

Scottish Government Aviation Strategy Consultation

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides details on the consultation by Scottish Government to help inform the development of an Aviation Strategy for Scotland.
- 1.2 Transport Scotland have recently published an on line discussion document, to help the Scottish Government, to develop an Aviation Strategy that realises their vision for aviation:

For Scotland to have national and international connectivity that allows us to enjoy all the economic and social benefits of air travel while reducing our environmental impact.

- 1.3 The following is a link to the document: [Discussion document to inform the development of an Aviation Strategy \(transport.gov.scot\)](https://www.transport.gov.scot/discussion-document-to-inform-the-development-of-an-aviation-strategy)
- 1.4 The consultation document, which was published on 18th October, sets out a number of questions, included within this report in Appendix A, and the deadline for responses is the 21 January 2022.
- 1.5 It is recommended that Members
- a) Note the proposed approach to raise awareness with Community Councils regarding the consultation with the offer that if they don't want to respond directly their response can be included within the Council's official response.
 - b) Approve delegated powers to the Executive Director with responsibility for Air Services and Economic Growth, to approve the final Council response to the Scottish Government Aviation Strategy Consultation, in consultation with the Leader, Deputy Leader and Leader of the main opposition.

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2.0 INTRODUCTION

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For Scotland to have national and international connectivity that allows us to enjoy all the economic and social benefits of air travel while reducing our environmental impact.

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2.4 The consultation document, which was published on 18th October, sets out a number of questions, included within this report in Appendix A, and the deadline for responses is the 21 January 2022.

2.5 The discussion document will be used as the basis for consultation with the aviation sector, business, tourism, local communities and others on how Scottish Government can achieve their vision. These discussions, alongside the responses to the online public consultation, will inform the future development of Scottish Government's Aviation Strategy.

2.6 The Aviation Strategy will then form the basis of the work that the Scottish Government and partner agencies undertake with the aviation sector and other relevant organisations to achieve their vision. As the Aviation Strategy will consider both short and long term goals, Transport Scotland will continue to adapt it in response to emerging trends and technological developments.

- 2.7 The Aviation Strategy will not consider the transport infrastructure needed to travel to and from the main Scottish airports as this is being covered in [Transport Scotland's Strategic Projects Review 2](#) .
- 2.8 Argyll and Bute Council currently subsidises air services to Coll, Colonsay and Tiree at a cost of £2.05M over a contract period of 4 years. A commercial air service is also operated to Islay on the back of the Public Service Obligation contract. Argyll and Bute Council also own and operate three airports Oban, Coll and Tiree at an annual cost of £700k.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that Members
- a) Note the proposed approach to raise awareness with Community Councils regarding the consultation, with the offer that if they don't want to respond directly, their response can be included within the Council's official response.
 - b) Approve delegated powers to the Executive Director with responsibility for Air Services and Economic Growth, to approve the final Council response to the Scottish Government Aviation Strategy Consultation, in consultation with the Leader, Deputy Leader and Leader of the main opposition.

4.0 DETAIL

- 4.1 The discussion document sets out the questions Transport Scotland would like responses on to allow them to develop the Aviation Strategy. These questions are enclosed within Appendix A.
- 4.2 The document asks for views on how Scottish Government can achieve their vision, focusing on the following key themes: aviation's transition to net-zero, Scotland's international connectivity, Scotland's domestic connectivity and air freight.
- 4.3 Officers are at present drafting a response to the consultation around the following key points:-
- a) Aviation forms a crucial, often lifeline, element of the transport network in many parts of the Argyll and Bute area. From the transfer of schoolkids in Colonsay and Coll to the transfer of patients and medical staff from all the islands and the most remote parts of the mainland to and from the acute hospitals within the central belt.
 - b) Ensuring that aviation policy prioritises support for those islands and regions where surface (sea or land) transport does not offer a competitive alternative to air links.

- c) Ensuring that the Scottish Government uses this welcome review of the governance and support of air services to consider alternative structures and funding mechanisms that can best deliver improved affordable connectivity. As the consultation highlights, we have a national operation model where 4 different bodies – Argyll and Bute Council, Orkney Council, Shetland Council and HIAL/Transport Scotland – support airports and Public Service Obligation air services, whereas a more coordinated and cohesive approach may realise reduced running costs (procurement, advertising, training, bundling of routes etc).

For example Argyll and Bute Council operate and subsidise a PSO air service from Oban to Coll, Colonsay and Tiree. Transport Scotland operate and subsidise a PSO from Glasgow to Tiree yet these services are procured in isolation from one another with no joined up approach.

Another example is our air service operator has to pay landing fees at Tiree airport (HIAL/Scottish Government owned) – these costs are met by the Council through the air services contract.

- d) Acknowledges the 2013 HITRANS Economic Air Route Development Report that concluded that the introduction of new services out of Oban airport to the central belt offered the greatest economic return for the west coast of Scotland.
- e) That services from Oban to the central belt and international airports of Glasgow would complement and mirror the air services supported to the south of Argyll by Scottish Government, from Campbeltown to Glasgow. Oban airport can easily accommodate the Scottish Government's Twin Otter aircraft that are utilised on the Scottish Government's routes from Barra/Tiree connecting to Glasgow. The Tiree and Barra flights to Glasgow all fly over Oban at present, without connecting, and this is seen as a missed opportunity.
- f) Local air services provide rapid connections to many of the most rural and isolated communities in Scotland and the key business user of the Argyll Air Services is the NHS. This is a critical resource for the NHS and also provides residents with enhanced access to medical services which cannot be provided locally. This is particularly significant in Argyll and Bute where 56%, or 26,000 referrals annually, are to hospitals in the central belt often requiring long journeys to an increasingly centralised NHS. Poor Transport connectivity leads to missed appointments or wasted journeys. Air services assist the NHS and other services and businesses to undertake visits to rural communities and transport patients and clients quickly to the mainland.
- g) That the strategy aligns with Rural Growth Deal plans for Oban Airport to develop a West Coast Unmanned Aerial Vehicle Innovation Logistics and Training Hub. The potential benefits of a West Coast UAV Innovation Logistics and Training hub will support the operations of **electrically** powered UAVs including cargo drone deliveries and other advanced air mobility use cases. Electric aviation is inherently green, and through combining with renewable energy can result in a no emissions form of transport. The vast majority of AAM aircraft use electric or hydrogen-based power, ensuring that the transport is clean, quiet and sustainable. Argyll and Bute Council is working in close partnership with

Skyports who has already been working with Argyll and Bute Health and Social Care Partnership (HCSP) to operate the UK's first medical drone delivery service. Over the course of three months in 2021, Skyports delivery drones flew 1000s of pathology samples between NHS facilities, flying over 14,000km and saving over 11,000 hours of sample waiting time.

- h) That the strategic significance of Oban airport located on the West Coast of Scotland and its ability to act as a hub is recognised, as proven during the Covid 19 pandemic when the military established a base at Oban Airport, from which the RAF Tactical Support Wing could serve the West Coast of Scotland from.
- i) The Council has for many years been urging Transport Scotland to undertake a national review of air services to investigate potential synergies between services which are currently operated largely in isolation by a range of different organisations. This was evidenced and came to the forefront in the recent response to the Covid 19 pandemic.

Scottish Government intervened and provided financial support to Loganair's commercial operations including services from islands such as Islay and Stornoway, to keep a skeleton air service operating.

Transport Scotland advised that they assumed Councils would continue to operate their PSO services as normal throughout the pandemic, without any additional support. Argyll and Bute Council's PSO services have only one aircraft and one pilot - should either fail there are no air services or air cargo routes to the islands of Coll and Colonsay (Islay and Tiree would still have Loganair air services). Loganair aircraft would require dispensation from the Civil Aviation Authority to land their aircraft at Coll and Colonsay due to the runway lengths on both islands.

During the pandemic, the Council converted their own scholar flights to cargo flights as part of the Covid crisis to support the islands of Coll, Colonsay, Tiree and Islay. These services were subsidised by the Council in their entirety.

Similarly decisions were taken by HIAL in isolation, relating to the restricted operating hours of their airports (Tiree and Islay) with no consultation on how this would impact on the Council operated and funded air services.

During the pandemic the Scottish Government appeared to focus on their own subsidised services and those operating commercially by Loganair (their operator). This resulted in a situation where there was in effect no air services during the month of May 2020 to Coll and Colonsay as the Council's subsidised operator's aircraft was grounded for maintenance.

- j) Sustainability of personnel for fire cover provision at islands airports is a significant issue with most islands having an elderly declining population. This factor jeopardises the sustainability of air services in the future.
- 4.4 HITRANS, the regional transport partnership which Argyll and Bute Council are a member of, have confirmed that they will be contacting Transport Scotland's

Aviation team undertaking the consultation and request that they host events to engage with key stakeholders prior to the submission deadline.

- 4.5 To raise community awareness and to publicise the Scottish Government Aviation Strategy Consultation, Council officers will be contacting all community councils to advise them of the consultation and also advising, the Council will include any responses or remarks they wish to make within the Councils official response. Officers are also working to raise awareness through a Comms press release and through Argyll and Bute Community Planning Partnerships.

5.0 CONCLUSION

- 5.1 Transport Scotland have recently published an on line discussion document, to help the Scottish Government, to develop an Aviation Strategy that realises their vision for aviation.
- 5.2 Argyll and Bute Council welcome the Scottish Government review of the governance and support of air services to consider alternative structures and funding mechanisms that can best deliver improved affordable connectivity.
- 5.3 Officers will formulate a response to the review that will also take into account any comments or issues local communities wish to raise regarding air services in Scotland.

6.0 IMPLICATIONS

- 6.1 **Policy** - Argyll and Bute Council provide PSO air services to some of our fragile island communities.
- 6.2 **Financial** – Argyll and Bute Council currently subsidises air services to Coll, Colonsay and Tiree at a cost of 2.05M over a contract period of 4 years. A commercial air service is also operated to Islay on the back of the Public Service Obligation contract. Argyll and Bute Council also own and operate three Airports Oban, Coll and Tiree at an annual cost of £700k.
- 6.3 **Legal** - Tenders for Public Sector Obligation air services must be compliant with EC regulations.
- 6.4 **HR** - None
- 6.5 **Fairer Scotland Duty:**
 - 6.5.1 Equalities - protected characteristics - Argyll Air Services support equality of access to opportunities for residents and businesses on the islands of Colonsay, Islay Coll and Tiree.
 - 6.5.2 Socio-economic Duty - Air services provide connections to rural island communities primarily for scholars but are also used by public and private sector services e.g. NHS, ABC, Housing Associations.
 - 6.5.3 Islands - Argyll and Bute Council provide PSO air services to some of our

fragile island communities.

6.6. **Risk** – Opportunities are not realised by Scottish Government within the review for the governance and support of air services to consider alternative structures and funding mechanisms that can best deliver improved affordable connectivity.

6.7 **Customer Service** - None

**Executive Director with responsibility for Development and Economic Growth,
Kirsty Flanagan**

Policy Lead Councillor Robin Currie

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APPENDICES

Appendix A Scottish Government Aviation Consultation Strategy Questions

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1. What more, if anything, should the Scottish Government and industry do to accelerate the transition to low/zero emission aviation?
2. What can the Scottish Government do to help increase the use of sustainable aviation fuels?
3. What do you think the Scottish Government can do to help ensure a just transition to net-zero for the Scottish aviation sector?
4. Considering the future challenges and opportunities, what changes, if any, should we make to our approach to help achieve our aim for international connectivity?

Priority	Short haul	Long haul
1	Germany	USA
2	France	China
3	Netherlands	Canada
4	Italy	Australia
5	Norway	Japan
6	Spain	
7	Switzerland	
8	Belgium	
9	Sweden	
10	Ireland	

5. Do you agree with the priority countries for short haul and long haul set out in the table above?
 - a. Yes
 - b. No
 - c. Don't know
6. Which other countries should we focus on in the:
 - a. Short term (next 2 years)
 - b. Medium term (2-5 years)
 - c. Long term (5 years plus)
7. How do we incentivise the use of more efficient aircraft, whilst still ensuring that we secure the routes Scotland needs?
8. What do you think about the idea of the Scottish Government purchasing new zero emission aircraft to lease to any airline operating routes in the Highlands and Islands?
9. What else can the Scottish Government do to achieve its aim of decarbonising scheduled flights within Scotland by 2040?

Less Demand for air services	Same level of demand for air services	More demand for air services
<ul style="list-style-type: none"> • Greater use of video-conferencing and other technology • Telemedicine • Focus on higher spending tourists rather than volume • Improved facilities on islands • High speed rail • Medical supplies and post delivered by drone • Improvement in ferry provision and/or fixed links 	<ul style="list-style-type: none"> • Around the same number of people living and working in the Highland and Islands • No changes to current travel patterns • No changes to how goods are transported 	<ul style="list-style-type: none"> • More people living and working in the Highlands and Islands (e.g. because of growth of the energy sector, more home and remote working, more small business start-ups etc.) • More tourists • Lower costs as a result of using electric/hydrogen aircraft • Modal shift from ferry to plane • More goods transported in belly hold/ dedicated air freight

10. What air services do you think are needed to meet the needs of people living in and visiting the Highland and Islands in the scenarios set out above:

- a. less demand for air services
- b. same level of demand for air services
- c. more demand for air services?

11. Most air services in the Highlands and Islands are delivered on a commercial basis. How can the Scottish Government best work with the private sector to deliver the air services you think are needed?

12. How effective do you think the Air Discount Scheme has been at addressing high airfares?

13. How can the Scottish Government improve the Air Discount Scheme?

14. What do you think about complementing the current operating model with an on demand service, such as air taxi?

15. What do you think about an open charter service?

16. In addition to on demand and open charter services are there any operational models you think could be used? If so, what?

Operator	HIAL	Shetland Islands Council	Orkney Islands Council	Argyll & Bute Council
Airports	Barra	Fair Isle	Eday	Coll
	Benbecula	Foula	North Ronaldsay	Colonsay
	Campbeltown	Out Skerries	Papa Westray	Oban
	Dundee	Papa Stour	Sanday	
	Inverness	Tingwall	Stronsay	
	Islay	Whalsay	Westray	
	Kirkwall			
	Stornoway			
	Sumburgh			
	Tiree			
	Wick John O' Groats			

17. What are the strengths and weaknesses of the operational model set out in the table above?

18. What changes, if any, do you think should be made to these governance arrangements to improve services?

19. What changes, if any, do you think should be made to these governance arrangements to reduce running costs?

20. Do you think the Scottish Government should encourage airlines to offer plane- plus train tickets?

Yes / No / Don't know

21. If yes, how do you think the Scottish Government could best do this?

22. What more, if anything, do you think the Scottish Government can do to help promote efficient and sustainable airfreight transport?

23. What else do you think the Aviation Strategy should try to achieve?