

10 Downing Street London SW1A 2

14<sup>th</sup> October 2022

Dear Prime Minister

## Northern Chambers of Commerce

North & Western Lancashire East Lancashire Cumbria Greater Manchester Liverpool St Helens North East England West & North Yorkshire Doncaster Sheffield Barnsley & Rotherham Hull & Humber Wirral Mid Yorkshire West Cheshire & North Wales South Cheshire

## **Doncaster Sheffield Airport**

I am writing to you on behalf of the sixteen accredited Chambers of Commerce in the North of England. For your information, the sixteen accredited Chambers work with more than 100,000 businesses per annum. Of those businesses, over 17,000 are Chamber members that collectively employ some 2,420,000 workers across the North of England. In addition to the sixteen Chambers, the Sheffield Property Association – the only formally constituted property association in England outside of London – is pleased to be co-signatory to this letter.

We are writing to you seeking an urgent intervention to prevent the imminent closure of Doncaster Sheffield Airport (DSA). Via our Chamber colleagues working in South Yorkshire, we are sighted on the detail of this complex issue and understand the intricacies of the difficult negotiations currently taking place between the airport's owners, Peel Group, the public sector in South Yorkshire, and a number of businesses that are potentially interested in DSA. As business organisations we, of course, would typically defend the right of private enterprise to make commercial decisions about its own assets; however, given the importance of regional airports to the wider economy and the prosperity of the places we represent, we must – on this occasion – take a more nuanced view. We are therefore urging action and intervention by Government to safeguard an important part of the North's transport infrastructure before it is lost with damaging consequences that will be felt far beyond South Yorkshire.

Again, as business organisations, we believe that ownership of the airport – in the fullness of time – should be in the hands – or at least partly in the hands – of the private sector. The market interest that has been generated in purchasing DSA – in an extraordinarily short amount of time – demonstrates that this appetite is there and that others with significant aviation expertise firmly believe DSA could become a viable airport. However, getting to this point will take time and therefore necessitate public sector intervention in the short-term. The public sector in South Yorkshire has responded at pace and put forward a substantive offer as a 'bridge' to de-risk negotiations between Peel and potential buyers of the airport. In our view, this offer is generous, proportionate, and recognises the £110m negative impact on the Northern economy should DSA close. We now ask that you use the full weight of your office to urge Peel to accept this offer and to return to the negotiating table with local partners and potential buyers alike.

As organisations that are deeply invested in the places we serve, we applaud your government's commitment to levelling up and share your vision of a fair and equitable society where there is equality of opportunity across the country for businesses and individuals alike. Nonetheless, with our economy in a fragile state and with regional inequalities feeling more pronounced than ever, it is incumbent on us all to protect and enhance the economic assets we already have. We regard Doncaster Sheffield



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Airport as one of those assets just as we do other airports and transport infrastructure across the North.

As progressive and collaborative Chambers, we think and act coherently in the North. What is good for one of our regions, is typically good for all of us. What hurts one of us, hurts all of us. It would be possible but, we believe reductive, to regard the potential closure of DSA purely as a South Yorkshire issue. There are presently multiple threats to the future of regional airports and this issue could be happening in any of our backyards; DSA may be the first significant regional airport to get into difficulty in the current operating environment, but we very much doubt it will be the last. As such, we are writing to you as a collective of seventeen business organisations to: a) reiterate the importance of regional aviation to the success of the Northern economy, b) highlight that we think a failure of government to act on this issue would be a damaging signal that you are not committed to 'levelling up' and c) to highlight that it is important that businesses communities can take the leader of our country at their word. Just over a month ago you stood at the dispatch box Prime Minister, stated that you understood the importance of regional aviation, and committed your Secretary of State to helping South Yorkshire find a solution to this problem. Since then, our business communities have seen regrettably little action.

Our South Yorkshire Chamber colleagues wrote to the Secretary of State for Transport on 5<sup>th</sup> October and are yet to receive a response. A copy of that letter has been appended to this one. We would ask that you urge the Secretary of State to respond to that letter; we would also ask that your government urgently intervenes at the highest level to bring parties back to the table to resolve this issue. A failure to do so will send the damning signal that your government is not committed to 'levelling up' and delivering growth in the North of England. The detrimental and reputational impact of this signal will not just be felt in South Yorkshire but across the North of England.

Finally, to end on a positive, we firmly believe that there is a win-win to be achieved here. There is a way through this situation that: a) helps Peel accelerate growth on their site adjacent to DSA 'Gateway East' and recoup their sunken investment, b) preserves one of the North strategic economic opportunities, c) develops South Yorkshire's green aviation cluster, d) delivers an airport with growth potential for the North's business community and helps more firms internationalise, and e) helps your government achieve its 'levelling up' ambitions. Prime Minister, we are not asking your government for money, simply the political will to make this happen. Please do not let our business communities down. We look forward to hearing back from you.

Yours sincerely

Martin McKervey

Chairman, British Chambers of Commerce Northern Regional Assembly

Chairman, Sheffield Property Association

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Secretary of State for Transport – Rt. Hon Anne-Marie Trevelyan MP
Secretary of State for Levelling Up, Housing and Communities – Rt. Hon Simon Clarke MP
Secretary of State for Business, Energy & Industrial Strategy – Rt. Hon Jacob Rees-Mogg MP
Minister of State (Cabinet Office) – Rt. Hon Edward Argar MP

Mayor of South Yorkshire – Oliver Coppard Mayor of Doncaster – Ros Jones CBE

CEO of Doncaster Chamber of Commerce – Daniel Fell