

AIRPORT CONSULTATIVE COMMITTEE

Minutes of Meeting held on Monday, 17th June 2013

Present:

Cllr Jeff James (Chair)	Vale of Glamorgan (Rhoose)
Cllr Gwyn John	Vale of Glamorgan Council
Cllr Neil Moore	Vale of Glamorgan
Helen Tustin	Regal Travel – ABTA & Advantage
Anthony Ernest	Vale Marketing Group
Peter Cole	Capital Region Tourism
Jon Horne	Chief Executive, Cardiff Airport
Jason Thomas	Director of Projects and Delivery
Spencer Birns	Head of Air Services Development
Avril Brown	Cardiff Airport (Secretariat)

Apologies:

Cllr Lis Burnett	Vale of Glamorgan Council
Cllr Dilwar Ali	Cardiff Council
Cllr Stuart Egan	Vale of Glamorgan
Cllr Phil White	Bridgend Council
Cllr Ralph Cook	Cardiff Council
Deb Barber	Operations Director Cardiff Airport

Also in Attendance:

Clive Sedgebeer	Member of the Public
Gary Barlow	GJB Travel
Liz Bay	South Wales Echo
Belinda Gardiner	Member of the Public
Chris Wardue	“
Dorian True	“
Fraser Arnot	“
Ashley Griffiths	“
Harrison Sharp	“
Bob Smith	“
Ruth Vining	“
Bernard Wright	“
Marc Carrington	“
Rowan Hughes	“

Item
No:

Action

1.0 Welcome from the Chairman

The Chairman opened the meeting and welcomed all Members.

2.0 Apologies

Apologies were noted as above.

3.0 Minutes of the Last Meeting held on 1st October 2012

The Chairman and Committee agreed that the Minutes of the last ACC held on 18th February 2013 were a true and accurate record of the meeting. There were no Matters Arising.

As this was the first meeting of the ACC since the change of ownership, the Chair welcomed back the new Chief Executive Officer Jon Horne and expressed his congratulations on his appointment. For Jon's benefit, he requested all members introduce themselves and advise which areas they represented.

The Chair then asked Jon if he could kindly bring the Committee up to speed on the airport and the Welsh Government purchase.

4.0 Report from the Airport Directors

4.1 After six years, Jon was delighted to be back at the helm and hoped to drive the airport back once more to its former success.

Updating the Committee, Jon discussed the present position of the airport with the Welsh Government, the structure, what it meant and the challenges ahead.

Since the sale on 27th March, a holding company had been set up by the Welsh Government, which holds all the airport shares but will let the airport run as a separate company, at arm's length.

A Board has been set up, Chaired by Lord David Rowe-Beddoe, with three Airport Directors, Jon as Chief Executive, in addition to four Non-Executive Directors. The Non-Executive Directors have a range of wide-ranging business skills and expertise that they can bring to the process in taking the airport forward.

The task for the newly formed Board is simple and straightforward – to recover the airport and its business and make it an enterprise that Wales and its people can be proud. To support Wales in a wide range of roles, enabling its people to fly to holiday and business destinations of their choice from their local airport and to play its part in the local and Welsh inbound tourism economy.

Jon commenced his role on 5th April and knew most of the airport team from his former MD role at the airport and was happy that they were capable and keen to get on with the job in hand, knowing that there was now a long term plan going forward and stability.

Since his appointment, Jon had spoken to the Boards of the customer airlines and had explained what the change of ownership meant, and that it was now important to encourage them to see their business grow. He has received a warm reception and the positive news has been welcomed and goes further to secure the very good relations that Spencer Birns has been forging over recent years. These talks and processes will continue.

There are already early signs of airline positivity and trust in Cardiff. Thomas Cook has added capacity this summer and Thomson has added 17 extra flights to their Winter 2013/14 programme. Vueling has also agreed to extend their services for the coming winter.

This creates the evidence that is needed when talking to other airlines – which is all encouraging - even in a small way. Airlines are being approached with a proper business model, looking at a long term future and showing that the airports prospects are good.

Obviously things cannot happen overnight – airline planning looks years ahead. For instance, seats on flights for Summer 2014 are already on sale so a step change is unlikely in the very near future. There is no “silver-bullet” to make this happen quickly – it will take time to get that basic business back, to give a positive perception that it is growing again. Overcoming that poor perception is fundamentally important.

One of the major priorities is to begin to recover those passengers who have moved their allegiance to Bristol Airport as they would very much prefer to use Cardiff.

In 2007 our passenger figures hit 2.1 million – recently dipping to under 1 million. Thankfully that figure had just risen to slightly over 1 million today. Cardiff lost a lot of those passengers due to the lack of destinations available. There is also a huge element in the role that the airport has to play in helping the economy forward with attracting inbound passengers.

Jon further explained that the airport had received a lot of criticism in the past on how the airport looks and feels. Improvements are now under way involving the approach roads and set-down areas and many other aspects within the terminal.

All the airports service partners would be challenged to improve their standards and the quality of their delivery to our customers.

Outside the airport, the transport connections will improve – an express bus service from Cardiff City direct to the airport will start and this will make a huge difference. Discussions are also taking place with the train operator to enhance the train frequency from Cardiff Central to the station in Rhoose. However, this will have to be looked into further. All of these improvements will make it easier for visitors to get into the City.

Jon also felt it very important that the people of Wales have their say and that their views were taken into account. Therefore a new “Your Listening Airport” scheme had been placed on the airport’s web-page so that people could email direct into his office. This initiative had so far been well received by many members of the public and had been very fruitful.

The CEO felt that implementing many of these new plans and processes in the coming months and years will go a long way to re-establish Cardiff as the national airport of Wales and something that the people of Wales can be proud.

The Chairman thanked Jon for the update on the positive moves forward for the airport and asked for any questions from the Members.

Councillor Gwyn John (GJ) commented that it was good to have Jon back at the helm and to hear that the future is looking more positive and felt sure that the whole area – the Vale of Glamorgan and Wales as a Nation is wishing the airport every success.

Anthony Ernest (AE) agreed with Jon’s earlier comments concerning the forecourt and that improvements were needed – to get rid of the concrete blocks and barriers - something to create a “buzz”. This would automatically give visitors more confidence in the airport.

Jon agreed but pointed out that there was no quick fix. Traffic engineers have been appointed to look at the whole road and set down areas and how it can be fixed and to create a first impression of the airport that we can all be proud.

AE asked that perhaps a flight indicator board in the car parks would help so that people only come forward when the flight has landed. Jon agreed that it would be looked at.

Helen Tustin (HT) advised that recently the flight boards on electronic systems are all half an hour behind. Jon agreed to investigate.

(Post meeting – this was investigated and no problems existed with the airport's flight information system).

In reply to a question from the Chairman, Jon confirmed that all the elements are being examined and priorities identified in terms of capability to apply monies to capital projects; what would make a difference for people who use the airport, looking at both airside and landside elements in the process.

The Chairman believed it was the general perception that the communication with the public and the airports customers had not been as strong in recent years as it had been previously. Jon agreed and advised that this would change. His approach is very open and he had already made that clear to journalists and all channels of the media. During this period of change, part of the process will be improved communications – new media, new website and an ability to have dialogue with the airports customers.

Jason Thomas (JT) concurred with Jon and added that although the airport does well at the moment with Twitter, Facebook etc there is a lot more that can be done.

Through speaking to people, the Chairman felt that even though a lot of people are using Bristol, there is a tremendous lot of good will towards the airport and wondered if a previous suggestion of setting up a forum – Friends of Cardiff Airport – had been explored any further? He added that it was very good to see a member of the travel trade represented by Helen as in the past this connection had not been as good as it could have been.

Jon advised that several travel agent events had already been held where the airport had “re-engaged” with local staff. This programme of events will be ongoing as they form a vital part of promoting this airport and the airport cannot rely on the airlines to get the message across.

HT agreed that the events had been very positive and that others were planned with operators such as KLM and Aer Lingus.

Peter Cole (PC) asked what opportunities existed to regenerate the area of the Enterprise Zone now that the airport is back in public ownership.

Jon had always viewed the airport as part of the economic mechanisms of the area and believed that things could be done with the stakeholders on the airport's boundary that could work positively with the airport to make it better. There are a whole range of elements – good transport and attractive location for inward investment and re-energising the area, especially with St Athan, the Enterprise Zone and Barry going forward there is potential for a very powerful economic unit.

AE wondered if it would be possible for the Airport Consultative Committee to share information from the Enterprise Board and also whether a newsletter of some sort would help.

Councillor Neil Moore (NM) suggested it was important that the news of all the positive changes is shared with more people and that he felt sure that the local authority could help with this by circulating information to the Vale staff all of whom would rather fly from Cardiff.

NM further felt that in the past people had had a pre-occupation with the poor access road to the airport and that this was not accurate. He believed that the route to Cardiff Airport was far easier compared to the road to Bristol Airport. It would be even better with the train/bus link and additional bus service from the city and hoped that this incorrect perception should be removed.

In his previous position of Managing Director at the airport, Jon had forbade anyone to talk about “the road” for this very reason. He felt that there were a whole range of transport priorities that could be delivered in the short term and that would also benefit the communities of the Vale too.

NM suggested that a couple of quick fixes to improve the area would be to get rid of the red and white cones at the front of the terminal and replacing them with either white lines or hatched areas and removing the kiosk.

Spencer Birns (SB) agreed with everything he suggested but unfortunately people do not always follow signage or road markings and they end up turning around and going back up the system the wrong way.

Jon added that trials had recently been undertaken in removing the control kiosk but this had almost resulted in anarchy and was unsafe. 60% of the cones and barriers had been removed now and this had improved the appearance slightly. However, there cannot be a temporary fix in this area and the traffic consultants were working now to come up with a permanent solution to resolve the traffic problems.

Going back to the subject of access, GJ agreed that as long as the services are good from the airport, customers will come and the access will not bother them.

The Chairman thanked everyone for their questions and agreed that changes at the airport would not happen overnight. The progress already made in the last few weeks was promising and boded well for the future.

4.2 Spencer Birns Updated Members on the air services out of Cardiff.

- Charter traffic in May was the same as last year but better in June in comparison, which was mostly down to Thomas Cook operating larger aircraft.
- KLM traffic up 7% compared with this time last year – they have reduced some of their flights as they were not making money but increased their passenger load factors.
- A local campaign has been running in Swansea and Cardiff stations and on the radio promoting Vueling and their services have been going well. Their Malaga, Alicante and Palma volumes are reasonable. Bringing back Malaga and Alicante for the Winter programme.

- Similarly, Aer Lingus have been heavily promoting their US connections through Dublin and the ability to process Immigration in Dublin before landing in the States. This makes the whole process easier and saves time at Border Control in the States which can take up to 3 hours.
- Flybe up 15%.
- On-going airline discussions with not only our own airlines but other new operators including freight carriers.

The Chairman thanked Spencer for the update. He remarked that it was interesting that Amsterdam are pushing all the time for river cruises and wondered how many people were aware that you could fly to Amsterdam to join the cruises rather than drive.

Spencer agreed and added that there were a number of operators undertaking cruises but that the travel agents were aware of the Amsterdam flight alternative.

AE asked whether passengers in Europe used the hubs like Amsterdam to come to Wales? Spencer felt that everyone would be surprised how many Europeans were on flights from Amsterdam and Paris. Although many Italians use Bristol, a lot of the Scandinavians and Russians come through Cardiff, and they think nothing of changing flights several times to reach their destination.

Although there is quite a lot of marketing done abroad, more needs to be done for Wales, particular to the areas of Asia and the Middle East and Europe. AE made an offer to assist in these areas.

The Chairman thanked Jon and all the members for their contribution to the meeting. As there was no more business, he opened the meeting up to the floor and invited questions from members of the public.

5.

- 5.1** Bob Smith felt frustrated in his journeys through Heathrow but this choice of airport was much cheaper than the alternative option of using Cardiff. He suggested that Cardiff take a longer look at the future and saw Cardiff as a potential hub. He was saddened to see that the links to the States had been closed and with it the potential industrial and business opportunities.

Jon agreed and advised that one of the key factors for the airport going forward once a solid base has been established is what CWL can do to start punching above its weight and this is driven by available markets. There is a potential target in the Middle East and maybe a New York service. However, looking at the demise of the Continental service out of Bristol – even with sufficient marketing, with the competitive pull of Heathrow, such a route is very difficult to sustain.

There are clearly targets that CWL will have to target and a Middle East service is one that is being considered as a wide-attraction. However he felt that the airport would need to look beyond its current catchment area for this to be sustained.

On the subject of business marketing, Clive Sedgebeer (CS) blamed the business people of South Wales for some of the airports problems, referring to the Helvetic service that had to be stopped due to low take-up.

Similarly, over the past years people like Dow Corning had pushed for Brussels but when they got it, nothing happened and it was removed.

CS also felt saddened that on his recent Trade Mission, the First Minister (and Mrs Hart) did not fly out of Cardiff via Amsterdam. This showed him and other Ministers in a bad light and did nothing for the airport, especially when the airport is asking everyone else to use Cardiff, but its owners are not using it themselves.

On a question from Harrison Sharp (HS), SB confirmed that the airport does attend relevant trade fairs and that he had indeed represented the airport at the recent Routes Conference in Europe.

At Routes, the relevant airlines are “courted” and each airport has a very short time to give their pitch. However, both initial and on-going pitches to airlines at these conferences have proved very beneficial.

At next year’s Routes conference, Cardiff Airport will have the benefit of a Visit Wales stand and that can only be positive.

HS also enquired whether having one low cost airline at an airport could discourage another from operating. SB explained that this would not necessarily put off another low cost airline, as not all low cost are the same - one can offer a premium quality service and the other may not and may also operate under different economic conditions.

Discussions then ensued regarding bus services and their times to the airport and how HS from Tenby had recently to stay overnight at the airport to ensure he caught an 0600 departure.

JH confirmed that the new Cardiff City to Cardiff Airport direct bus service, commencing on 1st August, will run three times per hour each day and will be branded so that visitors are aware of its airport service. This will give a much improved service through the night to ensure it gets people at the airport for the early morning flights. He also confirmed to Ashley Griffiths that the shuttle bus from Rhoose station to the airport is subsidised by the airport and the Welsh Government.

The Chairman suggested that perhaps the airport should look at the wider area of transport as areas such as Tenby and West Wales are not taken into account.

However, NM added that most airports are the same – if you live far away from them then most people would stay overnight nearby.

JT felt that local transport infrastructure was of no concern during discussions with possible new airlines. Nevertheless, he confirmed that the First Minister was aware of the problems.

AE then advised of his easy connections to Birmingham through New Street Station on a recent flight to Dubai. SB confirmed that he could have undertaken a similar flight from Cardiff via Amsterdam if he had been flexible with the flight times.

Belinda Gardner (BG) had been a regular customer of Cardiff for years but now – like many other people in Swansea - had to fly out of Bristol as Cardiff does not fulfil her needs and those of her friends. She felt that the better routes, car parking and flight times at Bristol were worth the extra time taken to get there. She was also disappointed that the Toronto flight had been withdrawn.

JH agreed with her sentiments and reiterated the intention for CWL to look at all of these aspects – to get in the right low cost airline and convince them to create a wider choice and lower fares for the people of Wales. However there is no magic wand and this could not be achieved overnight. .

Talks are continuing in trying to get Toronto back but unfortunately the whole question of long haul services from regional airports have been shaken. The recession has made all of these airlines return to Heathrow but this will not deter JH and his team from pursuing these goals and getting the people of Swansea back to using Cardiff.

JT added that the South Wales Evening Post is being used in the Swansea area to promote the airport and help in getting these customers back to Cardiff.

Marc Carrington (MC) suggested re-opening the spectator terrace on the roof so that families could come with their children. Like many locals, as a child he had spent many hours watching aircraft coming in and out and would love to be able to do this with his family. However, even if it was re-opened, the car park charges for visitors would have to be lowered.

SB totally agreed and discussed possibilities for the future, where children can get enthused by the whole idea of travel. As part of a new scheme at the airport, organised school visits are currently taking place where the children are taken through a whole system of check-in, security search etc using a former film set on the top floor of the terminal. The project is going well and the children are animated and eager to get involved and it sets them on the right path for their future travels.

It was Chris Wardue's (CW) first visit to Cardiff Airport and he was interested to hear whether the airport management team still held the reins of the newly formed company. JH explained that the airport was a private limited company and very much run at arm's length from the Government. The newly formed company have had to produce a business plan to be signed off by the Airport Board and now clearly have to be fleet of foot and have the ability to make decisions.

CW also wondered if APD was removed, would change the airport completely?

The Welsh Government would like APD devolved and Jon felt that if APD was removed or reduced it would have a huge impact. APD has had a big impact on airlines, especially on those operating routes within the UK as it hits them both ends and if that can be removed it would make a big difference.

The Welsh Government would certainly like to remove it. The UK Government Silk Commission suggested the devolution of APD in two parts – the first part for long haul flights and the final part on a cross party basis. However they do not recommend full devolution only on long haul. The UK Government has yet to respond to that and we anticipate to have something from them soon. Jon also believed that if it did happen, Scotland and Ireland would also look at the benefits.

The Chairman understood that the Welsh Government would have clear advantages in having this devolved and interestingly, this would be the first taxation power that they have used.

JH added that notwithstanding the competitiveness for between airports, there is an effort by the entire UK aviation industry for the UK Government to do something about APD.

On a question from Ruth Vining (RV) on forms of advertising, SB confirmed that the airport advertises and engages in all types of media, covering a whole range of spectrums, including Facebook.

NM drew attention to one issue that had come up at a previous meeting – that of Bristol advertising at both Bridgend and Swansea stations. He felt that although digital advertising and promoting was good, the conventional stuff should not be forgotten.

JH asked that people should not get too fixated about Bristol Airport. It should be about what Cardiff is doing here. There is a continual negative comparison between Cardiff and Bristol which should not happen. There are a lot of passengers taking the journey from outside Wales and Cardiff will focus on getting it right here in a way that creates choice.

6.0 As there were no further questions, the Chairman thanked everyone for attending, especially those coming long distances from the Tenby and Swansea areas and showing such interest in the airport.

He looked forward to the next meeting and hearing more positive news concerning the airport and its future.

7.0 Date of Next Meeting

Monday 18th November 2013 at 6 pm in the Porthkerry Room, Cardiff Airport

Distribution:

All ACC Members
Airport Web page for information

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