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Airports and their communities: Collaboration is key

A discussion paper series

Airports and their communities: Collaboration is key

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Recommendations

- **Community centred training and apprenticeship programmes**
- **Diversity should be viewed as an asset that aviation businesses invest in**
- **An integrated approach to policy that has local government and communities at its centre**
- **Airports at the heart of regional freeport development**

A collaborative approach

Airport communities are important communities. Any airport operator worth its salt knows that working collaboratively is the key to success.

The COVID-19 pandemic, and the travel restrictions instituted in response, have left many communities without the key driver for their local economy. As vaccination programmes continue and airlines prepare to resume routes, we consider how in the post pandemic world we can work together to realise our shared values, goals and the challenges that lie ahead. Airports undoubtedly have a responsibility to balance future growth with community wellbeing and sustainability while delivering employment, skills and promoting strong career paths.

Economic footprint & COVID-19 impact

Before the pandemic struck, more than 230,000 people were directly employed by UK airports. The airport sector alone contributed an estimated £18.8 billion in gross value added, according to analysis commissioned by Unite the Union[5]. On average, for every person directly employed at an airport, another two jobs are created in the local economy. In many communities such as Luton, the local airport is responsible for some 10% of local employment, before considering those jobs indirectly supported by its activities. In the case of London Southend Airport, as of February 2020 83% of employees were from the Southend-on-Sea postcode area, 12% were from the wider Essex area and only 5% were from outside of Essex. In addition to 270 people directly employed by the Airport, a total of 1,536 careers are supported by the airport, up from 801 in 2016. With steady growth in demand for travel across the United Kingdom in recent years, hosting an airport has proven among the most positive contributors to development for communities across the country.

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Smaller airports have different needs to larger airports and are important drivers of local economies. It's important that such contribution is seen by its considerable impact at a regional level, not just at a national level.

Glyn Jones
CEO, LONDON SOUTHEND AIRPORT

[5] "Economic and social importance of the UK's Regional Airports," Acuity Analysis for Unite the union, 2 July 2020.
https://unitetheunion.org/media/3098/regional-airports-data.pdf

The COVID-19 pandemic and ensuing travel restrictions, however, have wreaked havoc across many of these same communities. According to Coronavirus Job Retention Scheme statistics published by the government[6], local authorities that are home to an airport have among the highest percentage of employees placed on furlough, a fact that is not surprising when considering the impact on the travel sector. The decline in activity at the nation's largest airports – Heathrow and Gatwick – has received particular attention, with Virendra Sharma MP warning in September that "areas around Heathrow will become ghost towns if no urgent measures are taken."

Locality of London Southend Airport employees

■ Local (SS)	83%
■ Essex	12%
■ Other	5%
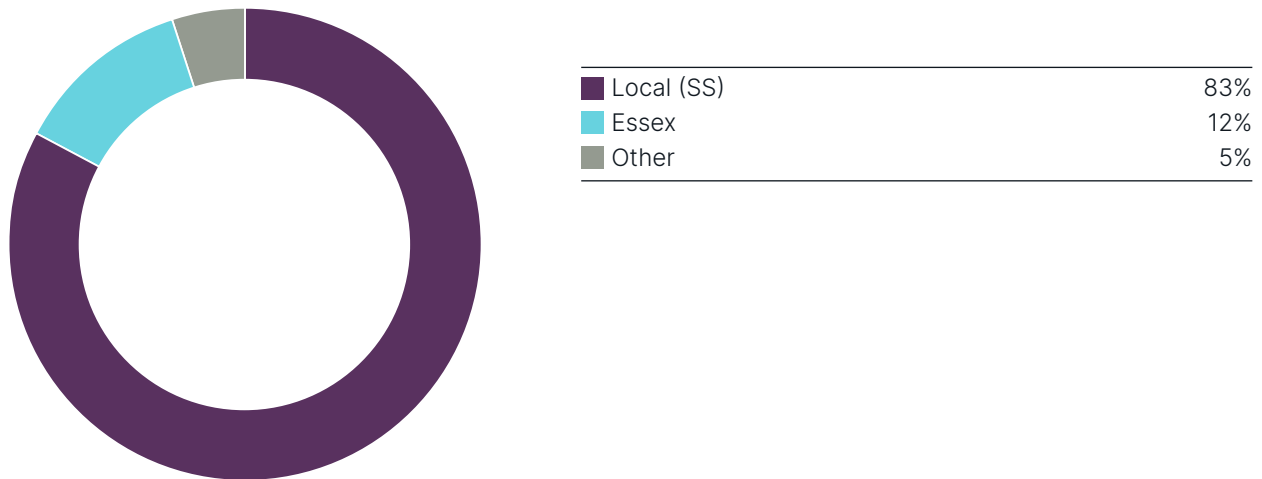
While the furlough scheme has enabled the sector to remain on standby, uncertainty over the impact of travel long-term means the future is very uncertain. In this Discussion Paper series, we have consistently asked that government consider long-term support for our industry to ensure the viability of direct jobs, and the many jobs indirectly created from airports. The interests of smaller and regional airports, and the communities they support, should be considered in tandem with the country's major international airports. Especially given smaller and regional airports are responsible for 55% of those directly employed at airports. While Gatwick and Heathrow contribute to London's status as a global travel centre and serve as a springboard to destinations across the world, they are supported by airports from Newquay to Edinburgh which connect travellers. Smaller and regional airports also enable tourists and investors to quickly transit onwards to destinations across the UK and are a key springboard to domestic and European travel, which is essential to reviving the aviation sector after the pandemic.

[6] "Coronavirus Job Retention Scheme statistics: January 2021," HM Revenue & Customs, 28 January 2021. https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-january-2021

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Responsible growth

Environmental concerns are arguably the key challenge, and opportunity, for the sector in a post-COVID world. Emissions caused by air travel have received increased attention in recent years and the industry faces a challenge in meeting government targets to move towards net-zero over by 2050. This is not a challenge that the sector takes lightly. We believe that the greening of the aviation sector will be driven quite literally from the ground up, with airports expanding their environmental credentials using more renewable energy, recyclable materials, and most crucially, the development of infrastructure aimed at sustaining new technologies, such as hydrogen fuel supply and transportation networks.

Smaller and regional airports are looking to help drive this agenda forward. With deep ties to their local communities, ensuring a sustainable future is at the core of their business model. Communities that are home to airports are also aware that they can only significantly advance environmental targets by working together with the businesses they host. Ali Griffin, the Chief Executive of Southend-on-Sea Borough Council – home to Esken's London Southend Airport - has called for precisely this, noting that: "Local councils need to work with airports to do everything they can to help green airports. They realise the benefits airports bring to local areas."

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A contradiction persists between the government's drive to push headline passenger number growth and the environmental agenda. PA Consulting's Aviation Director Nigel Addison Smith has called for this gap to be addressed, stating "Central government needs to provide local governments with more guidance. Local governments have launched climate emergencies, but central governments are promoting growth at airports which is causing tensions. A balance needs to be found between enabling airport growth whilst maintaining sustainability."

> The government doesn't recognise the benefits airports bring to local communities. If people are travelling, and airports grow, it creates jobs for the local community. For example, if Ryanair was to open a new flight route, it would create new jobs for locals on either end of that route.

Luke Hayhoe
AVIATION BUSINESS DEVELOPMENT DIRECTOR, LONDON SOUTHEND AIRPORT

Local government and parliament can work together with the country's airports towards creating a greener future, while simultaneously balancing the desire to support the economy and create jobs. Aviation and airports' impact on local economies has often been overlooked but provides a unique springboard to create environmentally friendly technologies and jobs. For example, many of the country's smaller and regional airports are also home to industrial parks. Local authorities and the national government could work together to support the creation of green businesses at these locations. Additionally, they could offer support for efforts to reduce the environmental impact of airports themselves. The development of environmentally friendly technologies at airports will not only serve to create jobs and local know-how but also place these technologies at the core of the airport catchment area, establishing standards for the area to follow.

The environment is only one area where airports must make their support for local economies known in the coming years. Kate Willard OBE, Thames Estuary Envoy, notes that "Airports play an important role in the levelling up agenda. They are creators of high-quality jobs but can also contribute by making sure that their supply chains are recruiting locally and fairly, supporting people from all backgrounds." In the aftermath of the pandemic and as Brexit alters supply lines for the sector, this must be an opportunity for the sector to step up. Esken Non-Executive Director Clive Condie has embraced this call, saying that "airports are a catalyst and an enabler of economic growth in their local area. It is incumbent on airports to partner with their local communities."

Skills & training

It is not enough for airports to embrace growing their local communities or to set environmental or social targets. Lofty as they may be, future achievements require that the groundwork begins now. The aftermath of the COVID-19 pandemic will prove challenging for the aviation sector as a whole, and it is only by supporting the development of new skills and training in its communities that the sector can ensure it has a sustainable future, with a deep and world-class talent pool that can drive British aviation forward.

It is true that airports already serve as significant knowledge and skill-development hubs. As PA Consulting's Nigel Addison Smith notes, "staff turnover at airports is relatively high but most jobs at airports require training so there's a big investment in local people." Addison Smith also points out that "National Vocational Qualification (NVQ) levels go up due to the training provided at airports which is critical to local communities." The pandemic has put this to the test, with the medical training provided to cabin crew and some airport staff enabling those currently on furlough to serve at the fore of the National Health Services' coronavirus volunteer efforts.

These local communities are at the core of any airport's success. Airports must not just talk about the great careers they offer, but as London Southend Airport's Luke Hayhoe notes, they also need to "get better at showing communities what they are doing and the different opportunities they can provide."

> There are so many different jobs in aviation. It's not just about cabin crew and pilots, there are lots of engineering jobs available. Airports need to get better at showing communities what they are doing and the different opportunities they can provide.

Luke Hayhoe
AVIATION BUSINESS DEVELOPMENT DIRECTOR, LONDON SOUTHEND AIRPORT

Bluntly, the higher wages on offer from smaller and regional airports, compared to other sectors in the surrounding area, also serve as a driver of growth for the local community. Southend Borough CEO Ali Griffin pointed out that "London Southend Airport offers wages higher than the local average. Airports provide access to higher paid jobs." They can upskill staff as well and provide youth with a life-long career path as London Southend Airport's Chief Operating Officer Willie McGillivray points out, "We can offer school and college leavers well-paid jobs. For example, we are currently looking to employ a trainee air traffic controller, which is one of the most skilled jobs at an airport."

Airports as neighbours

Airports are not just job creators and innovators in their local communities. They are also neighbours, ones who can admittedly be challenging at times. Airports understand they are social developers as well as economical developers, and it is widely recognised that airports can always improve in this area through a commitment to dialogue and consultation with its communities.

Perhaps the most prominent challenge to establishing airports as 'model neighbours' is the issue of noise pollution, which has dominated discussions around the Heathrow and potential Gatwick runway expansions in recent years. Airports – particularly regional and smaller airports – must actively engage with constituents and reflect their concerns in decision making. This will be key to building up airports' and aviation's reputation in the post-pandemic environment, especially as additional attention to noise pollution is incredibly likely.

Some new aircraft are more fuel efficient and 50% quieter than the previous models. Airlines modernising their fleets is only one step, however, and the government should consider the environmental implications when considering support for public transportation connections. According to PA Consulting's Nigel Addison Smith, with regards to Heathrow, "the problem is the roads around the airport, it is one of the world's worst pollution hotspots." Condie notes that "a significant contributor to noise and pollution around airports are to do with surface access. Improving public transport would reduce the use of cars around airports." Esken's Group Manager for Environmental, Social and Governance (ESG) Issues, Sundeep Sangha, believes this is a key area where business and government policy need to be better joined up, "given the automotive industry's aim to sell only electric vehicles from 2030 in line with government objectives, airports will need support to meet that demand."

Tackling noise and environmental pollution go hand in hand. But they alone are not sufficient for airports to improve their credentials as neighbours. Job creation and efforts to tackle environmental and noise pollution are ready to go hand in hand, and we welcome government action to help them take flight. But airports must also ensure that the growth they bring to communities is equitable and socially conscious. If airports are at the fore of developing new environmental technologies and driving post-pandemic economic growth, such considerations will be particularly important.

> " Airports have a social responsibility, of course. Throughout COVID-19, at London Southend Airport, we have worked closely with our communities to support one another. It is important that this mutually beneficial relationship is fostered and maintained as we move beyond the pandemic.

Glyn Jones
CEO, LONDON SOUTHEND AIRPORT

Esken believes that airports need to be stronger on equal opportunities and diversity and that leadership teams need to improve to ensure they are both more diverse and inclusive. This link has been recognised by our communities as well, with Thames Estuary's Katie Willard saying that "I am really keen to see airports do more for young people from a disadvantaged background. Diversity and Inclusion are a really important part of the future of aviation. It's not just a box ticking exercise, there's clear link between diversity and productivity." Supporting such efforts will not only make airports better neighbours, more closely tied to their community, but will equally help them and the communities alongside them grow together. This must not be limited to the hiring desk, however, and airports should use their experience welcoming passengers from around the world to engage with and support diversity and inclusiveness efforts in their local communities as well.

Environmental, technological and social progress is at the core of making airports better neighbours. Any airport is dependent on its neighbourhood for growth. We look forward to welcoming back travellers, our employees and to rising to the challenges that are ahead in tandem with our local communities.

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