Adran yr Economi, Gwyddoniaeth a Thrafnidiaeth Department for Economy, Science and Transport



Nick Ramsay AM
Chair – Public Accounts Committee
National Assembly for Wales
Cardiff Bay
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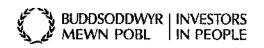
Dear Mr Ramsay,

I am writing to follow up on your request dated 25 July requesting further information on the Intra Wales Air Service.

I have enclosed a document which attempts to do this as fully as possible. Please let me know if you require any further information.

Yours sincerely

Simon Jones



Welsh Government response to the PACs request on 25 July 2016 for further information to the Welsh Government response dated 27 January 2016.

## PAC comment:

Following consideration of Simon Jones' letter of 27 January 2016, the previous committee recommended that a further update be prepared including trends in passenger number and the impact of the anticipated closure of Anglesey Airport during 2016, any outcomes from the work to explore the potential opportunities for expanding operations at Anglesey Airport and the outcome of the procurement of a new long-term operator.

It would also be helpful if the response can advise if consideration/discussion has been given to continuing this service following the Referendum vote.

## WG response:

Passenger numbers on the PSO have fluctuated since Links Air's AOC was suspended in October. The current operator is working to restore passenger usage going forward.

The Welsh Government is pleased to report that the impact of the planned runway resurfacing works at RAF Valley caused minimal impact to passengers using the PSO. The PSO was operated to/from RAF Mona on Anglesey, causing no change to the operational timetable. Passengers continued to use the Anglesey Airport terminal building for check in and security screening purposes and were shuttled to/from RAF Mona to embark/disembark the aircraft.

Officials are working with external aviation experts to undertake demand forecasting, economic analysis and explore potential opportunities to extend the opening times and aircraft size at Anglesey Airport. The draft report has been received and this work is expected to be finalised at the end of autumn.

In accordance with EC regulation 1008/2008 for PSOs, officials have engaged external aviation experts to undertake a study to consider the long term future of the service. The study will consider the findings of the draft report to expand services at Anglesey, as well as other options such as the use of alternative airports, reducing frequency of flights, ceasing provision, and maintaining the status quo. The study will consider passenger usage, and the social and economic impact of implementing the different options available for the PSO. The report is expected to be finalised at the end of autumn and will inform any future procurement for a long term operator.

The referendum result for the UK to leave the EC is being considered as part of the above report; however, the UK Government will lead discussions centrally. As such, would not be appropriate for the Welsh Government to speculate on the long term future of PSOs or other EC regulations.