

Report to Partnership Meeting 13 April 2017

EUROPEAN PROJECTS

SPARA 2020 Project Report



Northern Periphery and
Arctic Programme
2014-2020



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Purpose of Report

To provide Members with an update on the SPARA 2020 INTERREG IVB Northern Periphery Programme project that has secured funding from the Northern Periphery and Arctic Area INTERREG Programme with HITRANS as Lead Partner.

Project Overview

Smart Peripheral and Remote Airports (SPARA2020) is a 3 year, €2.4 million Northern Periphery and Arctic Programme Project, designed to address the challenges facing peripheral & remote airports. These airports are economically vital, providing accessibility & connectivity to residents. However, with low traffic volume, strong seasonality challenges and ageing aircrafts, these airports suffer relatively higher costs of operating safely & compliantly, and inevitably require state subsidy/intervention. SPARA aims to maximise revenues at these peripheral & remote airports, and increase their self-sufficiency and resilience long-term.

The Northern Periphery and Arctic Programme 2014-2020 is co-funded by the ERDF, and more generally aims to help peripheral and remote communities on the northern margins of Europe to develop their economic, social and environmental potential. SPARA2020 has been designed both to address the region's needs, but also to explore issues that have resonance beyond Northern Europe, and to develop outputs that will deliver enduring benefits after the project concludes in May 2018.

Project Partnership

HITRANS is the lead partner of the project. Other Scottish partners include the University of the Highlands and Islands and Robert Gordon University, whilst Sweden is well represented with Trafikverket (The Swedish Transport Administration), Sundsvall Timrå Airport and Storuman Municipality. The Northern Western Regional Assembly (NWRA) of Ireland will represent airports such as Donegal and Ireland West (Knock) in the project, and Molde University in Norway and the University of Sydney in Australia are also project partners.

Project Activities

The Highlands and Islands area will benefit significantly, as all Scottish activity in the project will have a focus in the region.

The project includes work on Innovative Technologies to improve airport performance and control cost. These involve a close examination of Remote Air Traffic and Remote Security technologies, as well as distributed training, benefitting from broadband and communication technology advances. With the support of Eurocontrol, the project will also examine the business case for Airport Collaborative Decision Making (lite), as suited to the smaller airport (and budget) context.

Mindful of aviation's carbon footprint, two work strands have been developed to foster more sustainable energy use in the sector. Low carbon fuel airport surface access demonstrator trials are being developed by HITRANS, in partnership with their member Councils, Energy Savings Trust and Highlands and Islands Airports at airports in the Highlands and Islands. These are designed to be low carbon exemplar projects on how to decarbonise links from the airport to its local population centre, and will include support for electronic bus operation on airport services, EV car hire and EV / Hybrid Taxi roll out to serve airports. The business case for offering biofuels to incoming aircraft at the region's airports will be examined in some detail, learning from some pioneering work at Karlstad Airport in Sweden.

Based upon the recognition that the performance of many peripheral airports' scheduled traffic is structurally constrained by their small catchment size, significant budget has been assigned to examining non-aeronautical sources of income and diversification of roles for these facilities. A whole gamut of possibilities will be examined and best practice will be publicised and disseminated, and some more in depth pilot projects will be undertaken. Optimising an airport's role as an employment cluster will be explored extensively. The location selected for these activities are Ireland West (Knock), Donegal, Inverness and Oban. HITRANS are working with the Northern Western Regional Assembly (who are leading this work package) to conduct Audits of the four airports and identify suitable pilot projects for implementation.

The project will also examine in some detail the distinct socio-cultural role that airports play in the Northern Periphery and Arctic area, and to refine and improve economic impact assessment methodologies of SPARA airports, with a view to better guide future public investment. This includes studies led by RGU at airports in Ireland, Scotland and Sweden.

Project Progress

Low Carbon Solutions

HITRANS are exploring low carbon car hire and car club opportunities, low carbon taxi pilot projects & electric bike hire at airports in the Highlands and Islands. HITRANS is currently working with Energy Savings Trust, HIAL and E-Car Club to support the implementation of EV charge points at Highlands & Islands Airports, with the aim that SPARA assistance can support additional charge points and increase EV usage across the region.

At present, HITRANS are drafting a lease agreement with HIAL and E-Car Club to enable the installation of fast chargers at airports in the HITRANS and NPA area to facilitate E-Car Club services. Assisting E-Car Club with these charge points ensures that this service is brought to remote and peripheral airports, providing the public with low carbon surface access to & from airports. HITRANS are also looking at the possibility of combining with EST funding to implement several rapid chargers at airports to facilitate EV taxi fleets.

HITRANS is also planning to install electric bikes at Barra Airport, with application to other airports, including Tiree and Benbecula, if successful.

Non-Aeronautical Services

HITRANS has been working closely with Irish partner NWRA on progressing the Non-Aeronautical Services work package. ALG were awarded the contract to perform audits of 2 airports in Scotland (Inverness and Oban) and 2 airports in Ireland (Donegal and Ireland West Knock), to examine how public service airports are managing their current non-aeronautical activities, and identify opportunities to diversify income. NWRA are now compiling best practice non-aeronautical activities from airports across the NPA programme area, and have identified pilot projects to implement and evaluate at these airports. The Inverness Audit is also due to commence later this month, with completion expected by 31st May 2017.

Technology-Driven Solutions

Trafikverket have now produced a first draft of their SPARA Roadmap. The aim of the report is to reflect developments in technology & innovation, and help influence change across the industry to enhance the sustainability of airports that are often critical community resources.

Trafikverket have explored the opportunities and challenges facing these peripheral & report airports, with the roadmap intended for airport & policy makers to support the medium and longer term developments of the sector.

Storuman have been focusing their efforts on the setup of pilots, negotiating with different possible financiers and partners, both outside and within the SPARA project. Hemavan Airport has been selected as the site for pilots, including A-CDM lite, Remote Tower, and Remote Security/Check-in.

Sundsvall has contributed their knowledge on the Basic Airport Model, Remote Tower Control technologies, remote training needs and bio fuels, and hosted one of the SPARA partner meetings – demonstrating their cutting edge technical solutions in relation to air traffic and security services.

UHI are exploring remote training needs at peripheral and remote airports, and have identified themes for intervention following interviews with regional airports discussing remote training needs.

Enduring Innovation Network

UHI are continuing their work on developing the Smart Peripheral Aviation Network (SPAN), preparing a business case to support the creation and development of the network. The SPAN newsletter is distributed to over 300 contacts with a respectable 16% open rate. Interested parties can sign up to SPAN newsletters and keep up-to-date on project progress on the SPARA website: <http://spara2020.eu>

Social, Cultural & Economic

RGU are leading on the research into the social and cultural importance of remote airports. RGU have held data gathering exhibitions at Donegal, Sundsvall and Skye Airport, with possible plans to visit a Norwegian Airport. Work has also commenced on the development of resources for bespoke stakeholder and public engagement strategies.

Molde University College and Sydney University have developed, through liaison with UHI's Economic Intelligence Unit, a web-based questionnaire for their benchmarking analysis. Contacts have been established, and the benchmarking survey is now live. Seven responses

have been received so far, with 50 others committed to giving data. Airports are now being contacted by telephone, and results are expected by mid-May for the next Partner Conference.

Partner Conferences

Our next SPARA Partner Conference will be hosted by NWRA and held in Knock, Ireland, from 15th-17th May 2017. Partners will be staying in the scenic Carrick-on-Shannon, and will have the opportunity to tour Knock Airport on the day of arrival, along with a presentation from airport management. The conference will focus on workshops and collaborations between work packages, shared learning and experiences so far.

SPARA conferences allow partners to witness first-hand the challenges & innovative solutions being implemented at these remote & peripheral airports, that will help to shape work locally and address the shared challenges faced across the NPA area.

Major Budget Change Request

Representatives from HITRANS, Sundsvall, Storuman, SENSEC and RGU recently met with our Desk Officer Kirsti Mijnhijmer & Head of Secretariat Ole Damsgaard at the NPA Offices in Copenhagen to discuss the ongoing major budget change.

Sundsvall, though having a significant budget allocated, do not lead any particular work package; the logic being that they were interested and supportive of every work strand. Sundsvall therefore are prepared to release some of their allocated budget to specific work packages that are making significant progress.

Sundsvall have been particularly supportive of WP5 (Technology Solutions), especially as they have themselves been pioneers in the Remote Tower pilot project (even prior to SPARA2020). All proposed changes will be used in strengthening the outputs of the Technology Solutions work stream.

The Joint Secretariat requested a meeting to gain a full understanding of the project's current position and upcoming plans. The JS found the meeting enlightening, and provided recommendations on how best to take forward the change. Storuman and sub-partner SENSEC are proposing that SENSEC take a large proportion of the budget and be promoted to a full partner, if possible. HITRANS and RGU also wish to take a proportion of the budget to focus on the potential of a new airport in the NPA area (Skye), to test some of the SPARA emergent technologies in a 'green field' setting, and create visualisations of new designs for the airport terminal.

HITRANS revised the original application form for Kirsti & the Joint Secretariat to review. The change will be sent to the Managing Authority and Monitoring Committee for decision and, if approved, a new Grant Offer Letter will be required. Please note that our current Grant Offer Letter remains valid throughout this time.

NWRA Budget Change Approved

NWRA's requested budget change has now been approved by the Managing Authority. NWRA were looking to reduce their Equipment budget and increase their External Experts & Services and Travel & Accommodation budget lines to launch pilot projects at two of their airports.

These pilots are exploring ways of diversifying and maximising non-aeronautical revenues, including passenger experience, wayfinding, new signage, car park optimisation and rebranding, based on recommendations from ALG's audits of Knock and Donegal Airport last summer. The

airports are delighted that the budget change has been approved, and pilot projects are now underway.

RISK REGISTER

RTS Delivery

Impact - Positive

Comment – The SPARA 2020 project has supported a number of RTS objectives, particularly in Aviation and Low Carbon solutions.

Policy

Impact - Positive

Comment – SPARA 2020 is supporting broader policy work including the Inverness City – Region Deal Air Access work and the Islands Transport Forum.

Financial

Impact – Positive

Budget line and value – The project attracts a high EU intervention rate of 65% with match funding allowed for within the Research and Strategy Delivery Programme.

Comment – A significant element of the work in SPARA 2020 covers activity HITRANS would be delivering in any case meaning a significant amount of additional funding is being attracted to the Partnership.

Equality

Impact –neutral

Comment – No impact on Equalities from this report.

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