



GAL PRESENTATION TO THE OVERVIEW AND SCRUTINY COMMITTEE

25TH SEPTEMBER 2023

GLOUCESTERSHIRE AIRPORT

Gloucestershire has had an airport based at Staverton since 1931. Used as a training base during the Second World War, Gloucestershire Airport has today become a diverse operational airfield home to many aviation and associated businesses.

From pilot training to pleasure flights, from air ambulances to private jets, the airport is one of the busiest in the UK for movements averaging nearly 6,000 a month in 2023.

There are many job opportunities including skilled engineering positions, with an estimated 2,000 people employed across the businesses based at the airfield.



OUR CUSTOMERS OFFER SERVICES TO



- Air Ambulance and Police Aviation specialist equipment.
- Flight training:
 - Fixed wing
 - Rotary blade
- Air Traffic Controller Training.
- Aircraft Maintenance facilities
- Private charter
- Battery technology for commercial electric flight
- Owner managed services
- Pleasure flights
- Fly2Help Charity

GAL MANAGING DIRECTOR

In June 2023 the Managing Director of Gloucestershire Airport resigned and in July a new Airport Director and Accountable Manager was appointed, Jason Ivey.

Jason has a proven track record of driving operational excellence and supporting growth in Aviation. Previous positions include aerodrome Inspector for the Civil Aviation Authority, Operations Manager at Farnborough Airport, Chief Fire Officer at Gatwick Airport, Airport Director at Cranfield Airport, Operations Director at London Southend Airport and most recently, Operations Director at London Oxford Airport.

The Airport Director's initial brief from the Chairman and Board was to focus on harmonising customer relationships, improving communication with staff, and making sure that the operation remained compliant and fit for purpose.



TEN YEAR BUSINESS PLAN

The 10 year business plan was originally created in 2018 then addressed and updated in 2021 following Covid.

The plan has altered significantly in terms of the timing of the sale of CGX, the achievable sale proceeds of CGX, economic downturn and outlook.

A refresh is required in order to produce figures that can be relied upon.

The Business Plan work has already commenced on this with some priority areas already identified.



THE BUSINESS PLAN

At a high level, the plan will include a focus on the property strategy where the airport can maximise its return with selling and developing various parts of the estate to support the ongoing operation of the airport.

The subject of scheduled aircraft services has been discussed many times, building on the fact that GAL did offer this service several years ago. The business plan is not considering scheduled services as a viable option moving forward due to its close proximity to Birmingham and Bristol Airports, and the associated costs and infrastructure development that would follow.

Moving forward the business will focus on developing its core offering of:

- Business jet operations
- Professional and private flying training
- MRO (Maintenance, Repair and Overhaul)

This will be done in conjunction with several key strategic partners that are based and operating at GAL. Another area of this offering will be to extend its operating hours to be able to actively compete with similar type airport operators (London Oxford Airport and Biggin Hill Airport).

FINANCE REPORT

The **Year End Accounts 2022/2023** are at draft stage a copy has been supplied to the Section 151's.

Headlines are:

- Turnover £5,195,109 an increase of £938,658 (was £4,256,451 in 2022).
- Gross Profit £714,587 an increase of £52,970 (was £661,617 in 2022).
- Profit before tax £175,140 compared to a loss in 2022 of £4,830,184 due to the old runway being written off.

We expect to have the final accounts submitted by the end of November 2023.

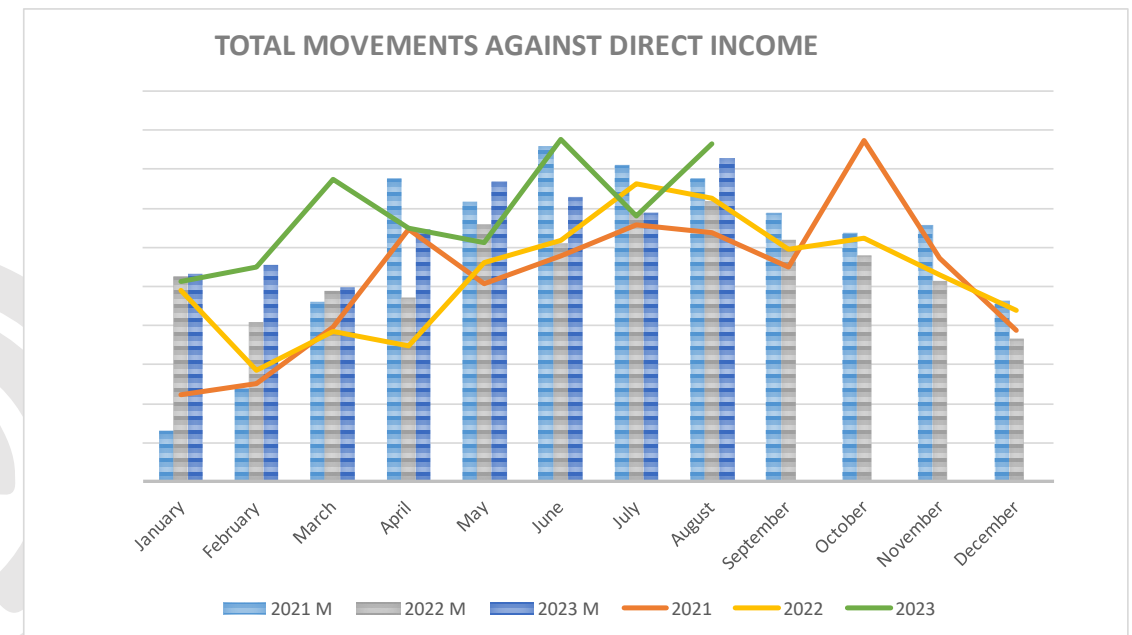
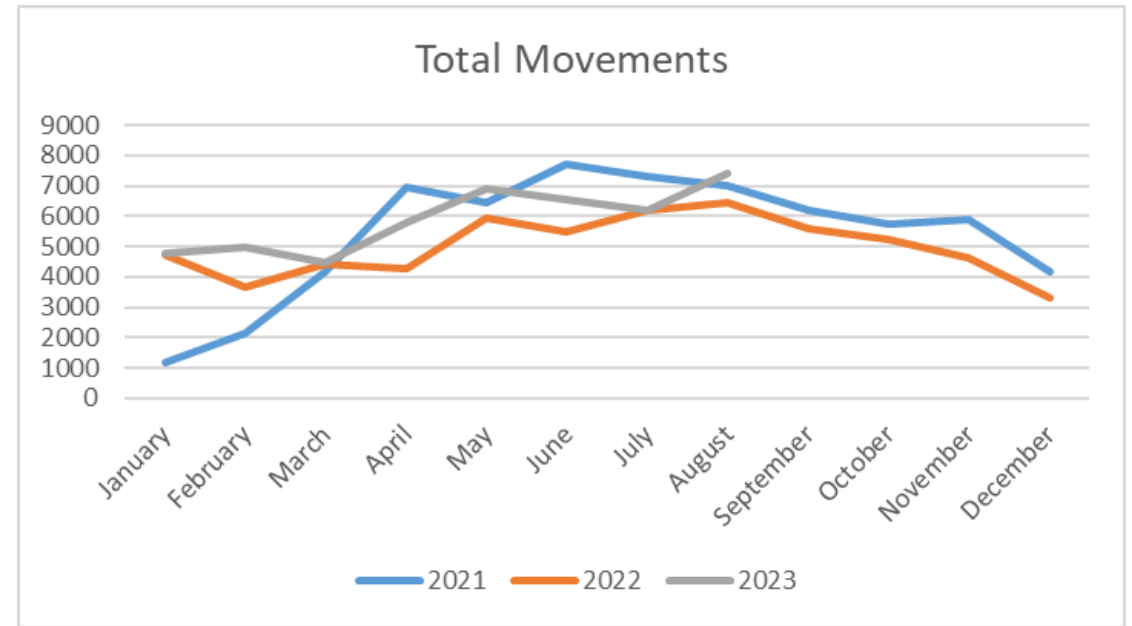


FINANCE REPORT

Movement income analysis calendar years 2021 to August 2023.

Movements are increasing in 2023 back to near 2021 levels. 2022 was the year the runway was replaced and therefore understandably lower. Please see adjacent graph Total Movements.

In the second graph you can see the movement income (the lines) against the movements (the blocks). As the graph demonstrates it is an improving picture with increased income generation from operational activities. This is in part driven by the increase of larger jet aircrafts and from increased flying school activities.



GAL STAFFING

The Airport Director has undertaken a review of the Airport's current staffing structure and reinforced key areas of the business with new appointments.

- A Deputy Head of Operations who will support the Head of Operations in delivering a sustainable compliant airport operation.
- A HR Manager to assist the AD in preparing a HR Strategy and implement an employee support service as a matter of priority.
- Temporary Centrik (our SMS system) support to deliver improvements required by the CAP.

Other appointments are currently being assessed to support the core aims of the business.



CGX DEVELOPMENT UPDATE

- Work on CGX began October 2021 and has been on the market since June 2022. The economic downturn in the second half of 2022, together with increased costs of borrowing saw investors in the commercial property market become hesitant.
- Since January 2023 we have seen confidence return and received credible offers. Heads of Terms are being drafted presently for several parcels on the site.
- Disposal of the majority of the site is expected by the end of 2023.



ENVIRONMENT

- LED lighting – the airport is replacing lighting with energy efficient solutions wherever practicably possible.
- Sewage plant – we are replacing the aging equipment to ensure greater efficiency and investigating a long term solution to connect to the main sewerage system.
- Energy Supply – we are out of contract with our electricity supplier in May 2024. Work has begun to identify a green supplier however the market is fluctuating rapidly at present making meaningful comparisons difficult.
- SAF – Sustainable Aviation Fuel is now available at Gloucestershire Airport. We do not hold stock and take has been nil so far as it is significantly more expensive.
- Work has begun to update our Green/Environmental policy in line with the business plan following the CLS Energy report completed.





QUESTIONS?



THANK YOU!

<http://www.gloucestershireairport.co.uk>