



18 December 2020
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Please respond to:

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To: UK Government
by email: ucr@dft.gov.uk

Dear Sir/Madam

DSG response to UK Government consultation: Assessing the need for cross-border connectivity.

The **Dounreay Stakeholder Group** (DSG) is represented by over 20 organisations and therefore this response is one that is generally agreed by most organisations. However, there are some organisations, who may not agree entirely with this submission and therefore have been encouraged to provide their own response.

The DSG welcomes the opportunity to respond to this consultation.

1. If you represent a place, what is your current strategy for growing the economy and improving the quality of life there?

The strategy and vision within the Caithness & North Sutherland (C&NS) area is: "To maintain and if possible to increase the GDP of the Dounreay travel to work area by actively working to promote existing employment, encourage new employment and promote the area as an attractive location in which to live and work"

The CN&S has an informal partnership – Caithness & North Sutherland Regeneration Partnership (CNSRP) – consisting of a number of agencies/organisations was set up to mitigate the rundown of the Dounreay nuclear site that the community has been supportive of over the past 60 years. The CNSRP focus on a range of major projects and enabling activities to support the co-ordination of a regional response to the eventual loss of 1000 direct jobs and those supported within the local supply chain.

Our geographical access that the region has to assets that are strategic in nature includes energy and aerospace and we were delighted when the announcement was made for Space

Hub Sutherland as an example of how our area can transition from nuclear into other high tech industries.

a) What is necessary to achieve this strategy and what evidence do you have that improved connectivity is needed in this instance?

The most important issue for our location is improved transport connectivity which we believe will support the future plans for economic development. As one of the most geographically remote communities on the UK mainland transport has and will continue to play a key role in enabling the economic plans for our area.

As such, we have been extremely supportive of the Caithness Chamber of Commerce's business case for improved air connectivity to/from Wick/John O'Groats airport into the UK's strategic aviation network. A fully developed PSO business case has been made to develop this in routes from Wick to Aberdeen and to Edinburgh. It is estimated that the PSO to both Aberdeen and Edinburgh could support the generation of around £5million per annum in economic benefit for the region and therefore is an essential part of the fabric to allow the region to transition and grow. The airport is integral to supporting a number of key workstreams including (but not exhaustive to):

- Space Hub Sutherland: a vertical launch facility.
- Offshore wind – there has already been a significant investment in offshore wind with established windfarms (Beatrice, Moray East and Moray West) and with new leasing rounds envisaged it is estimated that this would contribute around £8billion of 'green energy' investment.
- The area also is home to the current MeyGen tidal array with plans to expand and is estimated to have the ability to creation over 5000 full time jobs.
- Significant development of harbours is ongoing at both Wick and Scrabster that aims to capture economic activities including tourism, renewable energy and oil & gas.

The area's need for improved transport connectivity is essential and this includes the delivery of a PSO for the airport which would allow the development of a significant strategic UK assets and, as importantly, enable the targets for net zero carbon future to be delivered.

2. Please provide any information you hold about current multi-nation journeys within the United Kingdom.

N/A

3. In general terms, is there a need for new or improved transport links between the nations of the United Kingdom?

The airport currently has no flight operators (non-Covid related), hence why the PSO business case was established as the market failure had been predicted. As there are no current air services those wishing to access this to the rest of the UK have no other option but to drive 2.5 hours to Inverness and then connect by air from there. The business case for the PSO predicted a range of business impacts as a result of this, including additional costs when including additional travel time, overnight stays and reduced productivity. Being on the mainland but in a remote location appears to be something that does not appear to be in the thinking of others – by not having connectivity direct from our area will result in significant economic impacts. It appears that the islands have an advantage with flights from both Orkney and Shetland continuing to allow island connectivity yet our location on the UK mainland appears to be a disadvantage.

4. What are the main obstacles and challenges in improving transport connectivity between the nations of the UK?

Our biggest employer is the Nuclear Decommissioning Authority (NDA) who owns the nuclear site at Dounreay that is currently under decommissioning. Improved transport between the nations is an essential part of our economic well-being alongside completing the nuclear mission of decommissioning both Dounreay and Vulcan (MOD) sites.

5. What evidence exists to demonstrate the potential impacts of improved transport connectivity between the nations of the United Kingdom?

It stands to reason that good connectivity allows for greater business exchange and in the light of strategic projects such as the space port being identified connectivity will be essential to allow our area to have a competitive business level playing field.

6. When making transport investment decisions that aim to improve connectivity between the different nations of the UK, does the current appraisal framework capture all the potential impacts?

It appears to us that current appraisal models are well suited to major, strategic transport development but does not work as well when considering rural areas.

Opportunities for improved transport connectivity between the nations of the UK

7. Which specific journeys would benefit from new or improved transport links?

As the Chamber's well developed business case for a PSO has identified the Wick – Edinburgh/Aberdeen is vital for our area. In turn these have good onward connections to London/Manchester.

a) What would be the benefits of improvements to these specific journeys?

Full details of potential benefits of improved transport services is well set out in the PSO business case for Wick/JOG airport. It must be noted here that business flights are important

given the 2.5 hours it takes to drive down to Inverness and equally the trains from Inverness to Caithness are not best placed for business travel with approximately a 3.5 hour journey.

Our area is one of the most geographically remote communities on the UK mainland. This in itself brings with it a range of social and demographic issues not seen elsewhere in the country. Our local authority (that covers the whole of the Highlands) estimate that if there are no interventions made to address some of our challenges then the population is likely to decrease substantially over time.

Investment in air services from Wick to Aberdeen/Edinburgh and beyond would help to address many of these demographic challenges and address the balance of a fair level playing field with other areas and the islands.

We believe that investment in our airport now can play a huge part in trialling zero-emission aviation for a greener future allowing a relatively small but key airport to play its part in supporting the green challenge by using this as a test and trial for new technologies.

b) Are you aware of any work that has been done to assess the need or feasibility of improvements to all or part of these specific journeys?

Yes – the Caithness Chamber of Commerce has presented a robust business case for the establishment of a PSO for the airport and we would urge UK Government to consider this business plan alongside Scottish Government to ensure a positive response to a community who is fighting for an economic future.

c) How would the costs and benefits of the identified improvements be distributed?

The PSO business case goes some way to providing costs and benefits. It must be recognised here that where in one part of the country the creation of (say) 10 jobs would not make an impact (say in the central belt of Scotland) but would make a massive impact in our community and therefore comparing impacts on a like for like basis cannot be measured adequately.

d) How will demand for these journeys change in the future?

The airport was not operating well prior to Covid-19 and obviously C-19 has had an impact across the whole of the UK. For all the reasons stated above it is highly likely that air travel would be the preference for business thus reducing travel time, overnight stays and provides Caithness & NS with an opportunity to market the airport to ensure the message that we, as an area, is open for business can be realised. We believe with a PSO model and with funding already tentatively agreed by some CNSRP partners the demand would be significant (in terms of comparing like with like). The PSO business case sets out the likely demand for business travel and having a PSO we believe it would open up the potential for commercial and tourist flights taking further advantage of our beautiful North Coast 500 tourism route.

e) In your opinion, what is the preferred means by which to improve these journeys?

As made clear within this submission our preference is to ensure our air connectivity is robust. While we appreciate the trains and road routes both have disadvantages in relation to journey time for businesses adding further costs to associated travel.

f) What would be the environmental impact of improving these journeys in the way that you have identified?

If the PSO for the airport was done correctly with both Governments working actively to ensure this then we believe with the right technology we could become the testbed for alternative methods of air travel thus proving new technologies on a small scale prior to these being rolled out to bigger airports.

8. Is there a need for the development of a national strategic transport network to replace the European Trans-European Transport (TEN-T) network following the end of the UK-EU transition period?

N/A

Connections to Northern Ireland

9. With reference to the unique geographical position of Northern Ireland, please set out how best to improve cross-border transport connectivity with other UK nations

At the Dounreay site there is one Irish company supporting the decommissioning mission of the site. At present transport connectivity must surely be costing this company a fortune which in turn is passed to the public purse through the decommissioning contracts. Having greater connectivity between Wick/JOG and more regional airports would support the connectivity of Northern Ireland into rest of UK and to the smaller regions where there is work for them to bid for.

10. Other than geographic, are there any other specific restrictions to improving connectivity between Northern Ireland and other UK nations?

N/A

Sent electronically without signature

Struan Mackie
DSG Chairman