

SUSTAINABLE DEVELOPMENT PLAN 2016



FOREWORD by Ken O'Toole – Managing Director, Manchester Airport

Aviation is essential to the UK's economy and our future prosperity. Manchester Airport is the primary international gateway outside the south east and plays a key role in the economy of the northern cities and regions. It gives people and businesses access to the world; attracting investment and tourism and creating wealth and employment. We are confident that we can grow in a sustainable way, while delivering the benefits of aviation and meeting the needs of our customers.



We are ambitious for the future. Our vision is to develop the airport in a way that helps lift the competitiveness of the north of the country, and helps close the gap between the economic performance of London and the rest of the country.

In this Sustainable Development Plan (SDP) we detail our recently announced Transformation Programme. This represents a once in a generation level of investment; to create a world class airport, with high quality services and facilities and to enable us to use our spare runway capacity to best effect. We also set out the context for our growth, the opportunities and challenges we face and the actions that we intend to take.

We will responsibly manage our environmental and community impacts and will continue to work closely, openly and honestly with our stakeholders and the people who live around us.

We have carried out extensive consultation on this plan and have made changes to reflect the comments we received. We hope you find it useful and interesting and are as excited about our future as we are.

A handwritten signature in black ink that reads "Ken O'Toole". The signature is fluid and cursive.

KEN O'TOOLE

Managing Director, Manchester Airport

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INTRODUCTION

The Sustainable Development Plan (SDP) sets out the strategic context for the long-term development of Manchester Airport. The SDP is an important document, as the airport's potential for growth is of enormous value to the whole country, but especially Northern Britain. Our key role in the economic prosperity of the north is to provide international connectivity to support increased trade and investment for the cities and regions that we serve.



The Government's national airports policy¹ supports aviation growth in a framework that maintains a balance between the benefits of growth, and the contribution to the UK economy, and environmental impacts, particularly climate change and noise.

In 2012, the Government appointed the Airports Commission to advise it on how to maintain the UK's leading position in the global aviation market. The Commission's Interim Report (December 2013), recognised the importance of Manchester in providing capacity to meet the increased demand for air travel, particularly as London's airports become ever more constrained.

The final report, in the summer of 2015, recommended a third runway at Heathrow as the preferred solution. Government has committed to responding to the recommendation by autumn 2016. This Sustainable Development Plan should help Government respond to the findings of the Commission. The plan sets out how Manchester Airport can continue to grow efficiently within its operational area and contribute to the nation's aviation offer, along with an assessment of the associated benefits and impacts.

Government recommends that airports produce master plans and that these are updated every five years. The primary objective is to provide a clear statement of the approach to growth and development at the airport. The master plan does not have statutory status, but Government policy is clear that they should inform the development of statutory local plans and policies, to provide transparency and to inform the plans of other agencies.

The previous Manchester Airport "Master Plan to 2030" was published in 2007. It showed how the airport would deliver the objectives of the 2003 Future of Air Transport White Paper. The Master Plan also set out how the growth of the airport could be mitigated and managed.

Since 2007 much has changed. The aviation industry and the wider economy have been the subject of major change and we have been through one of the most severe recessions since the 1930's. This has had an impact on the scale and the timing of aviation growth at all UK airports, including Manchester.

The recession has not changed our ambitions. Manchester has now returned to steady growth and is handling record numbers of passengers (over 23 million in financial year 2015/16). We believe that growth of the airport will deliver major benefits for the north of the UK, and that this can be delivered in a sustainable way. With this growth, it is appropriate to review the assumptions that sat behind the 2007 Master Plan and confirm our approach to managing growth. Importantly, we intend to retain the current extent of the Airport Operational Area.

INTRODUCTION



The new title – “Sustainable Development Plan” – better describes the comprehensive approach we have taken. It replaces the 2007 Master Plan and reflects the progress we have made since then. It develops our environmental and community programmes and sets out an economic growth strategy that is strongly linked to our surface access strategy. The objectives for the Sustainable Development Plan are to:

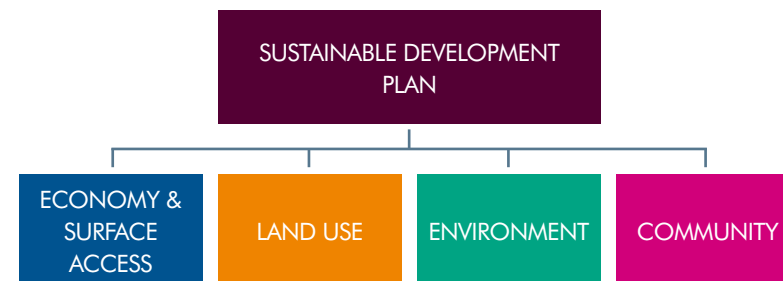
- Explain the long-term opportunities for the growth and development of Manchester Airport and its contribution to the northern economy;
- Set out our vision for the development of the airport site;
- Provide the framework for capitalising on the benefits of the airport’s development and for managing and minimising local disturbance and environmental impact;
- Explain our plans to enable a constructive dialogue with our customers, neighbours and business partners;
- Inform the plans and strategies of others across the north west region and beyond;
- Provide evidence to help Government understand the implications of making best use of Manchester’s capacity.

We have looked carefully at what national policy means for the airport, along with the opportunities for the aviation and transport business. We have a clear vision, and are committed to growing our business and developing in a sustainable way. As we work towards our vision we are guided by our values. It is not just what we do, it is also how we do things, that are important. Our values are:

- **Brilliant at what matters** – meeting the needs of all of our stakeholders
- **Safe hands** – operating a responsible business and safeguarding the environment

- **Why not?** – challenging conventional thinking and delivering innovative solutions
- **Finger on the pulse** – understanding the needs of our customers, stakeholders and neighbours
- **Power of teamwork** – collectively we are stronger when working in partnership

The Sustainable Development Plan comprises a high level summary (this document) and four detailed plans that deal with the Economy and Surface Access, Environment, Community and Land Use. These plans set out in greater detail how we will realise future opportunities and deal with the principal issues that we face.



We will continue to report on progress and, in line with Government guidance, we will review our plans every five years to make sure that they continue to be relevant and up-to-date.

MANCHESTER AIRPORT

Manchester Airport was developed by Manchester City Corporation and opened in 1938.



Today Manchester Airport is:

- The 3rd busiest passenger airport in the UK; in 2015/6 it handled some 23.5 million passengers – the highest in its history.
- Over 200 destinations served by over 70 airlines.
- On-site employment in the order of 22,200 people with a further 45,000 jobs in the wider region and a GVA contribution to the UK economy in excess of £925m.
- The only airport other than Heathrow to have two full length runways but also with significant spare capacity.
- The only airport outside the south east with the scale and critical mass necessary to serve key long haul markets.

The airport is in a strategic location in the centre of the UK with direct access to the national motorway and rail system. This is a major benefit to our passenger and cargo customers. It is estimated that there are over 22 million people that live within a 2 hour travel time of Manchester Airport. The airport's scale, location and the strength of its catchment area, provide significant opportunities for its future growth and development at the heart of the UK's overall aviation capacity.



MANCHESTER AIRPORT – FUTURE GROWTH

Since the 2007 Master Plan the world-wide recession and the severe downturn in the UK economy substantially changed the pace of growth at Manchester Airport.



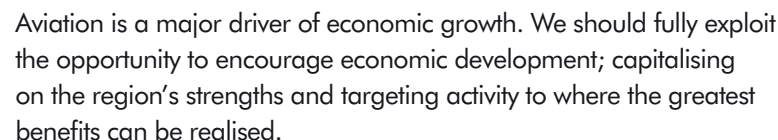
That Master Plan used Government forecasts that passenger throughput would grow to between 37 and 38 million passengers a year by 2015 and up to 50 million passengers a year by 2030. Although passenger traffic reached 22 million in 2006, the impact of the recession led to a sharp fall in passenger numbers. However traffic growth has returned, with a steady increase in activity over the past few years. The airport has now passed its pre-recession levels, with 23.5 million passengers in financial year 2015/6. This growth is expected to continue, as the UK economy improves and demand increases. Cargo growth has also been substantially lower than forecast. Cargo volumes reached 150,849 tonnes in 2008 but are currently some 100,000 tonnes. Growth is starting to return in line with passenger route growth, especially in the long haul sector.

Given the economic turbulence, it is not surprising that the forecasts in the 2007 Master Plan have not been realised. However, growth over the long-term is expected to remain strong. The UK's need and desire to travel shows no signs of abating and the Greater Manchester economy is expanding as part of the wider 'Northern Powerhouse'. This major growth initiative is aimed at stimulating growth across all the northern cities, with Manchester as the principal air gateway.

Department for Transport and Airports Commission forecasts show that Manchester could potentially achieve a passenger throughput of up to 55 million passengers per year if its two runways are used to their full potential. The basic infrastructure to achieve this level of throughput is in place – two full-length parallel runways, an adaptable terminal campus, land for apron and airfield facilities and comprehensive transport links. The Sustainable Development Plan, in particular the Land Use Plan, provides the framework for our detailed investment and capacity planning.

The airport has significant capacity and has the capability and the flexibility to grow. We will realise this potential through new routes and destinations, improved transport links to our catchment area, reducing leakage of traffic to congested London airports, making full and effective use of our runways and investing in our infrastructure. There is also strong national and local policy support to make the best use of Manchester.

We will maximise our economic contribution to the Northern regions and support the development of a stronger, more balanced economy that brings positive benefits to the communities that we serve.



Our airport makes a significant contribution to the national, northern and local economies, but particularly to that of Greater Manchester. These economic benefits are passenger and cargo connectivity, economic activity (GVA –the value of goods and services produced in an economy), attracting inward investment and tourism and in direct, indirect and induced employment. Manchester Airport is estimated to have contributed £925 million GVA to the UK economy in 2013. Over 300 businesses are based on-site, with many more in the wider area that rely directly on the presence of the Airport.

The Greater Manchester Growth and Reform Plan (March 2014) and the Greater Manchester Strategy (March 2013) are putting policies in place to ensure that the airport continues to act as a major driver of future growth for the city region both directly and through the Airport City Enterprise Zone, the proposed extension of which is set out in the Land Use Plan. The airport, and the connectivity it offers, is one of the key differentiators between Manchester and competitor cities and its development is seen as being critical for future economic activity in the city region. The airport also has a key role in the One North project, which aims to deliver a step-change in the connectivity between the major cities of the North.

Transport for the North are the first statutory sub-national transport body, with responsibility for strategic decisions on transport interventions to deliver the Northern Powerhouse objectives. Connectivity is a key element in helping to re-balance the national economy and provide a counter-weight to the economy of London and the South East.

The airport supports 22,200 direct on-site jobs and a further 45,000 jobs in the wider region. 75% of jobs on-site are filled by residents of the ten Greater Manchester districts, with Manchester accounting for 31%, Stockport 15% and Trafford 10%. 8% of staff live in Cheshire East, but there is a spread of employees all across the North West and beyond. This employment is across a wide range of skill sets and benefits some of the least advantaged communities in Greater Manchester. We will continue to work to make a positive contribution to national, regional and local economic development. Our education and employment programmes will be further developed, focusing on the local areas in greatest need, supporting the airport's future workforce and improving access to job opportunities.

Airport City (the Greater Manchester Enterprise Zone) helps Greater Manchester compete on the international stage and is the focus for exploiting and growing economic activity around the Airport. It aims to attract international businesses, using the airport's exceptional transport connectivity. This major new economic centre will offer around 5 million sq.ft of high quality business premises and generate around 16,000 new jobs. Airport City supports the development of the airport by increasing demand for passenger and cargo services. This Sustainable Development Plan complements the master plan that guides the Airport City development; recognising that there are synergies and inter-dependencies between the two plans and mutual benefits.

SURFACE ACCESS

We are committed to improving the airport's accessibility with quick, convenient and reliable access from all parts of our catchment area. We aim to extend and improve our rail services, making the airport a major node in the national rail network. We will manage the growth in road traffic by improved sustainable travel choices for passengers, employees and local people. We will use our transport links to help local people access employment opportunities on site.



Successful airports are accessible airports. High quality surface access links are vital for us to grow the business, deliver the wider benefits to the region and to provide employment opportunities. The Surface Access Plan seeks to manage the growth in airport-related road traffic in a responsible and sustainable way.

The airport is a significant transport hub in its own right, with plans for further improvements to our services and infrastructure already in place and being delivered. The airport is accessible by road, rail and is now part of Greater Manchester's light rail network (Metrolink). Further improvements, such as the Northern Hub scheme, will unlock capacity within the rail network. The fourth rail platform at the airport was the first phase of this scheme. This programme will directly increase the number of airport services, as well as improving resilience and catering for longer trains. Looking further ahead, the airport has been identified as a station location for the second phase of High Speed 2 and a key destination in the emerging 'HS3' trans-northern rail concept. Significant highway improvements are underway, including the A6 to Manchester Airport Relief Road Scheme, the A556 Knutsford to Bowdon Improvement and the M60 Smarter Motorway schemes, all of which will improve access to the airport.

Our previous surface access strategy, the 'Ground Transport Plan', was part of the 2007 Master Plan. It included the primary targets:

- to continue to develop a network of high quality and frequent public transport services from regional towns and cities;
- to reduce the proportion of road vehicle trips per air passenger; and
- to actively encourage public transport access to the airport and reduce car dependency.

Good progress has been made, with passenger public transport use at 25%² in 2014 and 21% of staff journeys made by non-car modes. We will continue to develop new transport initiatives and set and report on our targets. We will continue to target an increased public transport mode-share, a reduction in car use and improved access for both passengers and staff. We have set ourselves a challenging target to reduce the percentage of passengers using the car to around 50% by 45 million passengers per annum with the remaining 50% using public transport. We have set equally challenging targets for reducing the proportion of staff travelling by car. This will require concerted collaborative working with a range of transport operators and providers.

There will still be significant volumes of road traffic. We will manage this by tackling the high number of 'kiss and fly' and taxi trips, which make up the largest proportion of our road traffic. We will make best use of our roads and car parks, supporting and promoting capacity improvements where they form a part of a balanced approach to surface access.

² This figure includes Coach and Bus, Rail, Metrolink, and Off-Site Park and Ride

LAND USE

We will make the best and most efficient use of our land; providing a safe, efficient and commercial operation to allow our business and those of our service partners to develop and grow.



The Land Use Plan identifies the land, uses and facilities that are required to support the operation of an airport capable of handling circa 45 million passengers. The Land Use Plan also draws on, and provides an input to, local planning policies, in particular those of Manchester City Council and Cheshire East Council.

The Land Use Plan sets out the airport's core development requirements and contains them within the existing Airport Operational Area. To accommodate future growth, additional airfield and terminal capacity will be required. The recently announced Manchester Transformation Programme will see a major investment in our facilities, based around extension and redevelopment of our existing terminal area. This fits with our approach of containing development within our existing campus. There is sufficient runway capacity, even in the current segregated operation, to accommodate future growth, with only minor improvements needed to our airfield. Additional apron can be

developed adjacent to the existing terminal complex to meet our future busy hour requirements.

We will make the most efficient use of our airfield, apron and terminal capacities; while enhancing the passenger experience; improving service levels and meeting the ever changing needs of our customers. The focus of development will be on a redeveloped Terminal 2 with Terminal 3 being retained and linked to Terminal 2. Most of Terminal 1 will be demolished, enabling the central terminal area to be redeveloped, helping to make the most efficient and effective use of our finite supply of land. We will still need to increase car parking capacity, in line with our objectives of providing enough space on site to meet demand and reducing the amount of 'kiss and fly' and taxi use.

Certain uses may well have to consolidate or even move off-site, in order to meet the needs of our core activities. At the same time, we will seek to make sufficient land available to realise commercial opportunities which sustain the business. Our approach to land use is consistent with the approach set out in the Manchester Core Strategy³ and our evidence on future capacity and capability to the Airport's Commission.

ENVIRONMENT

We will make the best use of natural resources and minimise the environmental impact of our operations



The airport generates a range of environmental impacts. These arise from:

- Aircraft movements and aircraft maintenance
- Aircraft support services such as catering, fuelling and cleaning
- Ground vehicle operations and maintenance
- Cargo handling
- Terminal operations including retail, catering and cleaning
- Building management such as heating, lighting and toilets within the terminals offices and other buildings
- Estates management and grounds maintenance
- Passenger and staff travel to and from the airport

We have a proven track record of assessing, understanding and managing the impact on the environment. We have adopted the industry best practice approach to environmental management and continue to be certificated to the ISO 14001 standard. Manchester was at the forefront of UK airports in calculating its carbon footprint and our Environment Plan maintains the commitment to being an industry leader in working to reduce our climate change impacts.

We will aim to reduce our greenhouse gas emissions by increasing efficiency, by obtaining energy from renewable sources and maintaining the carbon neutral target we achieved in 2016/16. We will send no waste to landfill after 2018 (excluding International Catering Waste where no other options are available), and surface water run-off quality will continue to remain within consented quality limits.

Although aircraft today are significantly quieter than they once were, we recognise that for some people, particularly those living closest to the airport, noise will always be an important issue. We have legally binding limits on the size of our noise contours as part of our planning permission for Runway 2. On a voluntary basis, we have set ourselves tighter limits based on noise contours in 2001 (when the second runway opened). These are a daytime contour of 25.6 sq km (day) and 7.8 sq km at night. Looking ahead, we will contain our future growth within these lower limits. The measures and controls to achieve this are set out in detail in our Noise Action Plan. We will continue to work with our airline partners and external stakeholders to encourage the use of the quietest aircraft and improve operating procedures.

We will continue to ensure that the airport remains within local air quality limits and continue to undertake air quality monitoring.

COMMUNITY

By building enduring relationships with our local communities, we will seek to understand the issues that are important to them, how our operations affect them and how we can open up and improve the employment opportunities that we offer. We will use the skills and resources of airport partners to work together for mutual benefit.



We know that the airport has an impact on the local area and that generally the negative effects can be felt very locally, while the positive benefits are spread over a far wider area. We will continue our proactive approach to working with local communities so that we can better understand their needs and concerns. The priority areas for our Community Plan are:

- Community engagement;
- Managing local impacts;
- Investing in the local community;
- Education and employment; and
- Employee engagement.

We are committed to reporting openly, honestly and regularly about the work that we do. We will continue to hold Outreach Events in local communities, as well as providing regular communications such as the Wythenshawe E-News, Manchester Airport i-book and our Annual Report. We will continue to meet regularly with our local communities and their representatives to discuss our operations, the work that we do and explore how we can assist them in their work.

We cannot completely remove all of the effects of the airport's operations. However, as a major local business we take pride in contributing to local community projects and we are committed to continuing our Community Trust Fund. We will work with local groups and our business partners on targeted projects in the local area.

Our education and employability programmes are nationally recognised by Business in the Community. We hold a number of BITC 'Big Tick' awards and we will strive to ensure that we retain this commitment to our communities. We will:

- further develop our work experience programme;
- continue to develop the Airport Academy's to address worklessness and skills deficits;
- increase our engagement with local schools and other educational establishments.
- target transport improvements that improve access to employment for local people.

We encourage our colleagues to engage in community activities. This has many benefits and helps develop new skills. We will increase involvement in volunteering from the current 21% of colleagues to 26% by 2018.

HOW TO CONTACT US

The Sustainable Development Plan is an important document for the airport. It sets out our aspirations and plans for the future. Many stakeholders have an interest in the airport and the views and comments from Government, Local Authorities, neighbours, the business community and customers are an important part of the planning process. We are committed to be open in sharing the vision for Manchester Airport and the local area. The plan looks, where possible, to reflect local views and ideas.

Neighbours, stakeholders and a wide range of organisations in the region were consulted in 2015. Where possible their comments have been incorporated into this final version of the Sustainable Development Plan. We will monitor our progress and will carry out a full review of our Plan every 5 years.

To obtain copies of the Sustainable Development Plan or to contact the team:

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