in terms of air services from Aberdeen.

passenger interests

Ultimately, the customer for aviation services from the airport is the passenger. We have provision for two passenger representatives along with one representative of passengers with special needs, both apparent and hidden.

Current membership

A full list of members during 2019 is set out on page 6.

Membership of the Consultative Committee during 2019

Chairman – independent of all other stakeholder interests

Dr Peter Smart (retired 6 December 2019)

Mr Alan Stewart (assumed the chair on 6 December 2019)

Aberdeen City Council

CLlr Barney Crockett

CLlr Avril Mackenzie

CLlr Neil MacGregor

CLlr Gill al-Samarai

Aberdeenshire Council

CLlr Geva Blackett

CLlr John Cox

CLlr Michael Roy

Dyce and Stoneywood Community Council

Dr William Harrison

Newhills and Bucksburn Community Council

Mr Ivor Stuart (to June 2019)

Mr Iain Elrick (from September 2019)

Aberdeen and Grampian Chamber of Commerce

Mr Shane Taylor

Association of British Travel Agents/ Scottish Passenger Agents' Association

Ms Helen Gordon

Visit Aberdeenshire

Mr Chris Foy

Airport Operators' Committee

Ms Phyllis Stuart (to September 2019)

Vacant

Oil and Gas UK, representing helicopter operators) Mr Trevor Stapleton

National Air Traffic Services (NATS)

Mr Daryl Heaselgrave

NESTRANS

Dr Maggie Boechel

Scottish Council Development and Industry

Mr Ian Armstrong

Passenger Representatives

Mr Jeremy Wood

Mr Gary Hance (Joint Vice Chairman of the Committee)

Mr Dan McFarlane (from September 2019, Joint Vice Chairman of the Committee)

Representative of passengers requiring special assistance

Ms Andrea Barclay

In attendance

Mr Steve Szalay, Managing Director, Aberdeen International Airport and Maggie Mackenzie, Secretary to the Committee

Section 3: What do we do?

In this Section, we provide an overview of the work of the Committee. In doing so, it is important to stress that we are 'consultative'. We have no executive powers as a Committee, but we know that the airport management has historically gone out of their way to consult with us on major issues and have taken our views into account in their decision-making. We have an excellent record of achieving consensus through amicable discussion on items that require a response.

All members of the Committee, including substitute members, are required to sign a 'non-disclosure agreement', under which they guarantee not to disclose any matters that have been discussed that are commercially confidential or sensitive, or that would otherwise be embargoed from the press and the public. All members are also asked to affirm in writing their contact details, to ensure that we operate under the requirements of the General Data Protection Regulations 2018.

There is no statutory obligation on ACCs to prepare an annual report, but we felt in 2014 that this would be an important extension of the ways in which we communicate, and raise our profile, with stakeholders and the general public.

Recurring items

There are a number of standard items on our agendas, as follows:

Managing Director's quarterly report

Each quarter, the Managing Director of Aberdeen International Airport Limited provides us with a detailed presentation on the operation of the airport, and any particular challenges facing it. This presentation normally includes such issues as passenger figures; route developments; complaints, compliments and questions raised by passengers; and the extent to which the airport is meeting the strict targets that it has set for itself.

We are concerned that whilst the number of passengers using the airport seems to have stabilised, the hoped-for increase over 2019 did not materialise.

We continued to be concerned at the loss of the Gatwick service and no immediate indication of any airline willing to resume the service, and also the earlier loss of the Frankfurt service. The Committee has given its full support to the MD's efforts to seek a reinstatement of both these services and to build up the portfolio of routes from Aberdeen, especially as the local economic situation continues to improve.

We noted the successful completion of the terminal transformation project on time for Off-shore Europe 2019 in September, which was the first major exhibition to use The Event Complex Aberdeen (TECA), and the benefits this location close to the airport had for visitors and exhibitors alike.

Quarterly noise report

We noted that the average number of complaints about noise arising from the airport's activities remained at about 2 or 3 a month, although there was a spike in August which was not easy to explain. The complaints continued to relate almost without exception to helicopter operations, originating from one of two locations close to the east side of the airport and from the new development at Stoneywood. All complainants received an explanation of the situation that they had complained about based on factual evidence from NATS Aberdeen's records of operations. None was in fact a justifiable complaint.

We also noted that the operating hours of helicopters is strictly controlled under the airport's permitted hours and that the only helicopter operations that take place outside these hours are emergency evacuations and medical emergencies.

Chairman's quarterly report

The chairman submitted a report each quarter on his activities relating to his position. Most were meetings within the Aberdeen area. In addition, he attended the three-day annual meeting of the UK ACC's liaison group, hosted this year by Inverness airport.

Recurring items

We continued to monitor and respond as we felt appropriate to UK and Scottish government, CAA and other consultations.

DfT consultation "Aviation 2050: the future of aviation in the UK"

This was the consultation on which we spent the greatest amount of time and energy, submitting a detailed response to a number of sections of the consultation.

We continued to stress, from the point of view of a UK peripheral airport, the need for sustainable regional air services within the UK, especially for those cities, such as Aberdeen, that are more than 4 hours away by road and rail from all major UK centres of business 'south of the border', both for point to point travel and for interlining onto services beyond the UK.

We also noted the financial fragility of many smaller regional airlines, citing a number of recent collapses and the nearness to which Flybe got to going out of business before being rescued by its new owners. The disappearance of any smaller niche airline can have a severe impact on travellers and business.

Our main concerns were reserved for the section of the consultation relating to market distortion. We referred to the situation in which Aberdeen finds itself, with both its nearest

neighbouring airports receiving one or more forms of Scottish government financial assistance.

We noted that all flights from Inverness are exempt from Air Passenger Duty (APD)/Airport Departure Tax (ADT), including those to a number of airports, including Heathrow, Manchester and Amsterdam, on which passengers from Aberdeen are charged APD/ADT. We appreciated that this is an historical provision from when APD was first introduced by the UK government of the time, which provided exemption from APD for all flights from within the Highlands and Islands area.

Our argument is that time has moved on, new services have recently been introduced, and there is a question of fairness, that travellers from Inverness pay no APD/ADT, whereas passengers from Aberdeen are charged £13 for domestic flights and connections through Heathrow, Amsterdam and other airports to EU destinations, and as much as £70 to destinations beyond the EU in economy and £172 in business class.

We also expressed our awareness that Inverness airport, as part of the Highlands and Islands airports group, receives an undeclared amount of Scottish government subsidy for capital and operating expenditure, and noted that in fact only Aberdeen, Edinburgh and Glasgow of all the Scottish airports receive no form of subsidy.

We also referred to the service operating from Dundee to Stansted under a Public Service Obligation (PSO), which subsidises the twice daily service to the extent of more than £1 million a year. Furthermore, APD/ADT is not chargeable on PSO flights.

The UK government is still to publish its White Paper arising from the consultation, so we do not know whether any of our observations have been taken into account. We also had correspondence with the Scottish government, who are currently resolute that all Inverness flights should remain free of APD/ADT and that the government is permitted to subsidise Inverness under EU regulations since it has a throughput of less than 1 million passengers a year.

CAA consultation: Passengers with special assistance needs

We considered a consultation from the CAA on passengers with special assistance needs and were advised by the airport management that there was nothing contained in the proposals that the airport could not meet.

UK government consultation: Drones

We discussed UK government proposals on the future of drones and noted the proposed increase in the area of no drone zones around airports and proposals to introduce a licensing requirement for drones and minimum training requirements for drone operators, including leisure users. We supported these proposals.

CAA consultation: Airspace modernisation strategy

We discussed a number of issues relating to the modernisation of UK airspace, to facilitate more direct flights, operation using GPS rather than the decades' old system of beacons, and the impact that proposed changes might have on the operation of Aberdeen airport. We noted that any changes are likely to be minimal, but that public consultation would take place once the extent of any changes are defined.

CAA consultation: Carriage by public scheduled air services of recognised assistance dogs

We discussed this consultation, advised by our member, the representative of special assistance needs passengers, who herself uses an assistance dog, and agreed the terms of a response to CAA.

Non-recurring items

Appointment of new Chairman of the AIACC

During the early part of the year we discussed the procedure for the appointment of a successor to Dr Smart as Chairman, and then in June agreed to the recommendations of our appointments sub-group relating to the appointment of Alan Stewart and other matters.

Presentation by ICCAN

At our December meeting we received a presentation by the Head Commissioner of the new Independent Commission on Civil Aviation Noise (ICCAN) on the proposed workload of the Commission over the next two years.

Section 4: The internal affairs of the Committee

From time to time we are also required to consider matters related to the internal affairs of the Committee.

Membership of the Committee

We said farewell to two members of the Committee during the year.

Those to whom we said 'farewell' were

- Ivor Stuart, representative of the Newhills and Bucksburn Community Council;
- Ms Phyllis Stuart, representative of the Airport Operators' Committee. Phyllis was a long-standing member of the Committee and her knowledge and wisdom of the aviation sector will be sorely missed. Her seat on the Committee was vacant at the time that this report was written.

We also welcomed three new members to the Committee:

- Alan Stewart, as Chairman-designate of the Committee, now Chairman;
- Dan McFarlane, appointed as an additional Passenger Representative and Joint Vice Chairman of the Committee, a role he shares with Gary Hance, Passenger Representative;
- Iain Elrick, representing the Newhills and Bucksburn Community Council.

We look forward to their contribution to our work over the coming years

Schedule of meetings

We normally meet four times a year, in March, June, September and December, usually on the first Friday of the month. Our schedule of meetings for the following year is posted on our website.

Agendas and minutes of the AIACC

The agenda for each meeting of the AIACC is posted to our website about one week before the meeting. The minutes of our meetings are also posted to our website, as an Annex to the agenda for the meeting after the one to which the minutes relate.

Our website

Our website may be accessed at <https://www.aberdeenairport.com/aiacc>.

Costs of running the Committee

The direct costs of running the Committee are modest. The main item is the honorarium of £3000 paid to the Chairman, together with his approved travelling expenses for meetings and events that he attends. Other items include a sandwich lunch after each meeting and reimbursement of parking charges for members attending the Committee.

Section 5: Further information about the Committee and requests to attend meetings

Our website provides a wide range of background information to the Committee, dates of upcoming meetings and the agendas and minutes for meetings. The website includes a copy of the DfT Guidelines for ACCs, under which we operate; a copy of our Constitution; and a list of members.

We do not operate an 'open door' to meetings, but we are always willing to welcome members of the public and the media on prior request. In the past, members of the public with a specific interest in an agenda item have been permitted to attend and have been invited to speak on the issue of special interest to them. They have also been welcome to attend the whole of the meeting, although we would reserve the right to ask them to leave if a matter under consideration is of a commercially confidential or sensitive nature.

If you wish to attend a meeting, please contact the Secretary at Margaret.mackenzie@aairport.com, ideally at least a week before the meeting you wish to attend, indicating whether you wish to speak on a particular issue, or simply want to see what goes on at meetings of the Committee.

The photographs used in this annual report
courtesy of Aberdeen International Airport