

Minutes of the Cross-Party Group on Aviation

Date: 3rd December 2019

Time: 6pm – 8pm

Venue: Committee Room 4, Scottish Parliament

MSPs attendees:

Stewart Stevenson – Co-convenor

Bill Bowman – Group Member

David Stewart – Co-convenor

Edward Mountain

Beatrice Wishart

Non MSPs attendees:

John Davidson - Ab Initio Aviation for schools

Daniel Smith – AstroAgency

Janice Hogarth – SPAA

Roddie MacPhee – Barrhead Travel

David Paterson – Flybe

Graeme Bell - Inverness Airport, HIAL

Greg Maxwell – Edinburgh Airport

Steve Graham – NATS

Gordon Bingham – Global Trek Aviation

Phill Rawlins – Martyn Fiddler Aviation

James McColm

Mike Parker – Parliamentary Researcher

Lisa Childs – Heathrow Airport

Christie Rawlings – Heathrow Airport

Louise Urquhart – Mott Macdonald / British Aviation Group

Warrick Malcolm – ADS Scotland

Konrad Zadecki – ADS Scotland

Agenda Item 1 – Welcome and apologies

Stewart Stevenson MSP welcomed everyone to the meeting and accepted apologies.

Agenda Item 2 – Approval of minutes from previous meeting and matters arising

Minutes from the previous meeting has been accepted.

Matters arising: Update on wording on Group name change to include space sector ‘Cross-Party Group on Aviation and Space’ has been assigned to co-convenors.

Agenda Item 3 – Heathrow Airport – an update

Christie Rawlings, Head of External Affairs, Heathrow Airport and Lisa Childs, Senior External Affairs Manager, Heathrow Airport presented an update on Heathrow expansion, Heathrow’s Memorandum of Understanding with the Scottish Government and how Heathrow Airport is responding to the climate challenge.

Context:

Heathrow is the UK's busiest airport and account for nearly 75 per cent of long-haul flights, as well as being the UK's largest port by value for trade with countries outside the EU and Switzerland. However, while competitor hubs across Europe are continuing to grow, Heathrow remains at 98 per cent capacity.

Expansion:

Expansion plays a great role in company's growth and will play a major part in London's future success and strengthen the city's global connectivity and collaboration.

Two major consultation launched:

1. Airspace and future operations
2. Airport Expansion Consultation

Recognising the scale of the project Consultation Report which will be produced setting out details of the feedback received and how it has been considered in the development of application followed by 18-month process of examination

Strategic case for expansion:

There are more departures to Heathrow from Scottish airports than to any other airport in London. Heathrow provides 70 'unique' one stop connections between Scotland and the rest of the world. Creation of tens of thousands of jobs in every corner of the UK.

Scottish commitments & progress

- The creation of up to 16k new jobs across Scotland with expansion
- A logistic hub in Scotland
- £200m of construction-related spend in Scotland during planning and construction
- An annual procurement event in Scotland

Decarbonisation & climate change

Since 2017 fully on renewable energy

Recognising that Heathrow delivering Carbon neutral airport operations by 2020 and Zero carbon airport operations by 2050

How Heathrow can support industry to decarbonise?

Sustainable Aviation Fuel as a way forward – key part to play for airlines.

Industry ambition achieved by:

1. Government support
2. Establishing Office for Sustainable Aviation Fuels
3. Setting a Mandate to unlock supply
4. Policies to stimulate growth and production
5. Cost between fossil fuels and sustainable fuels narrowed
6. Reforming landing charges

Huge opportunity to give consumers new options to offset with research showing: 94% of passengers care about the environment.

Following the presentation, a number of questions have been raised in relation to historically lost connections and how do we enforce routes not to be cancelled.

- Heathrow Airport has committed to domestic routes should this be a planning condition.
- APD has also been highlighted and Heathrow Airport concluded that APD does need a review.

Agenda Item 4 – Opportunities in aviation and airport development and operations growth

Louise Urquhart, Deputy Chair, British Aviation Group - Scottish Region gave a presentation on British Aviation Group and opportunities.

The British Aviation Group (BAG) is the leading representative body for UK companies involved in the airport and aviation development sector.

- Over 200 member companies, about half being SME
- Helping UK companies win business in airport and aviation developments
- Helping clients identify UK suppliers of goods and services to meet their needs.
- Enable collaboration where appropriate
- Regional structure with Scottish Group established March 2019

Louise Urquhart highlighted benefits that BAG can provide including:

- Early stage opportunity identification / scoping / qualification
- Market / opportunity prioritisation
- Engaging UK supply chain
- Raising profile of opportunities
- Understanding UK capability (strengths and weaknesses)
- Identifying interested companies / consortia
- Sharing intelligence
- Positioning with prospective clients
- Inward / outward missions
- Engagement in wider industry events
- Promoting UKEF offer

Louise Urquhart provided overview of the Scottish market with known short term activities across Glasgow, Edinburgh, Aberdeen and Inverness airports; UK supply chain overview covering the whole lifecycle, programme and activity breakdown together with capability mapping by market

Ambition for BAG's Scottish Group has been highlighted as follows:

- Four meetings in 2020 with one in Aberdeen or Inverness
- A range of speakers including UK / Scottish Government representation e.g. DIT, Transport Scotland, Scottish Enterprise etc
- Increase in Scottish Membership
- Focus on some of the key industry challenges e.g. sustainability, security, passenger experience, digital technology
- Build a network of information amongst consultants, contractors and suppliers about the aviation industry in Scotland
- Expand on the opportunities to export Scottish skills beyond Scottish borders

Agenda Item 5 - Thomas Cook collapse – impact and market perspective

Roddie McPhee from Barrhead Travel provided market overview following Thomas Cook collapse with key points noted:

- Repatriation program went well
- Impact on ATT fund have been dramatic

- Big impact on third parties
- 2.3m seats off the market
- Procuring seats might be difficult for smaller operators
- Hays Travel taken over Thomas Cook staff and stores

Agenda Item 6 - Next meeting

The next meeting has been scheduled for 4th March 2020

The meeting ends