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**Report to**  
Scrutiny Co-ordination Committee

6 January 2010

**Report of**  
Councillor Ken Taylor

**Title**  
Report Back on the Work Of Outside Bodies - Birmingham International Airport

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### **1 Purpose of the Report**

- 1.1 This report sets out details of the work of Birmingham International Airport over the preceding twelve months and details of attendance by the City Council's representatives.

### **2 Recommendations**

- 2.1 The Council's representative on the Board of Directors is currently an elected member and it is recommended that the Council should continue to appoint a member to the Board.

### **3 Information on Work of Outside Body**

- 3.1 Birmingham International Airport is the 6<sup>th</sup> largest passenger transport airport in the country and provides employment for 7,000 people. As such it makes a significant contribution to the West Midlands region, acting as a catalyst for investment and employment and acting as a gateway for business and tourism. Overall passenger numbers increased by 1.9% (to 9.5m) in 2008/09 and the Airport introduced several new services and developments such as the establishment of a Ryanair base.
- 3.2 The airport has recently opened a new £50m International Pier for passenger handling, the single biggest investment that it has made in over 20 years and providing a state-of-the-art extension to its existing facilities. Looking further ahead, the Airport has significant development plans in the future including an extension to the existing runway. These plans were included in the Airport's Master Plan "Towards 2030" published in 2007/08. Question marks remain over the financial viability of the scheme and whether it will be able to attract the investment necessary to take it forward. This remains one of the issues being monitored by the Airport's Board.
- 3.3 The Airport Company's constitution provides for a Board, a Remuneration Committee and an Audit Committee. Each of the 7 West Midlands districts is a shareholder of the Airport Company and as such they each maintain representation on the Airport's Board.

### **4 Benefits to the City Council of the Appointment**

- 4.1 The Board is responsible for the proper management of the Airport Company, meeting bi-monthly to formulate, review and approve long term strategy, policies, budgets and trading performance. Membership of the Board enables the City Council, alongside the other districts, to monitor the current performance of the Airport and influence its future direction.

4.2 The City Council maintains a financial stake in the airport and receives a financial return on this investment although this return has reduced recently as a consequence of the airports investment plans. Another aspect of the City Council's interest in the airport are the planning and development issues that arise as a result of the Airport's operation and expansion, especially given it's relatively close proximity to the City's boundaries. Membership of the Board enables the City Council to maintain a close interest in these matters.

## **5 Attendance Record and Remuneration for the Appointment**

5.1 Appointments to the Airport Board from the 7 West Midland District Councils are usually, although not exclusively, elected members. There are no constitutional conventions that dictate that Coventry's representative must be a member although we have historically nominated a member to fulfil the role.

5.2 Councillor Taylor is the City Council's representative on the Birmingham International Airport Holdings Limited Board of Directors. In the twelve months from December, 2008 and November, 2009 there have been 7 meetings of the Board of Directors, of which Councillor Taylor has attended 4.

5.3 There is no remuneration associated with the appointment.

### List of background papers

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Papers open to Public Inspection

**Description of paper**

**Location** CH60

Schedule of City Council Appointments to outside Bodies