

Memorandum submitted by Martin Evans, Visiting Fellow, University of Glamorgan Business School

Executive Summary

- 1.1 The provision of airports outside of south-east Wales needs to be examined.
- 1.2 The route network at Cardiff Airport needs to be developed in particular connections to major hubs.
- 1.3 A strategic study of air transport in Wales needs to be undertaken.
- 1.4 A strategy to increase inbound tourism needs to be developed.
- 1.5 Dialogue between airports, airlines and Government needs to be improved.
- 1.6 Robust independent data for passenger demand from Wales needs to be prepared.

Background

2.1 Martin Evans is a Visiting Fellow at the University of Glamorgan Business School. He has undertaken a number of research and consultancy assignments for the Welsh Government and for the private sector.

How important are Welsh Airports, both to the economy of their regions and to Wales as a whole?

- 3.1 Cardiff Airport is the only airport offering scheduled services in south Wales. The only other airport in Wales offering scheduled services is Anglesey Airport which offers a service to Cardiff and a seasonal service to the Isle of Man
- 3.2 North-east Wales is served by airports in England at Liverpool and Manchester. The provision of surface links to these airports from north Wales is very important. Rail services from north Wales to Manchester Airport are not part of the Wales and Borders franchise but are provided by Arriva Trains Wales on a commercial basis.
- 3.3 The provision of the civil terminal at Anglesey Airport is important for the economic development of Anglesey. However, apart from the seasonal service to the Isle of Man, there have been no additional services commenced since the Cardiff/Anglesey service which is operated under a Public Service Obligation. If the Public Service Obligation wasn't renewed (i.e. if there was an improvement in the journey time between Cardiff and Holyhead by train), then Anglesey Airport would be at risk of closure.
- 3.4 South-west Wales is remote and peripheral when considering access to air services. It is remote from the nearest airport offering scheduled services, Cardiff Airport but taking into consideration the deficiencies in the route network at Cardiff many passengers from

south-west Wales will access air services through an airport in England involving a surface journey of up to five hours.

3.5 The economy of south-west Wales could undoubtedly perform better if there was better access to air services. It would become a more attractive business location, those businesses already located there could better serve customers in other parts of the UK and Europe. The tourism industry would benefit from the higher spending tourists that are brought by air travel.

3.6 Cardiff Airport serves a catchment area that includes Cardiff and the Vale of Glamorgan, areas where the population has a high propensity to travel but also includes parts of south Wales outside of these areas where the propensity to travel is much lower.

3.7 Historically, there has been a high demand for air services for outbound passengers during the Summer but lower demand for services during the Winter.

3.8 The low number of destinations served has led to large numbers of passengers choosing to access air services from airports in England.

3.9 Passengers from Wales travelling from airports in England takes employment out of Wales.

3.10 The lack of route development at Cardiff Airport makes Wales seem remote and peripheral.

3.11 The lack of connectivity through major international hubs makes south Wales an unattractive location for international businesses. Amsterdam is well served but Paris is only served once a day and the important international hub of Frankfurt is not served at all.

What factors limit realisation of the potential offered by Welsh airports; what opportunities are available to develop this potential; and how can these be realised?

4.1 To develop one of the airfields in south-west Wales to offer scheduled services would require both capital investment and revenue support that is not available from either private or council owners. This support could only be provided by the Welsh Government.

4.2 The route network at Cardiff could be improved if the potential of south Wales as a destination for inbound tourists was better exploited. Tourism is already an important industry for Wales, the tourism infrastructure already exists and yet tourists are not encouraged to arrive here by air.

4.3 Welsh Government marketing needs to be better focussed to both attract new airlines and support inbound tourism for those routes that already exist.

4.4 The mechanism for dialogue between airports, airlines and Government needs to be improved. The Government needs to have a consistent approach to the development of airports and what it can offer to airlines.

4.5 The Government needs to have independently produced passenger forecasts to underpin the marketing of new route opportunities to airlines.

How effectively do Welsh Government policies support the development of Welsh airports?

5.1 The Welsh Government has not undertaken any policy work in this area since the Intra-Wales Air Services study which only examined internal air services, not external connectivity.

5.2 There has been no strategic study into where air services are needed in Wales, what air services are needed and what is the best way to provide them?

5.3 Because of the lack of developed policy in this area, the Welsh Government develops policy on an ad-hoc basis. This can lead to inconsistent messages coming from Ministers that leads to uncertainty for airports and airlines.

5.4 Marketing support has been provided to airlines to develop new routes but there needs to be a better understanding of which routes are important for Wales so that marketing can be better targeted.

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