

DONCASTER SHEFFIELD AIRPORT




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UPDATE TO DSA CONSULTATIVE COMMITTEE  
28 JANUARY 2021

DONCASTER SHEFFIELD AIRPORT




**My Role**

- Sheffield City Region LEP – Private Sector Board Member
- Chair the DSA Partnership Delivery Board
- Chair the DSA Rail Station Board
- Chair of Doncaster Station Rail Board


Sheffield City Region

DONCASTER SHEFFIELD AIRPORT PARTNERSHIP DELIVERY BOARD



- A public/private Board which pulls together partners from across SCR – local authorities, business representatives and representatives from DSA and Peel Group.
- Discusses and prioritises the key matters needing attention
- Up until the pandemic, these were:
  - 1) Route development
  - 2) Business Hub carrier
  - 3) Cargo development
  - 4) Car Park and Terminal expansion
  - 5) DSA's place in the Region's Strategic Economic Plan
  - 6) Freeports
  - 7) DSA Rail station

DONCASTER SHEFFIELD AIRPORT PARTNERSHIP DELIVERY BOARD



- Wizz Air success and the current challenges
- The breakthrough to more Western European routes with Wizz
- The US/Mexico routes with Tui
- The failure of Flybe and the recent opportunity to attract a hub carrier.
- Business support for a hub carrier
- Cargo in the pandemic – perishables, PPE. The Brexit factor.

**DONCASTER SHEFFIELD AIRPORT PARTNERSHIP DELIVERY BOARD**

- SCR LEP receives Local Growth Fund support from central government
- Two loans have been made to DSA – one for the south end car park and the other for a terminal expansion to increase the number of gates and to further improve the arrivals and security experience.




**SHEFFIELD CITY REGION VISION FROM THE NEW STRATEGIC ECONOMIC PLAN ["SEP"]**

- “SCR will grow an economy that works for everyone. We will develop inclusive and sustainable approaches that build on our innovation strengths and embrace the UK’s 4<sup>th</sup> Industrial Revolution to contribute more to UK prosperity and enhance the quality of life for all.”
- It is a LEP document but Mayor Dan Jarvis MP is a key driver.




**SEP: OVERARCHING POLICY OBJECTIVES [THE GOLDEN THREAD]**

- Growing the economy for all
- Ensuring that everyone has an opportunity to contribute to benefit from economic growth
- Driving low carbon opportunities within the economy and delivering zero omissions
- Growth, Inclusivity and Sustainability



**SHEFFIELD CITY REGION – STRATEGIC ECONOMIC PLAN**

- Higher level jobs
- Investment in R&D
- Better skills
- Productivity growth driving GVA growth
- Innovation, innovation, innovation



**STRATEGIC ECONOMIC PLAN – THE KEY ROLE OF INNOVATION**

- Innovation: creating value from ideas.
- Developing new products needs new skills
- Two key market opportunities for SCR – decarbonization technologies and Industry 4.0 [trends towards automation, smart technology and complex computing].




**STRATEGIC ECONOMIC PLAN – THE KEY ROLE OF INNOVATION**

- Many factors and issues to work on to achieve the step change
- Linkages and density of activity is particularly important [clustering].
- Proximity, collaboration, knowledge exchange.
- A Global Innovation Cluster to turbocharge our offer



**DSA AND ITS ROLE IN DELIVERING THE SEP**

- SEP is high level. The Gateway East/DSA Economic Blueprint implements it.
- Not yet finalized due to time pressures but here are some themes from the latest draft:
- Development of the 1600 acre site – largest single development site in South Yorkshire
- Innovation District at a major airport with its own rail station and great road access
- Sit this alongside passenger and cargo growth



**FREEPORTS**

- Government to designate 10 Freeports in UK [likely to be 7 in England]
- Bidding prospectus now issued.
- Deadline for bids 5<sup>th</sup> February 2021



**FREEPORTS**

- We have i-port rail – very successful. Flows from Felixstowe, Southampton, Tees Port and Daventry
- We have DSA with cargo operations
- So a Freeport bid possibility exists at/around DSA/i-port




**FREEPORTS**

- What are they?
- Designated zone **up to** 45km diameter.
- Must have a port [we have 2]
- Will have a “Primary Customs Site” – no UK customs duty going in or out
- Size of this governed by the need to physically secure it.




**FREEPORTS**

- It has a tax site – this must not exceed 600 hectares [c1500 acres]. This 600 hectares can be made up of multiple tax sites (say 3 x 200 hectares each).
- Can have additional customs sites within the 45km diameter boundary.




**FREEPORTS**

- Tax sites – benefits
- No SDLT
- Write off building costs against tax over 10 years
- 100% tax relief in year 1 on all plant/equipment
- Employers NIC relief (3 years)
- Business rates relief



**FREEPORTS**

- Simplified planning system in the whole outer boundary [not just tax and customs zones]
- Access to a share of £175m seed capital funding – bid has to specify how this is spent [expected to be land assembly, site remediation and small scale transport projects].
- Innovation dimension absolutely critical. Bid must cover how the Freeport will drive R&D and public/private collaboration plus how it fits into the national and local eco-system.



**FREEPORTS**

- Government objectives
- Objective 1: Trade and investment growth
- Objective 2: Regeneration and levelling up
- Objective 3: Creating hotbeds of innovation



**FREEPORTS**

- Objective 1 outcomes
- Must show an increase in trade throughout the Freeport area
- Must show an increase in investment in the Freeport boundary, surrounding area and nationally.




**FREEPORTS**

- Objective 2 outcomes
- Employment: increase in jobs and average wages in deprived areas
- Economic activity: increase in economic specialization in high GVA activities compared to the current economy




## FREEPORTS

- **Objective 3 outcomes**
- Increase local involvement and funding in R&D and innovation
- Increased productivity in each target region, through increased capacity to absorb innovation
- Government wants a key focus on decarbonization/Net Zero via innovation in the bid



## DONCASTER SHEFFIELD AIRPORT RAIL LINK


- What is it?
- Regional transport priority. Supported by Peel, DMBC & SCR (+ TfN / Network Rail)
- SOBC submitted to Government in February 2020.
- DfT have refused the proposal in its current guise citing a number of reasons including passenger growth numbers, value for money
- DSA Rail Station Working Group have stepped back, drawn breath and are on to Plan B.



## DONCASTER SHEFFIELD AIRPORT RAIL LINK

- Here are some parameters and thoughts:
- Heavy rail or light rail? Both?
- Phasing.
- Where to put the station
- What would the train service be?
- Interaction with Tram Train project
- Doncaster CMSP (Network Rail) project and ECML upgrade
- Getting the business case to work
- New approach to Green Book

Work ongoing with total determination to get this delivered. Same grit as delivered the Great Yorkshire Way.



## DONCASTER SHEFFIELD AIRPORT

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