

## Executive Summary

UK aviation is set to grow over the next 20–30 years to meet the needs of the travelling public, of business and of the UK economy. The Master Plan explains East Midland Airport's (EMA) role – now and in the future – in helping to achieve national, regional, local community and individual objectives.

### Fulfilling the Objectives of the Air Transport White Paper

UK air travel has increased five-fold over the past 30 years. The 2003 Air Transport White Paper (ATWP) forecast that the demand for air travel would increase between two to three times current levels by 2030.

The ATWP recognises the importance of air travel to our continuing national prosperity. It supports the development of regional airports in general and the expansion of EMA's passenger and freight operations in particular: to encourage the growth of the East Midlands economy; to provide more direct flights and more choice for passengers from the region; to relieve congestion in the overcrowded South East; and to reduce the need for long-distance airport journeys by improving the choice of air services available locally.

The ATWP forecasts that by 2030, EMA could attract between 12–14 million passengers per annum (mppa) and be handling 2.5m tonnes of freight a year. For this to happen, the ATWP accepts that any expansion of the Airport should be accompanied by stringent controls, on night noise in particular.

### EMA's Success and Potential for the Future

EMA carried 5m passengers and handled 300,000 tonnes of cargo in 2006. Today the Airport is:

- The 11th largest passenger airport in the UK offering flights to over 100 destinations in 2006, and to over 110 destinations in 2007;
- The largest 'pure freight' airport in the UK;
- The UK's leading airport for express freight carried in all-freight aircraft;
- Royal Mail's largest UK hub for flown mail and the main centre of UK operations for DHL and UPS;
- The UK's 'Best Airport' in 2005 and 'Best UK Regional Airport 2006' as voted by the travel trade.

The Airport is a natural candidate for further expansion with:

- One of the largest catchment areas of any airport in the UK, with 10.6 million people living within ninety minutes' drive – more than any other airport in the Midlands;
- Untapped local markets offering the opportunity to reverse, through an expanded route network, the current leakage of business to airports outside the region;

- A strategic position in the centre of the country with excellent links via the adjacent national motorway network to the rest of the UK – 89% of mainland England and Wales is within 4 hours trucking time;
- A location away from major concentrations of population, making it particularly suitable as the UK's leading express freight hub.

### **Local Support**

EMA continues to attract widespread support from the vast majority of its neighbouring communities. Following flight-path changes in May 2005, EMA commissioned a MORI opinion survey of local residents who live up to 12 miles and 25 miles of the Airport. The results show that:

- Nearly nine out of ten residents (89%) who live within 12 miles of EMA believe the Airport is a good thing for the local area;
- 61% of all residents cited the convenience for holidays and business as the main advantage of having an airport nearby;
- 75% of all residents felt the Airport brought economic benefits to the local area;
- Just 8% of those living closest to the Airport and 33% of those living a greater distance away under the new flight path said they were adversely affected by night noise.

We recognise that despite this level of support for the Airport, there are issues of real concern and annoyance to some of our neighbours. We will continue to give a high priority to engaging with our local stakeholders in an open and transparent way to address their concerns.

### **Meeting the Needs of Passengers**

EMA's passenger numbers have doubled since 2003 with the growth of services from "low-cost" carriers such as bmi baby, easyJet and Ryanair. The 110 routes we are offering in 2007 – including a full-service route to Brussels – extends the range of scheduled services to both traditional leisure destinations and those with potential for additional business traffic such as Cologne, Berlin, Milan, Madrid and Rome. There is scope to add medium and longer-haul destinations to our existing route network. EMA will compete strongly to bring new routes to the East Midlands. To remain competitive we will need to expand and improve our facilities.

## Meeting the Needs of Business and Employees

EMA handles nearly a third by weight of the total pure freight of all UK airports, making it the largest pure freight airport in the country. “Pure” freight is that carried in dedicated freighter aircraft.

Express freight services are an increasingly important economic sector in their own right and also make a vital contribution to the UK’s overall economic competitiveness.

A report commissioned by EMA and the East Midlands Development Agency (emda) on the Economic Impact of Express Carriers for UK plc (January 2006) showed:

- The express delivery industry is one of the UK’s fastest growing economic sectors with an employment growth rate six times that of the UK as a whole;
- It directly employs 4,700 people and overall supports 10,200 jobs in the East Midlands;
- The catalytic impact on economic performance – through better and faster trade links, reducing costly stock holdings and more efficient production – contributes each year £1.3billion to GDP, and is forecast to increase to £5bn over the next 20 years;
- 80% of CBI members and East Midlands’ companies surveyed consider next-day delivery to be very important to meeting client commitments;
- 10% of East Midlands firms surveyed said they would either relocate to another region or country if next day international delivery services, which depend on overnight flights, were not available.

EMA’s ability to continue to develop will be critical to boosting the East Midlands’ share of UK inward investment and to attracting high value industries to the area.

## Wider Economic Contribution

There are currently nearly 7,000 people working directly for more than 100 companies located on or near the Airport site. Around a third of the jobs are now related to cargo operations.

emda estimates that, overall, the Airport supports 9,100 jobs (including indirect and induced employment). It forecasts that this figure will rise by over 26,000 jobs (295%) up to 2030. Annual regional income generated by Airport-related employment will rise over the same period by £1,154m (583%).

The focus of recruitment will be the major conurbations and key towns in the region to relieve local labour market pressures and to assist regeneration.

## Responsible Development

EMA's forecasts of future passenger and freight demand are broadly in line with those produced by the DfT in the ATWP. These forecasts are for passenger numbers to grow from 5m today to 9.2m in 2016 and to between 12m and 14m by 2030. Cargo is forecast to increase from 278,000 tonnes in 2004 to 1.2m in 2016 and around 2.5m by 2030.

The number of flights will increase more slowly as existing capacity is used more efficiently. This builds on our existing record. In 2004 EMA's total freight tonnage increased by nearly 19% compared to 2003, while the number of freight aircraft movements actually fell by 3%. Further growth will inevitably result in more flights at EMA. Our aim is to promote the most efficient use of capacity to keep the increase to the minimum necessary.

We will ensure that all of our development plans are aligned with regional and local plans, which are generally supportive of further expansion with suitable environmental safeguards.

## Facilities Fit for the 21st Century

A key element of our plans is to contain development in the period up to 2016 within the Airport's existing boundaries. This has been supported by responses to the consultation on the Draft Master Plan. The main features of future development include:

- Building a small extension to the existing runway. This will have a number of environmental benefits including enabling aircraft to use less thrust on take-off with consequential air quality and noise benefits; and increasing the height at which aircraft can pass over villages on the approach to the Airport;
- It is not anticipated that a second runway will be required in the lifetime of the Master Plan. Whilst the Government has indicated that it could revise its stance if future traffic or forecasts indicated that a second runway was required it is not anticipated that this will be required;
- Investment to expand and improve the existing terminal facilities to handle growing passenger numbers, to maintain passenger comfort and to minimise unacceptable delays;
- Increasing the number of car parking spaces to encourage long-stay parking in preference to being dropped off/picked up (involving double the number of journeys), whilst reducing the ratio of car parking spaces to passengers/staff to reflect planned improvements in more sustainable transport modes;
- Expanding the existing cargo and maintenance zones to make best use of scarce land resources and in a way that minimises ground-level noise;

- Encouraging all development that does not need to be at the Airport to locate in or on the edge of urban areas. However it needs to be borne in mind that international airports are complex land uses made up of a wide range of activities which are necessary to support and grow the Airport (the scale, breadth and mix of which will increase over time).

### **Managing the Environmental Impacts**

EMA recognises its responsibility to balance the requirements of its customers with the needs of local communities adversely affected by the Airport's operations. EMA wishes to be a good neighbour, to understand the concerns of local residents and to respond fairly to them.

EMA was the first UK airport to achieve ISO 14001, the international environmental management standard. The Airport's environmental management system is independently audited every six months.

### **Air Quality**

EMA uses the latest air quality monitoring technology around the Airport which is subject to independent assessment. Under EMA's plans to bear down on polluting emissions, local air quality will continue to be within the limits determined by Government. Many detailed technical points have been put to us on this subject, most of which we have incorporated into the Master Plan.

### **Climate Change**

EMA will continue to invest in renewable energy as part of its strategy for reducing CO<sub>2</sub> emissions. Last year, 10% of the electricity consumed by the Airport was generated from renewable sources – five years ahead of the Government's target. We plan to use biomass fuels to heat our extended passenger terminal building and we are confident that we can exceed Government targets in future. Following consultation on the draft Master Plan, we have decided to further strengthen our commitment to reducing emissions. Whilst our work to date has ensured that we meet or exceed the Government's targets, EMA believes that there is a compelling case for greater savings in carbon emissions. Therefore as a first step, the proportion of electricity supply that is obtained from renewable sources will increase to 20% in 2007/08.

In combination the potential offered by the use of bio-fuels, the micro-generation of electricity on site and the maturation of the renewable energy market have provided EMA with sufficient confidence that we will establish a target that by 2012 all of our primary energy needs will be obtained from renewable sources or, where this is not possible, the resulting carbon emissions will be 'off-set'. This target is challenging and far reaching and will ensure that, on a day to day basis, the Airport's operations will become carbon neutral.

### **Noise**

EMA is committed to ensuring that, despite the expected growth in traffic, night noise associated with the Airport remains below 1996 levels for a further ten years, until at least 2016.

EMA will follow the internationally-accepted principles for minimising the impact of aircraft noise, which requires airports to adopt a balance of measures: to minimise noise at source; make use of land planning where this is insufficient; adopt operational practices that minimise noise; and as an ultimate resort to consider restricting the operation of noisier aircraft types.

EMA therefore proposes to implement a comprehensive package of measures to address this sensitive issue. This package which goes further than the measures proposed in the draft Master Plan will include:

- Setting a target that, by 2012, all aircraft scheduled to operate at night will be Chapter 4 compliant;
- Extending the current night noise contour target (not exceeding 16 sq. km by 2011) to at least 2016 and improving this target to not exceed the 1996 night noise levels ( $14.6\text{km}^2$   $57\text{dB}_{\text{LAEQ,8hr}}$ ) to 2016;
- Extending the current night ban on the noisiest scheduled aircraft to ad hoc operations with a very significant increase in the penalties for any operations that slip into the night period;
- Improving and extending mitigation measures and compensation packages, including a substantial increase in the basic Sound Insulation Grant and grants of up to £10,000 for the most severely affected;
- Providing a five-fold increase in the Airport's annual contribution to the Community Fund to supplement the noise fines paid into it;
- Restructuring the Airport's charging regime for both passenger and cargo aircraft to introduce a Night Environmental Surcharge. This will ensure that aircraft that operate during the evening or night will pay a premium to do so. The level of surcharge will be varied depending upon how noisy the aircraft type is and may be over 150% of the full daytime charge. Those aircraft that both depart and arrive during the evening and night will incur a surcharge payment on each element;
- Further restricting the operation of training by civil jet aircraft, so that from April 2007 such training will be banned on Saturdays and training by airlines that do not undertake regular operations from EMA will be phased out;

### **Improving Surface Access**

Although the Airport's rural location makes access by public transport more difficult, EMA is committed to promoting sustainable modes of transport. Our strategy will capitalise on initiatives such as the opening of the East Midlands Parkway Station, pump-priming funding to establish new bus connections and innovative projects such as car sharing, taxi brokerage and Demand Responsive Transport Schemes. Our target is that by 2016, 30% of employees should access the Airport by means other than being a single car occupant, and that 10% of passengers should travel to and from the Airport by means other than a car. Non-car access by passengers is currently negligible (3.5%).