Chair's statement

In July 2026, we will mark the 25th anniversary of the NATS public-private partnership, which provides an excellent opportunity to celebrate and reflect on the foundations for future success. The core aims of the PPP were to enhance UK air traffic control safety standards, maintain effective civil/military joint working for national security, improve operational efficiency and enable funding in the capital markets for investment in infrastructure to meet the growth in air traffic volumes. This was alongside ensuring value for money for NATS' customers and accountability to the Government, the public and the taxpayer.

Throughout this 25-year period, NATS has safely handled the 55 million flights in its airspace, continually strengthened its safety performance with rising traffic volumes, invested £3.3bn in its infrastructure and reduced average flight delay from 130 seconds in 2001/02 to 8 seconds in 2025. This has been achieved whilst charges for en route customers have reduced by 24% in real terms. Today NATS is an organisation that is commercially focused and responsive to customer needs, in the UK and overseas, which innovates to enhance airspace and airport capacity and supports a sustainable future for aviation. This outcome is a direct reflection of the professionalism of all of our people, past and present, and on behalf of the Board I thank them for their commitment.

We now contemplate the next 25 years, anticipating the need for increased capacity as aviation continues to be an enabler of economic growth. Over the last 25 years we have seen rapid progress in many technologies transforming the way the world works, and this looks set to continue. Alongside addressing the global challenges of climate change and an energy transition, for ATC, we expect the integration of AI, automation and human expertise to support further improvements in safety and operational resilience. This future promises opportunities for our people and will see an evolution in all aspects of ATC including enabling optimal flight trajectories, dynamic configuration of airspace in response to traffic, integration of new airspace users and advanced simulations for training. Our role as a Board is to support these advances, steadily but carefully, with safety as the constant priority to ensure NATS continues to provide a safe, reliable, resilient air navigation service in the air and on the ground for the next 25 years and into the future beyond.

Ensuring a strong and effective safety culture is the foundation of our safety performance and is something the Board takes very seriously. At the root of the Safety Plan to 2035 is a culture where safety is seen as a priority and one where everyone feels comfortable reporting safety concerns. The safety culture is well-established, deeply embedded, and consistently reinforced by our leadership at all levels. This is essential to understand, apply, and uphold our safety behaviours across the organisation. A safety culture survey is undertaken every two years which enables the Board to understand how robust our safety culture is and to seek input from our people about possible improvements to further strengthen it. This year's survey highlighted a consistently strong safety culture with the key theme of "responsibility" achieving a 96% favourable score from employees. This demonstrates that our people understand why safety matters and the role they play in contributing to a safe operation.

Continuous improvement around safety culture requires ongoing attention. Critically, it is an essential enabler of achieving our key strategic goal of being relied upon by every airspace user and achieving our 2035 safety objective of no major safety incidents for which NATS is a material contributor.

In my 2025 report, I highlighted the opportunity for the group and the aviation sector from modernising the UK's airspace infrastructure over the next decade. Over this last year, the CAA and DfT completed their joint consultation on a new UK Airspace Design Service (UKADS) while the Government made important policy decisions on additional runways for airports serving London. While the latter remain subject to public consultation, this policy guidance provides the firm foundation that now enables us to make progress to improve the design of the airspace around London and the south. This will be a key national infrastructure project aligned with the Government's growth agenda that will ensure we can continue to meet the increasing demand for air travel with more fuel-efficient routes and enable new aircraft and journey types to operate. While infrastructure development is critical to meeting future demand, we recognise this investment will take some time to implement alongside our focus on the safe service which needs to be delivered every day.

Consultation with the CAA and stakeholders on an investable and financeable regulatory price control (NR28) that supports the transformation of the UK's airspace infrastructure is now underway. Our plan will set out our proposed service outcomes, costs and charges for NR28, balancing service delivery, affordability and ambition. Our goal is clear: to ensure that the air traffic control services we provide continue to be safe, resilient and secure in the face of growing demand and emerging challenges and meet the needs of airlines and their passengers.

For this reason, the Board continues to prioritise the group's resilience in the face of increased geopolitical uncertainty. We were deeply concerned by the conflict in the Middle East, with the safety of our people in the region the Board's overriding priority alongside our concern for our customers and partners. This conflict, and the ongoing Russia/Ukraine war, have restricted the international airspace network with airspace closures that had a knock-on impact to air traffic service provision here in the UK and across Europe. In addition, Europe has seen an increase in incidents involving aerial drone incursions into its airspace and near various airports which have posed further challenges. Over the past year, several prominent UK organisations have also experienced cyber-attacks, which have disrupted their operations. Accordingly, the company remains vigilant and frequently reviews its preparedness and response strategies in close partnership with relevant government agencies.

The Board has also had regard this year to resilience when investing in the infrastructure. In particular, we have approved the acceleration of a solution to replace the National Airspace System Flight Data Processor (NAS). NAS provides key information to our air traffic control units and this investment will ensure a safe and reliable service continues.

Our statutory profit for the year at £213.0m was slightly lower than the prior year's result (2025: £234.3m), reflecting the reduction in regulatory charges for our en route services. This result enabled the Board to pay a dividend of £69.2m (2025: £171.0m) in the year and a further dividend of £69.2m in May 2026, in line with its commitment to sustainable returns to shareholders aligned in the medium-term to NERL's free cash flows, after investment in operational resilience and the airspace infrastructure. As for the prior year, NSL's earnings have been reinvested to support the revenue growth strategy.

Chair's statement



The Board supports the actions taken by Martin Rolfe and his executive team to strengthen further the business' focus on strategic delivery. Organisational changes have combined the management of all aspects of day-to-day service delivery, for en route and airport ATC and sustaining the related infrastructure, while enabling separate teams to drive our revenue growth strategy and deliver the capital investment in new technology essential for meeting the growth in demand for air travel.

During the year, Alistair Borthwick stepped down as Chief Financial Officer and executive director to pursue an opportunity closer to home. Alistair made a significant contribution, particularly in steering the business through Covid which was an exceptionally challenging period for the aviation sector. I would like to thank him on behalf of the Board for his leadership and commitment and wish him every success in the future. Gary Franklin was appointed to replace Alistair, following a competitive selection process. Gary brings expertise and experience from across the group having worked in senior finance roles in both our economically regulated and commercial businesses, and I look forward to the contribution he will make.

Maria Antoniou retired from the Board after completing a nine-year term as a non-executive director. The Board thanks her for her service, particularly during the challenging years of the pandemic. Maria has been succeeded by Maria da Cunha who brings a breadth of industry experience which will be of great value.

I am encouraged that we have a clear strategy for the future and the right people in place to deliver it and look forward to making good progress in the year ahead.

Warren East

Sir Warren East CBE, FRS
Chair