

**Written evidence submitted by Civil Aviation Authority
Consumer Panel (AAS0020)**

Background

The CAA Consumer Panel is a non-statutory critical friend, giving expert advice to the Civil Aviation Authority (CAA) as policy is being developed, and making sure the consumer interest is central. The Panel's objective is to champion the interests of consumers.

At the request of the CAA, earlier this year the Panel looked at how consumer confidence might be supported as the aviation sector begins to recover from the coronavirus pandemic. Consumer confidence in the sector is key to maintaining choice, quality and competition. As the sector moves towards recovery, the Panel is clear that the consumer interest must be given paramount consideration as ultimately it is consumers themselves who will drive recovery, and experience detriment if the recovery focuses overly on the provider interest. Our [recommendations¹](#) were published in April 2021 and covered health measures, information and finances. A number of our recommendations are relevant to the current call for evidence and we have set out (updated where necessary) these points below.

Questions for response

We have responded to those questions in the call for evidence where we can genuinely contribute to the debate. We set out those questions along with our views below.

Call for evidence questions: *Recovery of the UK aviation sector*

- *The short-term and long-term effects of the coronavirus pandemic on the UK aviation industry;*
- *The potential merits of Government (a) financial, (b) regulatory and (c) other support to the aviation sector;*

Panel response:

Our April 2021 report on *Supporting Passenger Confidence*² considered how far-reaching the effects of the coronavirus pandemic have been, and just how devastating for aviation. The start of the crisis saw a steep decline in flights in the UK coinciding with the first national lockdown. Traffic figures fell by as much as 90% in April 2020 when compared to the same period in 2019, while passenger numbers through UK airports fell by 98% in April 2020 when compared to April 2019. Traffic figures then climbed slightly, but a second national lockdown in November 2020 saw them decline once again.

The Panel is optimistic that recovery is now beginning. Since international travel reopened on 17 May 2021 the UK has seen a steady improvement in traffic: September 2021 was 44% down on September 2019, compared to April 2021 which was down on April 2019 by 78%. Passenger numbers are increasing, but at a much slower rate than the number of flights. August 2021 saw the highest number of passengers passing through UK airports since the start of the pandemic in March 2020, but these were still down 72% on August 2019.

As it begins to take shape and gather pace, the importance of consumer confidence in the sector should not be underestimated. It is ultimately consumers who will drive recovery, and they will only do so where they are confident that they will get a fair deal and their rights will be upheld. People do want to return to air travel but with finances being squeezed, clarity on what they are paying for, whether bookings can be changed, if administration fees to change bookings will be waived, and clear information on cancellations and refunds are more important than ever. Clear, honest, upfront advertising of prices is beneficial to both consumers and competition, and it is very important that consumer rights in this area are upheld and that regulators are cognisant of emerging practices, including the potential for unfair practices as airlines and travel firms seek to recover losses made over the past 18 months. In this

context, press reports, such as those about Ryanair this week, could have an impact on consumer confidence to book again.³

In terms of Government regulatory support to the sector, we note the recent BEIS consultation on *Reforming Competition and Consumer Policy*. In this context we believe the time is right to reform the CAA's civil consumer enforcement powers, allowing the regulator to deal more swiftly and effectively with compliance issues leading to benefits for consumers and businesses who do play by the rules. This is essential for rebuilding consumer trust in the industry and making sure that businesses that treat their customers fairly are able to compete on a level playing field as recovery progresses.

We previously said it would be helpful to have clearer instructions on what people who have booked travel but later fall under guidance on their movements (as opposed to legal restrictions) ought to do. In this respect we note the recent decision by the Competition and Markets Authority (CMA) to close their case aimed at securing refunds for customers of British Airways and Ryanair who were prevented from flying by Covid travel restrictions. The CMA concluded that the law does not provide passengers with a sufficiently clear right to a refund in circumstances where they could not legally take flights during periods of lockdown to justify continuing with the case, and asked that the law is clarified.⁴ Where regulators are not able to take action, we urge the Government to closely consider these sorts of issues, including the impact on consumer confidence and the associated impact on sector recovery, and work to protect the interests of consumers.

Call for evidence questions: *The traffic light system for international travel*

- *The operation of the Government's 'traffic light' system, including decision making, evidence base, effectiveness and transparency;*

Panel response:

It would benefit consumer confidence if rules about quarantine arrangements and which countries consumers can visit are planned and communicated as

much as possible in advance. We recognise that the situation in different countries has at times changed rapidly and the Government has had to respond, but unpredictable changes to travel advice and quarantine rules have undermined consumer confidence and may continue to hamper the recovery. The Panel was pleased to see some improvements to advance travel information, however there is still some way to go as advice and requirements can still change at short notice, one example being advice regarding travel to Mexico over the summer, which caused widespread panic and confusion since changes were brought in with only 48 hours' notice.⁵

We note the work of the Global Travel Taskforce in setting out criteria on which decisions are made and information for passengers who do want (or need) to travel during this period of restrictions. We were pleased to see the traffic light system has recently been simplified. The system in place in Summer 2021 was an improvement on Summer 2020, but there were still examples of changes to country guidance being implemented with only 48 hours' notice, leading to confusion and panic, and resulting in an impact on broader consumer confidence. We strongly believe that consumer representation should have been included on the Taskforce, and that a structured and transparent way to consider the consumer interest should be built in as decisions impacting consumers are made going forwards.

Providing clear, easy to find, and simple information is key to restoring confidence. The Panel input to development of the Passenger Covid-19 Charter⁶ and at the time we expressed concern that the document does not always clearly delineate between what are clear consumer legal rights and what are instead expectations of good practice. As such, there is a risk that consumers could make misinformed decisions. In addition, we were concerned that the signposting and very large amounts of information which consumers are being directed to is not good practice, and is complex for consumers to understand, though we appreciate the difficulties of providing information in such a complex and constantly changing area.

Call for evidence questions: *The cost of international travel*

- *Price and effect on demand of PCR and antigen testing in the UK;*

Panel response:

On this subject we note the recent work of the CMA on improving the PCR testing market.⁷ Clearly it is important that where consumers pay for tests, consumer law is adhered to and people get what they have paid for. However, in this particular market, where travellers are asked to carry out tests for public health reasons, it is especially important that all suppliers provide high quality services (including returning results in a timely manner) so that the underlying public health goals are achieved. It stands to reason that the majority of consumers will choose a provider from the list provided by the Government and we support the CMA conclusion that the basic standards for being on this list are improved as a matter of urgency.

Call for evidence questions: *Border readiness*

- *The facilitation of effective, efficient and proportionate checks at the border, including passenger waiting times and passenger locator forms;*

Panel response:

Our report on *Supporting passenger confidence*⁸ noted that as traffic starts to increase it may be difficult for airports (and others such as the UK Border Force) to anticipate demand and ramp up staffing levels accordingly. We said there was a risk this could lead to knock-on effects on areas like queuing, slower baggage return, and accessibility services. We were also concerned that without action being taken, media reports of poor customer experience, or from those consumers who do try to travel but have a bad experience, could further reduce consumer confidence in flying and slow the recovery.

We note some recent changes have been made to processes, including around processing of Passenger Locator Forms. We would take this opportunity to reiterate the importance of accurately predicting passenger flows and ensuring staffing levels at the border and in airports reflect this and are adequate to

deal with volumes. Over the course of the summer the media has regularly reported on large queues at border control.⁹ This does not help to build trust and confidence, and it is reasonable to expect such publicity will impact on decision-making around travel.

We would like to underline the importance of ensuring that important services, in particular those relating to accessibility, are properly staffed, that staff undertake adequate refresher training where needed so that service levels remain high, and that such services do not suffer from lack of resourcing with knock on detriment for those groups of passengers who would be most adversely impacted by poor service.

Concluding remarks

In conclusion, the Panel welcomes this call for evidence and as work continues in this important area please contact us if we can be of further assistance.

October 2021

Endnotes

¹<https://publicapps.caa.co.uk/docs/33/CAA%20Consumer%20Panel%20Supporting%20Consumer%20Confidence.pdf>

² See: <https://travelweekly.co.uk/news/air/leading-atol-holders-project-holiday-numbers-close-to-pre-covid-levels> and <https://www.theguardian.com/business/2021/oct/04/airline-industry-past-worst-point-of-covid-crisis-says-trade-body> for example.

³ <https://www.theguardian.com/business/2021/oct/12/ryanair-bans-covid-refund-passengers-from-boarding-new-flights>

⁴ <https://www.gov.uk/government/news/cma-closes-investigation-into-british-airways-and-ryanair>

⁵ See for example: <https://www.independent.co.uk/business/extra-flights-bringing-holidaymakers-back-from-mexico-before-red-list-deadline-b1898178.html?r=30748>

⁶ <https://www.gov.uk/government/publications/passenger-covid-19-charter>

⁷<https://www.gov.uk/government/news/cma-publishes-recommendations-to-improve-pcr-testing-market>

⁸<https://publicapps.caa.co.uk/docs/33/CAA%20Consumer%20Panel%20Supporting%20Consumer%20Confidence.pdf>

⁹ See for example <https://www.independent.co.uk/travel/news-and-advice/heathrow-airport-border-force-queues-b1827298.html> and <https://www.bbc.co.uk/news/business-56925877> and <https://travelweekly.co.uk/news/air/border-queues-down-to-bugs-and-restriction-changes> and

<https://www.dailymail.co.uk/news/article-9943259/Furious-travel-firms-say-nightmare-Heathrow-queues-government-strategy.html>.