

Regional Airports Programme Public Consultation

Regional Airports Programme (2020 to 2024).

Question 1: What category of stakeholder do you represent?

Waterford Airport Company is owner and operator of Waterford Regional Airport.

Question 2: Having regard to the actions on regional airports in the National Aviation Policy, what are your views on the effectiveness of the current Regional Airports Programme?

It is the company's view that the existing grant schemes have been effective in supporting direct policy objectives on Regional Airports, along with helping foster other National policy objectives in respect of Regional Development.

Regional Airports need to be viewed as critical pieces of regional infrastructure to assist the development of enterprise and tourism activity in the regions. On the whole the existing grant schemes have contributed to sustaining and improving our Regional Airports at what is a modest enough cost in the greater scheme of things and given the wider economic benefits deriving from their operation.

Question 3: What, if any, changes would you like to see reflected in the new Programme and why?

In the context of a new Regional Airports Programme, Waterford Airport will be at the start of its new journey, in essence at a lower level of maturity by comparison to some of its regional colleagues who have had the benefit of time to develop their infrastructure and passenger numbers, and balancing of operational costs with levels of operation. Waterford Airport believes that any future RAP metrics and models of Government support will need to take this variance in to consideration particularly in the early years.

Once the reintroduction of scheduled flight services at Waterford is achieved, it is anticipated that the Airport's annual operating cost subvention under the Regional Airport's Programme ("RAP") will be reinstated. This will form a vital assistance in supporting the airport with its operational cost base, underpinning the SAR service and providing assistance particularly during the initial years of scheduled services which will allow the Airport to ramp up activities, route offerings and passenger throughput.

Regional Airports are subject to ongoing and new national and international requirements, compliance with which often comes at a significant financial cost from which no economic return is generated. It is essential that appropriate Government subvention is available to provide assistance with these costs, and that an ongoing element of grant assistance (both operational and capital in nature) be available to Regional Airports into the future as aviation regulations become more and more complex, and put growing demands on the need for investment in and maintenance of various safety-security related matters.

Given the labour intensive nature of the business, payroll represents the single largest cost for development of the passenger business. While every effort is made to maximise revenue and minimise costs, operating subvention will inevitably be necessary during the early years as the Airport scales up its operations and works toward reaching its full potential. As such Waterford Airport will require a combination of PPRO and OPEX, or similar mechanisms of support during the 2020 – 2024 RAP period.

Question 4: How do you think the new Programme can best support Ireland's transition to a low carbon economy, having regard to policy on climate action and sustainability?

Waterford Airport Company would welcome the opportunity to review it's sustainability and carbon footprint and to contribute to National objectives in this context. It is our view that support should be made available in the first instance for professional assessment of all the airports activities with a view to determining the optimal investments to reduce carbon footprints. It is arguable that such an assessment should be completed across all of the Regional Airports, given the generic nature of their activities and that action plans should flow from these assessments from the Regional Airport Programme.

Question 5: What are your views on the PSO Scheme, the air service routes currently being supported and the need for a continuation of the Scheme beyond 2022?

Waterford Airport Company does not feel it has any competency in respect of the PSO routes or the merits of the routes in the context of the isolation of the locations served or of the availability of other transport modes. It recognises, however that the routes consume the majority of exchequer support to Regional Airports and is an integral, though indirect, assistance to the airports benefiting therefrom.


Chairman – Waterford Regional Airport