

PE1804/FF

Highlands and Islands Airport Ltd submission of 10 December 2020

We are aware that the Committee will sit again on 16 December to consider the further submissions relating to the above.

Having read all of the submissions we feel that further clarification will assist the committee with its deliberations.

In the first instance, the modernisation programme is not something that HIAL has gone into lightly. The fundamental purpose of air traffic control is safety and our number one priority in making these changes is also safety.

New technology is improving the resilience and safety of air traffic management systems around the world and we must act now to modernise our operations to ensure they are safe and sustainable for passengers for decades to come. The investment in new systems is absolutely critical to a viable future for our network and the lifeline transport services that rely upon it.

There has been a detailed programme of studies, reviews, and independent approvals since December 2017 and we include a summary of these below for your information:

- December 2017: Air Traffic Management Technical Scoping study undertaken by Helios Consultancy group presented to HIAL Board. HIAL Board authorise recommendation for next stage approval.
- January 2018: HIAL receive approval to proceed with the Air Traffic Management Strategy (ATMS) Programme from the Transport Minister.
- July 2018: ATMS Programme Board established. Board membership includes Transport Scotland, Non-Executive member from the HIAL Board and the full-time Prospect Union Officer.
- July 2018: Consultancy group Ekos study on the optimal location for the centralised facility published. Having been consulted, staff expressed a preference for Inverness – were they to relocate.
- September 2018: ATMS Programme Director appointed.
- January 2019: The ATMS Programme delivery team in place.
- July 2019: FarrPoint Study to explore HIAL ATC airport digital connectivity status completed and published.
- October 2019: ATMS feasibility and options process to validate Helios conceptual study completed and ATMS Business Case approved by HIAL Board for decision by Transport Scotland Investment and Decision-Making Board.
- December 2019: ATMS Business Case approved by Transport Scotland Investment and Decision-Making Board.
- December 2019: HIAL Board approval to proceed with ATMS Programme delivery.
- June 2020: Detailed review of ATMS programme undertaken by new HIAL Board, who endorse previous decisions.

As a further independent review, we are currently working with the Digital Assurance Office Directorate of Internal Audit and Assurance and have time scheduled in January 2021 for an objective 'health check' on the programme.

Our extensive consultation with the various local authorities and stakeholders has raised the issue of reliable air connectivity in the context of Highlands and Islands air services as essential elements of the Scottish transport infrastructure, facilitating essential lifeline island activities.

HIAL's Air Traffic Management Strategy aims to provide a foundation stone to address a number of industry wide structural deficits which, if left unaddressed, will compromise these lifeline activities.

As other contributors have noted, there is general agreement between our air traffic teams and their Trade Union Representatives on the need for a modernisation programme, and there are no alternative proposals for air traffic services which provide the all-encompassing solution of HIAL's current strategy.

The structural deficits were detailed in our earlier submission dated 29 October 2020, and include ageing operating models and infrastructure, the need to improve resilience, staff recruitment and retention and a changing legislative framework. Our modernisation programme seeks to address all of these issues, not least the resilience challenge. The current pandemic has highlighted this fundamental fragility of the current model of operation.

Once again we absolutely refute any allegation of a reduction in safety. Very simply, our Board, Transport Scotland, or indeed the CAA as industry regulator would not permit any development which compromised safety. We would once again encourage the Committee to seek the views of the CAA in this regard.

We absolutely recognise the personal impact of the programme on those affected and profoundly regret any disruption or distress this may cause. We are working with our teams to provide the best possible mitigations to the concerns that have been raised.

The submissions from those opposing the modernisation programme are heartfelt and passionate and we expect nothing else having discussed the matter extensively with the local teams. However, ATMS is not something that HIAL 'wants' to do – it is something that HIAL 'must' do. Unless we modernise and move forward with the programme, we cannot guarantee air connectivity for the Highlands and Islands into the future.

Finally, once again as part of our consultation, various parties have indicated their belief that this is a cost saving centralisation. It is not, our manning levels will not drop and the costs involved to future-proof service provision will exceed the standstill position.

We know all too well that this is a complex and emotive issue. We have no doubt that the Petitions Committee will consider the matter thoroughly, but having made the offer to present our case to you directly, we make that offer again. In the event that you are unable to meet with us, we make the same offer to the Rural Economy and Connectivity Committee.