

Wick John O’Groats Airport

Public Service Obligation Factsheet

What is a Public Service Obligation (PSO) and how does it work?

A PSO is a type of contract often used to support public transport between two or more regions, where it is not possible for the service to be delivered commercially. These are generally used in Scotland on what are called ‘lifeline’ services.

A PSO involves a public body signing an agreement with an airline to provide services to a set schedule and specification. The two parties calculate the cost of running the service and how much income can be made from fares, then public funding makes up the difference between the two. This allows fares to be capped at a more affordable level and a timetable developed that suits the community.

What are the terms of the Wick-Aberdeen PSO?

The Wick-Aberdeen PSO is funded by Transport Scotland (£1 million per year) and Highland Council (£300,000 per year) through a contract with Eastern Airways. The PSO commenced in April 2022 and is currently expected to run for three years until March 2025. Discussions are ongoing with Transport Scotland regarding funding until March 2026, along with a long-term development plan for services beyond that date.

As a ‘lifeline’ service, the main goal of the PSO is to support the community of the north Highlands, giving residents better access to employment, leisure, healthcare and social opportunities. It is also designed to support businesses by improving connectivity with the rest of the UK and accelerating tourism.

In addition to funding from Transport Scotland and Highland Council, the PSO is monitored and supported by a range of local stakeholders, including Caithness Chamber of Commerce, NRS Dounreay, Highlands and Islands Airports Limited, Focus North, Highlands and Islands Enterprise and local councillors.

Why Aberdeen and not another destination, such as Edinburgh or Manchester?

There is strong demand for an Aberdeen service particularly from the business sector and the offshore oil and gas industry. Aberdeen also offers vital connectivity to the rest of the UK, with London, Manchester and Birmingham being popular onward destinations. The delivery of a service to Aberdeen was feasible under the limited budget allocated to the PSO. Other destinations, including Edinburgh, are considerably more expensive and simply unaffordable in the existing funding package. The PSO contract for Aberdeen is publicly funded and legally binding, so it cannot now be altered. However, stakeholders are very much aware of local demand for other

destinations and ambitious to deliver as much as we can for the community within tight financial restrictions.

What happens if the service doesn't meet agreed standards?

The PSO is a collaborative partnership, and all stakeholders work together to monitor performance and sustainability. If service levels are not being met the first step is always to open a constructive dialogue with the operator. This seeks to identify why the issues are occurring and what steps might be taken to resolve them. Recent reliability issues on the Wick-Aberdeen PSO have prompted this dialogue and a new timetable is being launched to deliver improvements.

If there is no improvement in service standards, contracting parties may consider penalties or – in the case of complete failure – invoke relevant contract clauses.

Our priority is to protect the PSO and the lifeline service it provides to the north Highland community.

How is the PSO currently performing?

Highland Council and partners actively monitor the performance of the PSO service, paying particular attention to reliability and passenger growth. In the first year of operation, passenger numbers grew by 25% to around 1,000 passengers each month.

The table below sets out PSO reliability figures, which are classed as controllable (e.g. operational) vs uncontrollable (e.g. adverse weather). Punctuality statistics are also influenced by adverse weather events and operational issues.

After a strong early start, reliability decreased in recent months.

Month	Reliability (total)	Reliability (controllable)	On-time performance
September 2023	93%	100%	86%
October 2023	98%	100%	81%
November 2023	98%	98%	67%
December 2023	93%	95%	64%
January 2024	85%	95%	76%
February 2024	91%	96%	71%
March 2024	91%	91%	71%
April 2024	88%	90%	68%
May 2024	74%	90%	49%

June 2024	80%	84%	53%
July 2024	90%	90%	77%
August 2024	90%	91%	Data not yet available from Civil Aviation Authority
September 2024	79%	88%	Data not yet available from Civil Aviation Authority

What are the timetable changes and how will these help?

PSO partners have agreed several measures to improve the performance of the service. The below table sets out the key measures and the rationale for these:

Measure	Rationale
Protect Wick/Aberdeen as a 6-day service	Essential for business connectivity and wider economy
Reduce from twice-daily to daily flights on Tuesday, Wednesday and Thursday	Very low demand for morning midweek service. Consolidated flight improves aircraft availability, reduces impact of winter weather, eases staffing pressures, provides a more sustainable service
Earlier departure times on afternoon and evening flights	Reduces chance of adverse weather disruption in winter. Improves onward connectivity with Manchester, Humberside, Birmingham and London
Retain Sunday service unchanged	Strong demand for Sunday flight
No price changes until March 2025	Maintains value for money and work to restore passenger confidence
Guaranteed refund or taxi transfer in cases of cancellation	Reassures passengers concerned about travel in adverse weather

These changes will come into effect on Monday 14th October, and operate throughout the winter until March 2025.

Full details of the new timetable can be found online at https://www.highland.gov.uk/info/1523/transport_and_streets/1048/wick_public_service_obligation/3 or by visiting easternairways.com.

What am I entitled to if my flight is cancelled?

There is a standard process in place in the unfortunate event of a flight cancellation:

- Passengers will be offered a full refund in the event any cancellation delays their arrival by more than 5 hours
AND
- Wherever it is possible to do so, passengers will be offered a free road transfer to their destination
OR
- Passengers will be offered a free seat on the next available flight

Full details of passengers rights in the event of a cancellation or delay can be found in Eastern Airways' [Conditions of Carriage](#)

Why can't Kirkwall or Sumburgh flights 'drop in' to pick up Wick passengers?

The PSO contract is with Eastern Airways so it is not contractually possible to ask other airlines to intervene. They have their own routes to manage and published schedules to meet. Additionally, crew and aircraft work to certain hours and start/end points, which is necessary for the whole network to operate. Simply, it is not logistically possible to offer onward travel via a different operator.

What happens if I've made a booking for a flight which is no longer on the timetable?

You will be entitled to either rebook onto a new flight at no charge or, should no other available flight suit your time, receive a full refund for your original booking. Please contact Eastern Airways customer services team on customersupport@easternairways.com or 01652 680600.

Is this a permanent change? What happens in March 2025?

This is a temporary change to increase resilience and connectivity over the winter period. The new timetable will be continually reviewed and tweaked if necessary over that period to ensure those goals are met. We will review this again before March 2025 to meet expected increased demand from leisure tourism over the summer.

Are there longer-term plans for the PSO beyond March 2026?

Local stakeholders are in constant discussion about the future of Wick John O'Groats Airport. A working group is in place bringing together Transport Scotland, Highland Council, Highlands and Islands Airports Limited, Highlands and Islands Enterprise, Caithness Chamber of Commerce and Focus North. Together, this group examines not only the case for ongoing funding for the PSO, but a sustainable, innovative operating model for the long-term sustainability of the airport.