

Transport Committee

Oral evidence: [Air traffic control disruption](#), HC 1849

Wednesday 18 October 2023

Ordered by the House of Commons to be published on 18 October 2023.

[Watch the meeting](#)

Members present: Iain Stewart (Chair); Jack Brereton; Paul Howell; Grahame Morris; Gavin Newlands; Greg Smith.

Questions 16–56

Witnesses

[II](#): Tim Alderslade, Chief Executive, Airlines UK; Sophie Dekkers, Chief Financial Officer, easyJet; Jonathan Hinkles, Chief Executive, Loganair; and Michael O’Leary, Chief Executive Officer, Ryanair.

Examination of witnesses

Witnesses: Tim Alderslade, Sophie Dekkers, Jonathan Hinkles and Michael O’Leary.

Q16 **Chair:** I welcome our second panel. I invite each of you in turn to state your name and position for our record.

Michael O’Leary: Good morning. I am Michael O’Leary, group CEO of the Ryanair group of airlines.

Jonathan Hinkles: I am Jonathan Hinkles, chief executive of Loganair.

Sophie Dekkers: I am Sophie Dekkers, chief commercial officer of easyJet.

Tim Alderslade: I am Tim Alderslade, CEO of Airlines UK.

Q17 **Chair:** Thank you all for giving us your time this morning. I will start with Tim, as the representative of the industry body. Can you outline from an airlines perspective what happened on 28 August and subsequent days? I will ask Mr Calder’s question. As a sector, do you think that you fulfilled your obligations to passengers?

Tim Alderslade: We have to look at the size of the impact. This was substantially bigger than the 2014 NATS IT crash. That lasted for 45 minutes. This incident occurred at 8.30 in the morning and was not resolved until just before half-past 2. We still had restrictions going on at 6 o’clock that evening. It absolutely threw the entire UK aviation sector.

One airline, which is not represented here, had 65 cancelled sectors across two days, 211 delays over 13 hours that required hotel accommodation—we have heard how difficult it is to get that in peak season—and 348 delays with an arrival of over three hours. To put that into context, last summer, during the height of the summer disruption following covid, that airline had no cancellations. That is the size of the impacts in August. Half of another airline’s entire programme that day was cancelled. In the programme that operated, all the flights had delays.

This was an unprecedented impact. If you look at the Eurocontrol figures, we are talking about a million minutes of delays and 2,000 cancellations. The kind of impact that it had on the sector should not be underestimated. Part of the problem that we had on the day—we will come on to this—was some very poor communication from NATS. We did not hear from them formally until the following day, which was the Tuesday. That was me personally. There was a critical window from 8 o’clock in the morning through to later that morning, when we found out about it—actually from Eurocontrol, in many cases. That really impacted on our ability to contact customers and to put in place contingency arrangements around hotels and the like, as part of our obligations under regulation 261. It had an absolutely huge impact on the sector.



I will let the airlines come in to respond to your second question in a moment. I would just say that everyone did everything that they possibly could in a very difficult operational environment. We can come on to just how difficult it is. Take Palma, for example. That week there were wild fires. We had people stranded in destination because there were cancellations already taking place that week. The airline that I referenced earlier got 85% of its customers into hotels, which is an extremely difficult operational challenge. I am sure that there were individual cases, but I think the sector as a whole performed as well as it could. That was acknowledged by both Mark Harper, the Secretary of State, and the CAA in the communications that went out that week.

- Q18 **Chair:** I will turn to the individual airlines in a second. Can I pick up the point about communication from NATS? I understand that they have a four-hour buffer in terms of flight plans being entered into the system. NATS have said that there are problems almost on a daily basis, which are quickly rectified within that window and there is no ongoing problem. At what point, when they realised there was going to be a problem beyond the four hours, did they start to notify airlines that there would be significant disruption?

Tim Alderslade: The airlines here can answer for themselves. I think it was different in different cases. I heard about it from Sky News. Most of the airlines that I have spoken to initially heard it from Eurocontrol. The first formal notification with NATS was later that morning, at around 11 o'clock. I understand the position in what NATS is saying. This can happen frequently, so we do not want to jump the gun too much, but there were huge operational challenges for the airlines. A three-hour window was wasted and I think that was a significant error on its part.

- Q19 **Chair:** Thank you. I will turn to each of the individual airlines. When did you first find out from NATS that there was a problem that was going beyond the usual four-hour window, and the implications that it would have?

Michael O'Leary: We didn't find out from NATS at all. Like most of the airlines, the first notification we received was from Eurocontrol just after 11 am that morning, two and a half hours after NATS had collapsed their system. They collapsed their system. What this Committee fundamentally needs to get to the bottom of today is why they collapsed their system.

We have had correspondence with other ATC providers. NATS will try to explain today that this is a one-in-a-lifetime event, or a one-in-15-million event and has never happened before. Actually, it happened in 2014. All of the ATC systems around Europe are designed to receive flight plans that have duplicate waypoints in them, and we have written confirmation from other ATCSs to say they routinely and regularly receive them. This is not something complicated: routinely and regularly. All of their systems are designed so that when they receive a duplicate flight plan like that, they reject it and deal with it manually. That is routine. It happens on a daily basis, both within NATS and in every other European ATC system.



HOUSE OF COMMONS

Yet, on bank holiday Monday 28 August NATS collapsed their system at 8.30 in the morning.

The four-hour buffer is completely bogus. It doesn't matter what the buffer is if you shut down your system. NATS, which produced a preliminary report that is a complete tissue of nonsense and completely misleading, relies on the fact that safety was not compromised. First, NATS is not responsible for safety. The airlines are responsible for safety. Secondly, it is a bit like closing the roads across the UK and saying, "Road safety today wasn't compromised because nobody was driving." You will get lots of distractions from NATS. What we are unable to get out of NATS is an answer to the question, why does every other ATC system reject what we call a rogue, and they describe as a duplicate, flight plan? NATS not just crashed their system; they then crashed their back-up system, which miraculously is running on the same computer as the main system. Then, when they went looking for their engineers, they were working remotely on a bank holiday Monday in order to save on their travel time.

As an airline customer paying £100 million to NATS, I am very appreciative of the fact that their engineers are saving their travel time while, on that day, we cancelled 350 flights; 63,000 of our passengers had their flights cancelled that day. We had delays to over 1,000 Ryanair flights. By the way, the NATS interim report suggests that they only had 575 delays that day. Ryanair had 1,000 delays that day. We only account for about 20% of the UK industry, so this preliminary report is rubbish. It is a tissue of lies and misinformation. NATS should be asked to explain it. Fundamentally, please explain why, when every other ATC system rejects a duplicate flight plan and deals with it manually, you lot not just collapse the main system but collapse your back-up system, and all your engineers were sitting at home watching morning television instead of being where they were supposed to be.

I understand that some MPs were caught up in this. We have spent £15 million in right-to-care expenses. You won't get compensation because, clearly, it is not the responsibility of the airline, but we still have to pay 15 million quid in right-to-care expenses. EU261 or, God help us, UK261 says we can recover that except when it comes to ATC providers. Apparently, we are not allowed to recover it from them. They can screw up all over the place and the airlines still have to be the insurer of last resort.

We wrote to Martin Rolfe, the vastly overpaid and incompetent chief executive of UK NATS, asking for reimbursement of our £15 million in right-to-care expenses. We got a reply saying, "It's not within our remit." You do not need a remit to do the right thing. Instead of paying £50 million in dividends to your shareholders on an annual basis, you should be reimbursing the airlines for the right-to-care expenses that you inflicted upon us on bank holiday Monday, 28 August.



HOUSE OF COMMONS

To your other question about how we handled our EU261 cases, we did it remarkably well and with admirable speed. We spent 15 million quid on the right to care. If we have 63,000 passengers stranded, can we put them in hotels? No, we cannot. There are no hotels on a bank holiday Monday in August. We sent emails out immediately to every passenger. Mr Brereton complains that we knew that the flights were going to be delayed. We did not know that flights were going to be delayed because the numpties in NATS did not tell us. We had to be told by somebody else that they had crashed their own system.

The problem the airlines suffer with is that we are struggling in a black hole of ignorance, mainly inflicted upon us by NATS, who are busy, when they are not paying £50 million to their shareholders, paying £1.3 million to Mr Rolfe. He came up through the operations of NATS, and therefore should be an operational expert. Yet he has visited this operational shambles on a regular basis on the airlines.

Yes, we handled EU261 brilliantly. Are passengers disrupted? Yes, they are. Does it sometimes take days to get them back? Yes, it does because we have flights that are full over the August bank holiday weekend. We do an admirable job in incredibly difficult circumstances to repatriate and provide rights to care. Those are real costs, and I believe those real costs should be reimbursed by Mr Rolfe. Even if it is outside his remit, he has the money to do it and he should do it.

Q20 Chair: We will certainly be putting a lot of those points to NATS when they appear in front of us later. On your customer care, we have had a submission from *Which?* magazine saying that one of your notices about re-routeing was inaccurate. It said that you could either get a refund or transfer to another Ryanair flight, when the legal position is that you can get a flight from another airline. Was that a simple error or a deliberate policy?

Michael O'Leary: No, it is misinformation from *Which?*. We have come to expect that from *Which?*. It was a press release that was put out at short notice on our customer information page that morning. Every passenger who is affected by a flight delay or a cancellation automatically receives from us an email setting out their full EU261 entitlements and their entitlement to repatriation, right to care and re-accommodation on a Ryanair flight or on every other flight. That was not customer information. It was a PR notice that we sent out in the midst of that ignorance.

The only time we have any problems with that is with OTAs, which is another issue we will be covering with this Committee. That is where we get bookings from online travel agency scammers, who overcharge their consumers. We get fake email addresses and fake payment details for passengers. We sometimes have problems getting that information to passengers who booked, in many cases, unwittingly and are being overcharged through OTAs. Passengers who book directly with us, and with most of the other airlines, immediately get an email setting out in



HOUSE OF COMMONS

full their EU261 entitlements, their right to compensation and also their right to travel on alternative airlines.

The problem on 28 August was that all the other airlines were grounded as well. Nobody had any spare seats, so it would have been immaterial. It is just another distraction from *Which?*.

Q21 **Chair:** Thank you for that clarification. Mr Hinkles, can you give us your position from a Loganair perspective?

Jonathan Hinkles: We first learnt about the problem at around 11 o'clock that morning, in the same way as other airlines, from Eurocontrol. The UK air traffic system is basically split in half. There is a section called Scottish, which covers a lot more than that, and the London area. We were on the phone straightaway to NATS at Prestwick, running the Scottish centre, and were able, by resorting to the air traffic control of the 1950s—pen, paper and telephone—to keep services running within Scotland with minimal disruption. We still had to cancel 30 flights that day, which is around 20% of our total. We disrupted over 1,000 customer journeys, which, in our network, is a big number to us.

In the same way as the other carriers, albeit that our loss figures all differ because of the size of our businesses, we incurred right-to-care costs from customers of around £300,000 in the space of five hours. We do not have that kind of money to lose in the space of five hours, but we stepped forward and did the right thing. As soon as we saw there was a problem emerging, we thought, "We don't like the look of this," and went straight to our full emergency management process, even though it was a bank holiday. By midday we had a communication out to every single customer booked to travel with us on Monday to say, "We have a major problem in the air traffic system here; we don't know how long this is going to last. If you want to defer your journey and not travel today but maybe travel over the next couple of days, and stay at home, you can do that and you can rebook free of charge." On rebooking on other airlines, we are the only airline that flies the vast majority of the routes that we operate, so rebooking on other airlines is something of a moot point from Loganair's perspective.

The real challenge for us was the length of time that it went on. At 11 o'clock that morning, it had already been running for two and a half hours. That was time that we could have been using to get communications and arrangements in place for our customers. We did not have that luxury. It was taken away from us.

This all comes back to the single-system problem. It is worth spending a moment to explain what we understand about that. An airline flying from Los Angeles to Paris had said, "Right, we are going to be flying along all of these waypoints." If I pick two examples, it said, "We're going to be flying over Birmingham, Alabama and Birmingham West Midlands. In the afternoon we will be flying over Liverpool, Birmingham and Southampton." The NATS system went, "Oh, we're not quite sure which



HOUSE OF COMMONS

Birmingham you mean. Do you mean West Midlands or Alabama?" "No, it's the Birmingham between Liverpool and Southampton." "We can't deal with this," and the system shut down.

This is not a difficult issue. I see no reason for the fact that it took five to six hours for NATS engineers to identify and isolate the problem and start getting flight plans moving again. I see no reason, other than that it was a bank holiday, why it took that long for that to happen. Therefore, the disruption effects were magnified several-fold, certainly throughout our operation.

As I say, we were able to keep most of our flying on track in Scotland. All of our north-south UK domestic flying and cross-border flying was cancelled. We cancelled all services in and out of Heathrow for the remainder of that Monday. It was only thanks to an absolutely fantastic effort from our operations team and many of our crews going above and beyond the call of duty that we were able to get all of our aeroplanes back on Monday night, regroup and start again on Tuesday morning without rolling disruption. That is the nature of our business. Other airlines did not have the fortune of being able to do that.

It was certainly significant. Communications from NATS were absolutely non-existent. I think that is an area that needs to be seriously looked into. The only thing that has been worse than the failure itself has been the communication from NATS. That continues right through to today.

Q22 **Chair:** Thank you. Sophie, from easyJet's perspective?

Sophie Dekkers: From easyJet's perspective I echo that in terms of communication and the lack of communication. The first we heard from NATS directly was a letter that we received the following day. The notification we got was from Eurocontrol at 11.07 saying there were over a million minutes of delay in the system, and this was the cause of the problem. We received nothing from NATS directly on the day of the incident itself. As my colleagues have said, the challenge then of recovery and trying to predict and understand the flying programme and the impact on the programme is very significant.

The actual impact on easyJet was that we had over 599 flights cancelled. There were 511 on the Monday and then a knock-on impact of 88 on the Tuesday morning. By Tuesday afternoon we were back up and running again. We also incurred 42,000 minutes of delays, on top of that, on our flying programme. That impacted 110,000 customers. It is huge in terms of customer impact.

In terms of recovery, obviously that is really significant, given the bank holiday and the hotel accommodation availability that we have all talked about. We notified customers via email and text message, via the flight tracker and via push notification. We echo the challenges that Michael O'Leary mentioned with online travel agents. When you do not have customers' details, that makes it more challenging. For those customers



HOUSE OF COMMONS

we had details for, which is the majority, we were able to communicate to them and tell them their options.

Picking up on the point that you made in the last session around the lessons learnt over the last couple of years about what we have done as an industry to try to improve the experience for customers in times of disruption, we have developed an app which is a self-service disruption tool. In that self-service disruption tool customers can self-serve in the moment, and it offers them the different opportunities—to switch to another easyJet flight, request a refund or get their hotel accommodation sorted for them. Since this summer it offers the ability to re-route with another carrier. That is all in the app. Customers can do that themselves; 79% of customers self-serve using the app, so they have the ability to access those services, and 96% of customers who use that service have a hotel room confirmed within an hour. We have invested in that service to make it easier for customers in the moment, and 99% of refunds are issued within 48 hours.

We had over 30,000 customers who re-routed with an alternative carrier or an alternative mode of transport. They either did it via the app or we did it via the contact centre. All of those who booked directly and who have claimed those expenses have been refunded. It was taking about eight days to refund any expenses incurred. Those have now all been repaid to the customers.

The size and scale of the financial impact is similar to the numbers that Ryanair quoted. As an airline we have been impacted by millions of pounds. We repatriated. We got everyone back. As you appreciate, it is a very busy time of year. We put on extra flights. We up-gauged our aircraft. We put the biggest size aircraft on for destinations like Palma, where you have limited capacity.

Those are the sorts of things that we did. Obviously, it is a busy time of year; 110,000 passengers would equate to needing around 100 aircraft to be able to recover them all. We just do not have those sorts of aircraft at that time of year. That is what we did in the situation. I echo the comments around frustrations with NATS and communication. I think that has to be a lesson learnt, coming out of this.

Chair: Thank you. We will be picking up some of those points later.

Q23 **Gavin Newlands:** A couple of you have already mentioned care costs. I think Mr O'Leary said it was £15 million for Ryanair. Jonathan, you said it was £300,000 for Loganair. Is that the total cost to the airline? Jonathan, you mentioned repositioning the aircraft. In terms of the cost of the disruption to your businesses, is it over £15 million to Ryanair? Is it over £300,000 to Loganair? Is there another figure that you could give us?

Michael O'Leary: The costs are vastly greater. Those are the actual right-to-care costs. The hotel costs, meal costs and repatriation on Ryanair flights or other flights come to just over £15 million. The costs of



delay, with pilots and cabin crew going out of hours and re-routeing, is incalculable, but there is no point in wasting time on that. We think it is reasonable and fair that NATS should reimburse not just us but all the airlines for those right-to-care costs. This will keep recurring if you do not make NATS reimburse those costs. NATS has the money and the wherewithal to reimburse those costs. Martin Rolfe should not be allowed to hide behind his nonsensical claims about his remit.

Q24 Gavin Newlands: Jonathan, do you have another figure for any additional costs? You repositioned aircraft. Obviously for Loganair, being the best airline and based in my constituency, £300,000 is a lot of money. Are there any other associated costs that you have had to meet?

Jonathan Hinkles: There are but, for the same reasons, we have not calculated them because we could be here for quite some time. The costs that we are seeking to recover are the direct and quantifiable costs.

Let me be clear that this is not against a background where, contrary to what Mr Rolfe has written in one of his letters to Mr O'Leary, NATS air traffic control charges are apparently reducing. They are not. This year we have paid over £1 million more to NATS for the same air traffic control services as we had last year. What we have seen is a position where NATS is trying to recover its losses through the pandemic. Wouldn't we all love the ability to do that? Now, it is trying to keep its charges at that escalated level. There has been a 29% increase in NATS charges this year, which is £1 million more for our business alone. It must be a huge figure for the other airlines. On top of that, we have these delay and disruption costs. Airlines, by virtue of the regulation, end up being the insurer of last resort for every single thing that happens. It really should not be that way.

Q25 Gavin Newlands: I feel sure that we will be asking about charges when NATS are in front of us. Sophie, I think you mentioned a figure, but I didn't quite catch it. What was the figure for easyJet for right-to-care costs?

Sophie Dekkers: We are actually in a closed period at the moment because we have just finished our financial year, so we are not allowed to disclose the actual amount. I would say it is not dissimilar to Ryanair's. We had the same impact. If you imagine that you are filling seats that you would have been selling in the subsequent days because you are trying to get passengers back, you have aircraft out of position, as well as crew and pilots that you have to reposition, the costs would be multiple times that. We are only looking at cost recovery here.

Tim Alderslade: On duty-of-care costs, we wrote to NATS on 25 September to ask for those losses to be recouped. We have not even had a response as an airline community. The problem is that under the 2000 Transport Act they do not have to pay that money back. It is a complete failure in the regulation. That is something that the CAA review really has to get to the bottom of. Again, we are always the insurer of last resort,



HOUSE OF COMMONS

but we did not even get a response. They could, if they wanted to, repay that money, or 25% or 50% of it. It is tens of millions of pounds. We think they have it, but not to respond to that is really disappointing.

How the regulation works and where the risk sits is something that we need to have a look at. At the moment, with Heathrow, it is the same as with NATS; the risk sits with the airline. In effect, when we talk about the airline we are talking about passengers because the money filters through. That is where it sits in this system. Of course, they are going to say, "It's not in our remit," because they do not legally have to pay the money back. All we have is potentially a mechanism up to about £8 million for delays across the whole year that could be a rebate on our future charges. That is built into the price review that the CAA can talk about. I think it is completely skewed. Whoever the general counsel was for NATS in the 2000 Transport Act really smashed it out of the park.

Q26 Gavin Newlands: Assuming that you are not going to get this money from NATS, lots of your members are in different positions financially. Some will be relatively cash rich and others might not be. Do you think that some of your members will be looking to recoup some of this money through increased air fares?

Tim Alderslade: We want the money back. There was a lot of media speculation about compensation in the week that it happened. It is not compensation; it is cost redress. It is the money that they have had to pay out under the regulation. This is the point around accountability. Under EC261, when things go wrong and it is the fault of the airline, they pay out compensation. Obviously, we have seen, with duty-of-care costs, that they pay out. Under EC261, NATS do not have to do that. They have no legal obligation to pay out to the airlines when things go wrong. It was built into the mechanism of the 2000 Transport Act.

Q27 Gavin Newlands: Before I come back to the individual airlines, what reform would you like to see in this area in how the cost is covered? What specific reform would you like to see?

Michael O'Leary: I can be quite specific. Under EU261 or UK261, we have a right of recovery of our directly related costs. That should be extended to NATS. When NATS shut down their system for four hours, the airlines should be allowed to recover our EU261 costs directly from NATS. Simple as that.

Q28 Gavin Newlands: Does anybody on the panel disagree?

Jonathan Hinkles: We cannot continue with consumer rights legislation where the airline is the insurer of last resort for a whole raft of things that are completely outwith our control. If you buy a new washing machine, you can choose whether you have extended warranty. If you are insuring your car, you can choose whether to have fully comprehensive or third-party, fire and theft. Every single air ticket sold is sold with an extended warranty, a fully comprehensive policy which the airline has to foot.



HOUSE OF COMMONS

The UK Government had the opportunity to reform that for domestic air services. It has backed out of the opportunity to reform it along the lines of a Delay Repay system, which links the compensation to the fare. They have shied away from doing that—you will have to ask them why—but we think that is a real opportunity missed. It would stop the escalation that we are seeing in air fares that is coming through as part of the inflation that the Office for National Statistics has been reporting on recently.

Q29 **Gavin Newlands:** Sophie, do you agree or disagree with that?

Sophie Dekkers: I agree.

Tim Alderslade: It needs a Bill. I don't think we are expecting a Transport Bill in the next King's Speech. We would certainly like one. It might be something that—

Q30 **Gavin Newlands:** We are all due one, you might say.

Michael O'Leary: We have no chance of getting a Bill. The Government own 49% of NATS. The Government can direct Martin Rolfe to reimburse these costs. There are airlines who are shareholders in NATS. They should be working together with the Government to direct Martin Rolfe to reimburse those costs. They have been getting £50 million a year in dividends. It is not much to ask Mr Rolfe, for £1.3 million a year of his overpaid salary, to refund us the EU261 costs or resign. Better still, dismiss him.

Q31 **Gavin Newlands:** I have spent a number of years asking the DFT and the Treasury to do things, and they have not done anything for me yet.

Michael O'Leary: As you well know, moving Bills will take forever.

Q32 **Chair:** Jonathan, to pick up the Delay Repay point, I put this question to Simon Calder in our first panel. From a passenger's perspective, what they are entitled to is an incredibly confused landscape. Whose fault was it? Was it the airlines? Was it the infrastructure provider? In a very stressful period, they do not have a clear understanding. If there was the will from Government to introduce an equivalent to Delay Repay, how easy would that be to implement from an airline's perspective? Presumably, as with train operators, the airlines would be the first point of contact.

Jonathan Hinkles: My understanding is that not all train operating companies take responsibility for all circumstances. Some do and some do not. If you go down that road from an aviation point of view, first of all, the compensation has to be linked to the fare paid. At present, it is many multiples of it in the vast majority of cases, so it is punitive.

Secondly, there has to be clear recourse for airlines to be able to recover that cost from the likes of NATS or from airport operators, where there are issues that impact us. We cannot be, and should not be, the insurer of last resort for everything that goes wrong in our industry. Yet today we are. Provided that legislation was back to back with clear lines of



HOUSE OF COMMONS

responsibility behind the airline, I would be fully supportive of it. If you do not have that secondary piece behind it, it would be a recipe for financial turmoil through the entire industry.

Q33 **Chair:** Tim, the Civil Aviation Authority said that it contacted some airlines to “rectify incorrect information being provided to passengers.” Are you aware of any of your members being contacted about this?

Tim Alderslade: No, not in individual cases. As I said earlier, the communication that week from the DFT and the CAA was fairly clear about our rights and responsibilities. They were telling the public that we were doing everything we could that week, and that was really positive. I am not aware of that, no.

Q34 **Chair:** Were any of the individual airlines contacted by the CAA at all?

Sophie Dekkers: No. The fact that we actually have numbers that show that over 30,000 passengers used another form of transport to get back, and other carriers, suggests that our communication was really clear on what people were entitled to.

Q35 **Chair:** I want specifically to focus on passengers with disabilities or other reduced mobility. How did you particularly look after their needs in this period of disruption?

Michael O'Leary: The same as we do with every other passenger. They have the same rights and entitlements. They received their emails. Like easyJet, we have an app that allows you to self-change.

There is a misunderstanding. At the airports the wheelchair and disabled services are provided by the airport. We pay the airports for that service. The actual service that is provided directly to the disabled passengers is at our cost but provided directly by the airports. We are not involved in the provision of it. The airlines get a ridiculous amount of bad press and negative PR for a wheelchair not being put on board the aircraft. That is because the wheelchair service provider, which we pay for, fell down. They have all the same set of rights and entitlements as every other passenger, but were caught in exactly the same maelstrom because NATS shut down its computer system in circumstances where every other ATC provider would have simply rejected the rogue flight plan and continued onwards.

Q36 **Chair:** I will turn to the other airlines in a minute. Was any additional support given to people who had physical or mobility issues, or for whatever reason were not able to access online support?

Michael O'Leary: No.

Q37 **Chair:** You did not provide any additional support.

Michael O'Leary: No. I don't think you understand the scale of what we were dealing with. We had 550 aircraft sitting on the ground. I do not in any way wish to reduce our obligation towards the disabled. We have



HOUSE OF COMMONS

obligations towards literally hundreds of thousands of passengers on a daily basis. We carry more than half a million passengers every day. We are not sitting in some ivory tower where we say, "Let's do something nice for the disabled, or nice for the grannies, or nice for the children under 14." It would end with chaos.

Q38 **Chair:** I appreciate that it is a difficult circumstance, but if it is partly your responsibility and partly the airport's, is there a better system of providing on-the-ground support?

Michael O'Leary: There would be a much better system if the airlines were allowed and mandated to provide wheelchair support at airports. The airports are abysmally bad at it. They hire entry-level staff who are generally never around when you need them. The wheelchair service provision is hopeless at a huge number of airports across Europe, mainly because it is provided by airports who subcontract it out to third-party handlers who couldn't care less.

Q39 **Chair:** We are running a separate inquiry into accessibility in transport.

Michael O'Leary: Good.

Q40 **Chair:** We will pick up that point. Mr Hinkles from Loganair, how were you able to support people with particular mobility needs?

Jonathan Hinkles: We make sure that there are manned desks available, so that people who are unable to use smartphones can contact and speak to somebody directly. We also undertake priority rebooking where we have customers with reduced mobility. Because of the unique nature of what we do within Scotland, quite a number of the passengers we carry are travelling for healthcare reasons—NHS patient travel—although not so much on a bank holiday. We have a separate process in place to be able to protect them and prioritise their rebooking whenever we have disruption of any nature, which was active on that day because of the NATS system collapse?

Q41 **Chair:** And easyJet?

Sophie Dekkers: The only additional thing that we did, which was again more about broad accessibility, was to set up a dedicated contact centre line. I appreciate that 79% self-served using the app, but not everyone has access to that type of technology. We set up a dedicated contact centre line.

We found that we could then observe how many people had been able to manage their bookings. We were then calling proactively those who had not been able to make an amendment to their booking and contacting them to make sure that they were aware of the options that were available to them. The team were making outbound calls, rather than just being an inbound call service, to make sure that everyone knew the different options that were available to them. When we saw that we were able to put additional seats on earlier flights, we proactively contacted



people who were booked maybe three or four days out to tell them there was a flight with more seats departing sooner. We did that in terms of broader accessibility for customers as well.

It goes back to the challenge of online travel agents, where you do not have the customer's details. Those are the customers who are more likely to be left in the dark because we do not have an ability to contact them directly.

- Q42 Jack Brereton:** I want to go a bit more into the support provided by airports. Often, when disruption happens and people are there late in the evening and things like that, a lot of the services completely shut down. There is a much reduced number of staff in the airport. Is there more that airports could do to put contingencies in place so that the café stays open and there are staff to support the thousands of people waiting in those airports?

Jonathan Hinkles: The majority of airports have the same focus as us in looking after their customers. There is a very small number that do not necessarily share that view, but within the industry you have a whole set of people who are going out to do their level best for customers. Frankly, that is what we saw on that day.

Looking back at it, I cannot see a single thing that we would have done differently in handling the hand of cards that we were dealt to play during the course of that day. I am encouraged that we got through it as well as we did. No thanks to NATS; let's be clear about that. Airports generally, when there are situations that are in humanitarian territory of the basics of looking after people, by and large rise to the challenge pretty well, certainly within the UK airports with whom we operate.

- Q43 Jack Brereton:** I was referring more to those overseas, and getting the communication out to some of those airports that they need to provide facilities for thousands of people who are going to be waiting there. If it is at the other end of the world, there is not necessarily going to be the level of support that maybe some of the UK airports are providing. Is that something that has been seen across certain airports?

Sophie Dekkers: It is a challenge for any airport that is operating. You will have an amount of resource for the hours that you expect to be operating, maybe with a small buffer. On this sort of occasion, no airport is going to have enough resource to be able to have the additional extended hours and so on. In terms of retail, they are all franchised so it will be down to the individual retailer whether they have resources to remain open and whether people still have hours left in their shift to operate. When something as significant as this impacts, we need to just recognise that there is only an extent—

- Q44 Jack Brereton:** Obviously, they get meal vouchers. If there is only one facility open in the whole terminal to serve thousands of people, clearly that is not sufficient. You will have queues down the terminal of people



HOUSE OF COMMONS

trying to get basic drinks and food. That is not providing the level of support that passengers would need in those sorts of circumstances.

Michael O'Leary: It is very difficult. If you are talking about big airports, you are talking about huge numbers of people going through, and it is unrealistic to expect that we or the airports would be able to make provision for huge numbers of disrupted passengers. Airport terminals are not designed for those delays. They will do their best.

There is a wider debate with the airports. I would be very critical of Gatwick airport, for example. It is important that this Committee understands that this is not confined just to 28 August last summer. NATS continues to understaff its ATC service provision at Gatwick airport, at Manchester and Birmingham. Gatwick airport wrote to the airlines on 25 September saying that NATS was short-staffed and they had an outbreak of covid. They wanted us to cut flights with about five days' notice. We cannot cut flights with five days' notice.

The airports need to be much more aggressive with NATS when NATS fail to staff up what they are provided to do. Airlines would not dream of not rostering pilots, cabin crew, standby pilots and standby cabin crew. Yet, NATS routinely short-staff the ATC provision. The airports' solution, instead of jumping up and down on NATS, is to write to the airlines and ask us to cut flights at short notice. Those flights are sold. They are booked. They are going. We cannot cut them. I think the airports have a responsibility to be much more demanding of NATS and of Mr Rolfe.

Jonathan Hinkles: Mr Brereton, we are only in the position of having this discussion because we lost two and a half hours on the morning of 28 August. There was a problem that we did not know about because nobody told us so that our ability to be able to do something about it was there. It took six or seven hours for a problem, which seemed to me to be a very basic one that happened in air traffic control providers, to be located and fixed. I cannot understand why, apart from the fact it was a bank holiday, this took as long as it did to be fixed. That length of time directly magnified the impact of the disruption that all airlines and logically therefore, sadly, their customers incurred on that day.

Q45 **Jack Brereton:** There is another thing I want to ask you about. Obviously, I very much appreciate that airlines did as much as they could to try to get services back up and running, but a lot of that disruption continued for several days subsequent to that and throughout the whole week. Was there anything more that could have been done to try to get some of those services back up and running to time sooner?

Michael O'Leary: We are talking about August bank holiday weekend. Every airline and every airport is at full pelt. The load factor is 98% or 99%. The hotels are full. Everything is full. The cost of air travel has dramatically fallen in the last 30 years compared to any other form of transport because it is designed to operate at full capacity. When the ATC provider collapses its own system for a duplicate flight plan, which is a



HOUSE OF COMMONS

routine and regular event for every other ATC provider, the question is not whether the airlines could do more, but how the hell do we stop NATS doing this again in the next year or two? How do we address the incompetence of NATS management to make sure that it does not happen again?

- Q46 **Jack Brereton:** I understand that point, but what could be done to try to get services restored, and not waiting for a week and having services disrupted throughout the week? What can be done to get those services back up and running quicker?

Michael O'Leary: Reject individual rogue flight plans and deal with it manually. Then you will not have any delay or disruptions at all. It is what every other ATC system does, but NATS don't.

Tim Alderslade: One airline brought in 15 brand-new wet lease aircraft to bring people home. Another airline brought in five. BA put on 5,000 extra seats. The idea that airlines were not doing absolutely everything in their power to sort this out is a difficult one for us to take. It was an incredibly difficult operational challenge, but they did absolutely everything within their power to sort this out and bring people home. Bringing people home by the end of that week, which they did by and large, was quite a feat.

Michael O'Leary: And it is a reasonably modest request that we get the £15 million that we have actually spent on those passenger care costs. It should be reimbursed by NATS.

- Q47 **Gavin Newlands:** In a meeting at the end of August—I think it was 29 August—the Transport Secretary offered support from the Government to help passengers and alleviate the ongoing disruption. What support, if any, did you request or receive from the Government? If you received any, was it effective?

Sophie Dekkers: We did not request any direct support and we did not receive any. There was nothing specific that could really be offered. What we are asking for now is an independent review of NATS, which is something separate, but I think that needs to be the focus going forward. We need to get this resolved. We need to get it fixed. We need to get the broader resilience back in the system that we need to be able to operate.

We were in regular, daily dialogue with the DFT following the incident to update them on where we were with repatriating customers and so on. Quite frankly, there was probably not much they could have offered in that moment either.

- Q48 **Gavin Newlands:** I presume you can confirm that, despite the offer, there was actually no practical help provided by the Government to any of your members. Is that fair? It is not criticism of the Government; I am just clarifying it.



Tim Alderslade: They provided clarity around EC261 and this not being the fault of airlines, and therefore obviously compensation not being due. That was really important because there was a lot of misinformation in the media that week. We asked for that clarity, and it came from both Mark Harper and the CAA. There was good communication coming out of the DFT on just how hard airlines were working to resolve the situation and bringing people home. That was something that we asked for.

To be fair to the Secretary of State and the Aviation Minister, we had three meetings at CEO level with Martin Rolfe and with Rob Bishton within the first eight days. The first meeting took place the following day, on 29 August, which came six hours before the first letter we received from NATS. There is a limit to what they could have done, but I think the opportunity to speak to them—the third meeting was to go through the report that NATS completed—was really positive. We felt as if we were being heard, which was the main thing.

Q49 **Gavin Newlands:** Was any support provided by the CAA at all?

Tim Alderslade: Again, from my perspective, clarity around EC261 and getting a clear communication on the CAA website was really important.

Michael O’Leary: The industry called for support from the Department for Transport and from the CAA. The UK Aviation Council was set up earlier this year. It met in February, March and, I think, in June. As an industry we called on NATS at those meetings to confirm that they would be fully staffed for the summer of 2023. We received verbal assurances from Martin Rolfe that they would be sufficiently staffed for the entire summer of 2023 and that they had sufficient staffing. None of those assurances has been honoured. They continue to be short-staffed.

It is very deeply disappointing that both Mark Harper, as the Secretary of State, and Baroness Vere, as the Aviation Minister, have taken zero action to ask Martin Rolfe to explain, “Why did you assure the industry at the start of this year that you would be fully staffed? Why do you continue to be short-staffed? Why is Gatwick airport asking us to cut flights? What are you doing to honour those?” It is not sufficient for Mark Harper to come out and give an interview to Sky saying, “It’s wonderful; we’re here to help.” All of the airlines and the industry, through the UK Aviation Council, specifically sought those assurances from Martin Rolfe at the Aviation Council earlier this year. We received them, and they are worthless.

Q50 **Gavin Newlands:** Sophie, I assume you all have some contingency plans for air traffic control disruption. Are you planning any reviews of your processes on that, or are you satisfied with how easyJet operated?

Sophie Dekkers: There are two situations that we are referring to here. One is the situation on 28 August, which obviously we have talked about in terms of recovery and what we were able to do. The positive there is that we have learnt over the last couple of years that customers are now



HOUSE OF COMMONS

able to self-serve, to manage their options and to help in the destinations.

More broadly, the challenge is around resilience in the system. This summer we have had to remove capacity from our flying programme at Gatwick since July when we realised that the air traffic system could not cope with the amount of capacity. The airport has declared that it can operate, but it is not operable, so we have had to take the decision to remove capacity in the middle of the day on our flying schedule to offer recovery, so that we can complete flights at the end of the day. We have had to invest in that resilience to be able to operate in the current air traffic control environment.

There are a few points on what could be done differently in resilience and resource from a NATS perspective. We have a shortage at the moment of air traffic control staff, specifically at Gatwick. One of the challenges post Brexit is that CAA-issued NATS licences are able to be transferred overseas and yet we cannot, as a UK system, accept EASA and FAA licensed air traffic controllers. The system is really constrained from a UK perspective in being able to do that.

We should be looking at new technology and the ability to train air traffic controllers. The system is outdated. We need the CAA to support NATS progressing in their training. To give you a clear example, all of our pilots are trained in simulators. All air traffic controllers can only be trained live in the tower, which takes away existing resources in the tower to do the training. It ties up resource. NATS tell us that they can only train four to five people at a time, and it takes nine months to train them. If they have a shortage or a member goes overseas, they have a deficit that they cannot fill.

We need to look at the training pipeline. We need to look at reciprocal licensing to enable it to accept inbound, qualified air traffic controllers. Today, a qualified air traffic controller from overseas who is EASA or FAA qualified, or even one who has been qualified previously by the CAA and has gone overseas, has to go back. It is almost as if they had never stepped in an air traffic control tower when they come into the UK. They have to go through all of that training.

There is something in that system that we need to look at. We look for support from the CAA and the Government in making sure that the infrastructure of air traffic control and NATS in the UK can be fit for purpose going forward. At the moment, the airlines are taking the pain for it.

Q51 **Gavin Newlands:** Does anyone have anything to add to that?

Jonathan Hinkles: There is a wider point about skills shortages. There is a serious problem in the UK because the UK is the only European country that levies VAT on pilot training and air traffic controller training. It is a legacy that we have from the way the system was in the 1970s. That



needs to change. We are very keen to see investment in skills so that future staffing shortages do not arise in the way that they have over the course of the last couple of years. It is within the Government's gift to be able to do that by removing VAT from air traffic control and pilot training and making student loans available to people pursuing those careers. At the moment, they are not.

Q52 Gavin Newlands: There is a culture war on at the moment. Do you have anything to add, Mr O'Leary, before I hand back to the Chair?

Michael O'Leary: We are coming to the end of our session. I understand your concern about customer care. We come back to the point that we are the customers of NATS. We want an answer as to why NATS collapsed their own system, when every other ATC which routinely and regularly receives duplicate flight plans rejects the flight plans and deals with them manually. Why is the report that they produced complete rubbish? It falsely understated the cancellations—1,500 instead of 2,000. It completely falsely understated the delays at 575, when there were over 4,000.

Why is NATS not repaying us the £15 million for our right-to-care costs? It is not acceptable for Martin Rolfe to sit there with his £1.3 million a year salary pontificating that it is not within his remit. It is within his remit to refund the cost that his and NATS mismanagement and incompetence levied on the airline industry on 28 August. It is within his competence to fully staff his NATS system, as he assured us this year he would and has repeatedly failed to do. I do not believe that he should continue as the chief executive of NATS. He should resign or be dismissed. Then we might get somebody competent in there to run the system and avoid a repeat of this shambles over the coming weeks and into next summer as well.

Gavin Newlands: Following Mr O'Leary's customary fence sitting, I hand back to the Chair.

Chair: Thank you. For our final set of questions for this panel, I turn to Grahame.

Q53 Grahame Morris: To be fair to the panel, you have given very full answers. You have answered the issues I wanted to raise in relation to resilience, both for the NATS workforce and their data handling and processes, together with the issue of the particular situation at Gatwick.

Perhaps I could briefly pick up something that Mr O'Leary said. We will have the Transport Secretary appearing before the Committee quite shortly after the King's Speech. You will be aware that the Aviation Minister, Baroness Vere, was effusive in her praise for NATS. She said, "NATS's overall performance is incredibly high and it tends to outperform other European air traffic navigation service providers." What are your views on that? What should the Committee be telling Mark Harper and Baroness Vere about NATS's performance and how it compares with other providers elsewhere in Europe and the world?



HOUSE OF COMMONS

Michael O'Leary: I can give you some facts. NATS is the ATC service that creates the fourth greatest number of delays for Ryanair. Clearly, the French are first because they have had 63 days of strikes already this year. NATS is No. 4. Of the ATC providers across Europe, NATS is, remarkably, the fourth most expensive as well. Not only are they remarkably expensive, they are also remarkably inefficient and incompetent.

I would ask Mark Harper, when he appears before the Committee, "What did you do when Mr Rolfe assured the UK Aviation Council earlier this year that NATS would be fully staffed? What have you done when Gatwick writes to the airlines on 25 September asking us to cancel flights because NATS is not fully staffed?" In fact, they cannot even staff the Gatwick ATC tower.

NATS is a byword for regulatory incompetence and mismanagement. I would not agree with Baroness Vere's overall assessment of NATS. I do not think you will find any airline in the UK that would be complimentary of NATS. It is a mess. It should do better. It can do better, but it needs new management if it is to do better.

Q54 Grahame Morris: In the last panel, we have Mr Bishton from the Civil Aviation Authority. You may have heard Simon Calder, in the first panel, express some disappointment, not with the CAA as such but with its lack of regulatory powers. The CAA is going to do an independent review and is currently in the process of doing that in relation to the NATS incident on 28 August. Are you confident of the robustness of that review? Have you had any input into it?

Michael O'Leary: I am not aware that we have had any input into it. I would not be a great fan of CAA regulation. They have been regulating Heathrow for many years, which is another byword for regulatory mismanagement and incompetence.

There is a reasonably efficient and quick solution to this. You extend the powers under UK261 for the airlines to recover their costs directly from the people who cause the cancellations. In this case, that is NATS. It is a very simple additional step. It does not need a Bill in the Houses of Parliament. Mark Harper and the airlines own about 85% of NATS anyway. It could be done by persuading the board, although the board is part of the regulatory great and good of the UK. There are people sitting on it from the Department for Transport and the Ministry of Defence. There is even a former CAA regulator sitting on it, so I would not expect a lot of urgent reform from that board. The CAA should be seeking more effective powers, certainly under the EU261 legislation, to allow the airlines to recover their costs from the people who caused it. That is the way you put pressure on NATS to reform.

Q55 Grahame Morris: It would drive NATS to ensure that it does not happen again—



Michael O'Leary: Exactly.

Grahame Morris: —by employing more staff and having more robust processes.

Tim Alderslade: We were asked to feed in to the terms of reference and we had good communication with the CAA on it. I think they look pretty comprehensive, so we are happy with where they are with the report. There will be three independent members on there. We will just wait to see what it comes out with. It is a pretty chunky-looking piece of work.

Q56 **Grahame Morris:** Is there any burning issue, Jonathan or Sophie, in relation to resilience, the CAA review and so on?

Jonathan Hinkles: You raised a point about the benchmarking of NATS. It does not matter to us, and it does not matter to our customers, whether NATS is better than air traffic control providers in Slovenia. Our customers fly predominantly domestically within the UK. That is what matters to them. We have seen a huge level of delays this year. The costs have gone up by over £1 million for our operation alone. Mr Rolfe made a statement in his letter to Mr O'Leary two days ago, saying that NATS charges are decreasing—I do not know where he got that from. As one of his customers, that is not what we are seeing. There are a number of issues, both around service and cost.

Grahame Morris: We have got them. Thanks.

Sophie Dekkers: On the terms of reference, there aren't any other air traffic control providers in Europe that are asking us to reduce capacity due to lack of resilience. It is only in the UK that we have to do that. It is only in the UK that we have had to strip out some of our own commercial flying to be able to have a programme that used to be operable, but is no longer operable, due to lack of resilience in the system.

To build on my earlier point around training and the bandwidth of the pipeline, there are virtual towers or simulators used for air traffic control in Europe. We just do not do it in the UK. My ask, I guess, and pressure to the CAA is, let's look at licensing. Let's look at the EASA and FAA licensing so that we can increase the bandwidth, and let's look at the training programme and system. At the moment, having a nine-month time lag to recruit and get in new air traffic controllers is just not sustainable.

Chair: I am afraid the clock is against us. We have covered a lot of ground in the last hour or so. I thank all four of you very much for your time and evidence this morning.