

Consumer Panel annual report 2015-16

CAP 1445



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Foreword

This Annual Report outlines the activity of the Consumer Panel over the 12 months from Spring 2015 and sets out our priorities for the year ahead. During that period the Panel began its fourth year of operation and we have been able to strengthen the role we established over the first three years and have cemented our position within the CAA as a trusted and respected critical friend, actively engaged in challenging, questioning and encouraging the organisation without fear or favour.

Last year we acknowledged that the language of the consumer debate within the CAA was showing real signs of transformation. This tangible culture change has been driven from the top by both the CEO and Board Chair. We're pleased to say that there have been a number of initiatives over the last year that will help the CAA to better understand what consumers want and value, what they experience, and what prevents them from accessing the aviation market.

The motor that will continue to drive this change is the CAA's Strategic Plan for 2016-2021. The Panel played a key role in the development of this from its initial stages through to publication in April 2016. The Plan demonstrates a deliberate move away from the historical silo structure of the organisation, to a consumer-centred approach across the broad range of issues the CAA is involved in, helping to ensure that the consumer interest is recognised and understood in all policy, regulation and enforcement activity.

A key aim of the Panel has been to ensure that the CAA has a robust evidence base for all its work, by understanding what impacts on consumers, what outcomes are desirable, and tracking how the consumer experience changes over time. Only with this type of insight can the CAA be truly effective in monitoring, regulating, enforcing and producing guidance in the consumer interest. Last year we welcomed the CAA's decision to carry out a substantial piece of consumer research which in turn emphasised the need for a regular tracker survey to monitor satisfaction, behaviour, preferences and information that consumers value. I am pleased to say that the CAA has committed to this and the results of its first tracker survey will inform future work and help to bring greater focus.

We are concerned that some of the results of the tracker survey point to a relatively low awareness of rights among consumers. If consumers do not know what they are entitled to this will reduce incentives for airlines and airports to treat them well, particularly when things go wrong. We will ensure that the CAA acts on this worrying finding.

The views of the Panel have been actively sought from the earliest possible stage in developing the mechanisms for the next review of regulatory controls on the charges and services Heathrow Airport offers to airlines and ultimately to consumers. The current regulatory regime, known as 'Q6', is due to expire on 31 December 2018. As a result of our input the next review, known as 'H7', looks set to deliver one of the Panel's central aims – real consumer scrutiny of Heathrow's business plans. To achieve this a significant development in the CAA's role as economic regulator has been its decision to require Heathrow Airport to establish an independent Consumer Challenge Board (CCB) as part of the H7 process.

This also signals a move away from one aspect of the previous regulatory regime that the Consumer Panel was increasingly sceptical of - the overarching presumption that the interests of airlines and their customers are aligned and that airlines were best placed to be the voice of consumers in the regulatory negotiations. This had been a constant in previous reviews of the economic regulation of Heathrow and Gatwick but was an issue that we felt posed a high risk that the interests of many consumers were not being represented or heard adequately in the regulatory process.

As part of its emerging and more consumer-focused regulatory regime the CAA is also considering the merits of a more outcomes-based regulation, putting the burden on both the airport and its airlines to demonstrate that their ambitions and plans for Heathrow will deliver the outcomes that consumers value.

We very much welcome these initiatives as they represent a proactive decision by the CAA to go much further than it has in previous regulatory arrangements to put consumers at the heart of airport economic regulation. They also mirror current practice in a number of other regulated sectors in the UK.

Empowering consumers through information and also by securing consumer redress and enforcement are priority issues for the Panel.

The ability of consumers to make informed choices is a constant, and choice, value and fair treatment are key themes and we will focus on these in our priorities for the year ahead. But we want to see the CAA take a more robust approach to using its information powers and to understand more deeply what information consumers value and need and at what point in the decision-making process. This is an essential tool for empowering consumers and we do not want to see it squeezed out by other priorities or by a lack of enthusiasm. It requires a commitment and drive from the CAA to ensure that these powers are used effectively, proactively and in a targeted way.

Of course simply providing information and expecting consumers to act on it may not be the answer. We will encourage the CAA to ensure that it understands how information should be provided to consumers and to push for further measures, such as guaranteed access to ADR, which will ensure that consumers are empowered in practice.

Consumers have obvious immediate priorities at the decision-making stage which tend to be confined to price and choice of airport. This relatively narrow focus means that consumers are not thinking forward to what else will be important to them once they book. Yet research shows other issues are important in retrospect. We want the CAA to empower consumers to make choices about aviation based on a conscious assessment of airport and airline reputation and how they perform in given situations. This is potentially important information for all consumers with particular consumers, such as those who are disabled, being able to assess how well they will be treated in advance as a driver for choice. The CAA has done some good work in this area, but must ensure that the needs of disabled and vulnerable consumers are understood across all areas of its work.

We want consumers to have access to the widest possible range of surface access options so we strongly supported the CAA in its review of the market for surface access at UK airports. In the absence of consumer research that could have informed the CAA's engagement with the industry, we advised the CAA to use its consultation to gather information that allows it to come to a more balanced view of

the market as a whole. While we will continue to scrutinise this work as it develops we are deeply disappointed that to date it has not considered the specific impact of the market on disabled people.

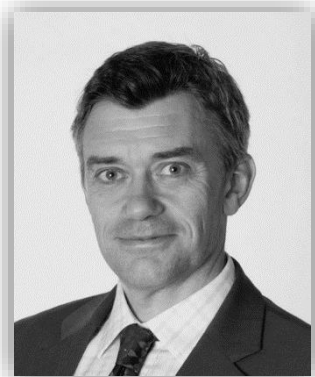
We have continued to challenge the CAA over its complaints-handling role, encouraging it to put in place genuinely easy access to Alternative Dispute Resolution (ADR) to deal with disputes, particularly against airlines. We welcomed the decision by the UK Government to appoint the CAA as the UK's competent authority to approve ADR providers, and to encourage airlines to offer ADR to their customers. The speed of take up by airlines of ADR was disappointingly slow, but we welcome the work the CAA has done to divest itself of its historic role in complaints handling and encouraging airlines to sign up to one of the approved ADR schemes.

And finally, the outcome of the UK referendum on membership of the EU has left a great deal of uncertainty around the consumer protection that primarily came from the UK's membership of the EU and now needs to be protected. Following the decision, we immediately began working with the CAA to support it in maintaining at least the same level of protection currently enjoyed by UK consumers in those areas where the CAA plays an important role, either as an enforcer or as a policy lead, or as one of the key bodies working in the area.

During the year we said goodbye to Philip Cullum, Alastair Keir and Crispin Beale, who had all served on the Panel since it began in 2012. They brought their very valuable expertise to our work and were instrumental in helping the Panel to become established as a trusted critical friend within the CAA and to gain the confidence of stakeholders. We welcomed Trisha McCauley OBE, Adam Scorer and Claire Whyley to the Panel. All three bring very specific skills and experience as we develop our focus to new priority issues over the next period.

Without the drive and commitment of all the Panel members as individuals and working collectively, and without the policy insight and patience of our secretary, James Tallack, the Panel would not be in the position it now is as a key part of the CAA's modus operandi. I thank them all.

Keith Richards, Chair, CAA Consumer Panel



Chapter 1

What we do

The Panel exists to help the CAA meet its objective to ‘improve choice and value for aviation consumers now and in the future’. We use our expertise in consumer and competition policy, complaints handling and redress, consumer research, economics, finance, law and strategy to scrutinise and challenge CAA’s activities in these areas. More information on how the Panel was set up and how we work can be found in our first annual report, published in 2013.

Between April 2015 and April 2016, the period covered by this report, the Panel has met six times. The minutes of the main Panel meetings, which are also attended by CAA staff, are published on the CAA website. Our members were also involved in separate meetings and workshops to explore certain issues in more detail with the CAA and with other organisations, including regulated businesses, and trade and consumer bodies.

Chapter 2

Key issues

The CAA's Strategic Plan

The CAA published its 2016-21 Strategic Plan in April 2016. The CAA consulted the Panel extensively as it developed its Plan and we have contributed to the production of a clear and coherent strategy that is not only strongly rooted in the outcomes that consumers value, but which also maps out a framework for monitoring their delivery. On the latter, thanks in part to strong lobbying from the Panel over the last few years, the CAA has committed to undertaking a consumer tracker survey to provide the regular insight into the aviation consumer experience that it needs to keep on top of its objectives and measure the implementation of its Strategic Plan. The first wave of the tracker survey has now been completed and we are clear that it will significantly add to the CAA's understanding of the industry it regulates, and provide the Panel with valuable intelligence and data to support our work.

We particularly welcome the CAA's focus in the Strategic Plan on the theme of consumer empowerment. This recognises that the competitiveness of the sector depends as much on consumers having access to information about their rights and other things that are important to them, and being able to get redress quickly and easily when things go wrong, as it does on the supply side issues with which the CAA has traditionally concerned itself.

Regulation of airport charges at Heathrow

We agreed with the CAA's view that Heathrow Airport Limited will continue to hold substantial market power (SMP) for a number of years beyond January 2019, when the current 'Q6' price control expires, and that continued economic regulation of the airport will be required. While the Panel provided advice to the CAA during the review that led to the Q6 price control, the fact that the Panel was not set up until October 2012 meant that we were not involved in the important earlier discussions around methodology and strategic issues that set the overall tone for the review.

Our last annual report identified getting involved at the earliest possible stage of the next Heathrow review, known as 'H7', as a priority. We've therefore been encouraged by the proactive and open way that the CAA has engaged with the Panel on this issue since the Autumn – a real sign of the culture change and growing focus on consumers that we continue to see within the CAA. We strongly support the CAA's desire to follow the successful consumer challenge initiatives pioneered by Ofwat and other UK regulators and establish a Consumer Challenge Forum (CCF) to provide expert, independent challenge and scrutiny to HAL as it develops its H7 business plan. We also welcome the CAA's focus on ensuring that HAL's business plan is geared towards delivering the outcomes that consumers – rather than HAL or Heathrow airlines – value and see the CCF as playing a key role in making this happen.

We continue to believe that the CAA's 'rebuttable presumption' of a general alignment between the interests of airlines operating at Heathrow and their consumers is incorrect. Such is the demand to operate from Heathrow – an off-peak slot pair recently went for a record-breaking \$75m, beating the previous record of \$60m¹ – that we think it unlikely that airlines at Heathrow are exposed to the competitive pressures that they claim to be, meaning they may be less responsive to consumers' needs as a result. It is also difficult to square the opposition of incumbent Heathrow airlines to future expansion of Heathrow's capacity with the general consumer interest in there being a greater choice of airlines and flights from Heathrow. Certainly, airlines are well placed to understand the interests of their consumers, but this is not the same as representing their interests.

Complaint handling and ADR

We have continued to monitor the CAA's progress as it seeks to end its involvement in consumer complaint handling by incentivising the airline industry to voluntarily sign up to private, ombudsman-type alternative dispute resolution (ADR) schemes. We support this objective: ADR schemes that are run by specialist, professional organisations and which provide consumers with a quick and legally binding

¹ <http://your.heathrow.com/oman-air-launch-new-heathrow-services-record-price-slots/>

resolution to their complaint are a far better deal for consumers than the CAA dealing with complaints itself. As other UK regulators have realised, regulation should be focused on the oversight of complaint handling bodies and responding to the intelligence they generate through action to tackle systemic problems in the industry.

At the time of publishing this report, several major airlines, including British Airways, easyJet, Ryanair, Thomas Cook and Thomson had signed up to one of the CAA's approved ADR schemes, providing coverage of over half the market (in terms of flights operated to and from the UK). This is a good outcome for those who are able to fly with these airlines – although we remain concerned that one of the schemes charging consumers a fee of £25 to use their service (as allowed by the CAA) could be a deterrent to consumers seeking redress in the first place. This could reduce the potential for ADR to drive continual improvement in standards.

This leaves the issue of consumers who have a complaint against an airline that has not signed up to ADR. We welcome the CAA's decision to change its original plan to withdraw its own complaint handling service (PACT) before all consumers have access to ADR, and the steps it has taken to introduce 'user pays' funding for PACT to encourage airlines to use ADR instead. However, we remain sceptical that all of the 250 or so airlines serving the UK will voluntarily sign up to ADR and believe that legislation is required to achieve this outcome. As Government is now explicitly asking the question of whether ADR should be made mandatory across all UK regulated sectors², there is a golden opportunity for the CAA to make the case for all aviation consumers to have access to high quality ADR.

Review of surface access at UK airports

Getting to and from the airport is an important but often overlooked part of the aviation consumer experience. Furthermore, the CAA has clear regulatory responsibilities in this area: it is a competition authority for services provided at UK airports that relate to the arrival and departure of passengers, such as car parking and forecourts for passenger drop-off and pick-up; it also has duties to ensure

² BIS consultation: Improving the consumer landscape and quicker switching: call for evidence (<https://www.gov.uk/government/consultations/improving-the-consumer-landscape-and-quicker-switching-call-for-evidence>)

consumers have access to information that help them compare air transport services and associated services, such as car parking.

The Panel strongly supported the CAA's decision to start a review of surface access issues at UK airports and we provided considerable input to the CAA as it developed its initial consultation, which was published in January. We have challenged the CAA to use the consultation to improve its understanding of consumer needs and behaviour, which we felt was not as well developed as its understanding of upstream market conditions. This could lead to any future regulatory intervention being targeted at the wrong problems. We thought it particularly important that the consultation took into account the experiences and attitudes of consumers who are disadvantaged or excluded by the way the market is currently operating, and who may have quite specific surface access requirements. As such, we believe the failure of the consultation to consider the specific needs of disabled people and those with reduced mobility is a serious omission.

Safety and security

Since we were set up as a Panel we have sought to develop our understanding of how the CAA regulates aviation safety and security in order to identify specific consumer issues. Recent events, such as the shooting down of Malaysia Airlines Flight 17 in 2014, and the suspension of flights at Sharm el Sheikh airport in November 2015 following the alleged bombing of a Russian airliner, led us to give more consideration to this issue.

At our meeting in December, we set out a number of issues for the CAA to consider, including: the way the aviation industry appears to respond in very different ways to the 'same' safety or security risk; the disproportionate impact of certain security measures on consumers with special needs; the protection of UK consumers from safety risks in areas outside the CAA's jurisdiction; and the coordination of communication to stranded passengers. We understand that Government and/or regulator action in such circumstances is motivated by protecting the safety and security interests of passengers. However, our concern was that the consumer interest in a particular issue can cut across the way responsibility is divided between different bodies (e.g., DfT, CAA, Home Office etc.) with the effect that

communications and the implementation of emergency measures to address problems are often confused and can sometimes have some adverse impacts on consumers. Our view is that if the CAA is positioning itself as the principal consumer advocate in the aviation industry then consumers will increasingly turn to the CAA during periods of safety or security related disruption or uncertainty and expect the CAA to be able to explain what is going on, regardless of whether it has formal responsibility for an issue. The CAA operates within the remit given to it under primary legislation by Parliament and therefore needs to clarify its role on matters that obviously affect aviation consumers. We understand that DfT may carry out a review of aviation security communications in 2016, which seems like an ideal opportunity to explore this issue further.

Chapter 3

Priorities for 2016-17

The Consumer Panel has in total approximately 150 days per annum to dedicate to its task. It has prioritised its activities for 2016-17 to those where it and the CAA believes it can have most impact and where its skills and experience is most relevant. These priorities are set out below.

Major priorities

Regulation of airport charges at Heathrow

- We will hold the CAA to account on its commitment to establish a genuinely independent CCF to scrutinise and challenge the development of HAL's business plan from an exclusively consumer-focused perspective. We will also ensure that the Panel is able to support the work of the CCF itself.
- We will help the CAA to develop a comprehensive understanding of the consumer interest in Heathrow's resilience to disruption through robust consumer research. This will mean that if regulatory intervention is required it is more likely to be targeted at the right things.

How any new runway in the South East should be paid for

- We will clearly set out our position for the CAA's consideration on how the cost of any new runway in the South East should be recovered. As set out in our last annual report, we expressed reservations about the efficiency and fairness of pre-funding, where regulated airport charges are used to pay for a runway before it is operational. However, a lot of further thinking is required on the financing of any new runway capacity and we remain open-minded to further information and evidence on this issue and regulatory package as a whole. We are also concerned about the apparent assumption by a number of parties, including the Airports Commission, that only the users of the airport should pay for a piece of

infrastructure which results in benefits to the wider economy that significantly outweigh the direct benefits to users.

Consumer empowerment and engagement programme

- We will ask the CAA for periodic reports on delivery against its new Strategic Plan and work programme and we will continue to encourage and support the ongoing culture change within the CAA.
- The Panel will maintain a watching brief on how the CAA engages with consumers and understands the experiences and interests of consumers. We will provide input to the CAA as it develops its briefs for consumer research to ask the right consumer questions and has realistic expectations about what research can deliver.
- We will review and report back to the CAA on the findings of its consumer research, particularly the tracker survey where we will help the CAA identify important trends and emerging consumer risks and opportunities, and ensure that the survey continues to capture the most important aspects of the 'consumer journey'.
- We are concerned about the findings of the tracker survey that point to a relatively low awareness of rights among most consumers. If consumers do not know what they are entitled to this will reduce incentives for airlines and airports to treat them well, particularly when things go wrong. Simply providing information and expecting consumers to act on it may not be the answer; we will therefore encourage the CAA to ensure that it understands how information should be provided to consumers and whether further measures, such as guaranteed access to free ADR, are needed to ensure that consumers are empowered in practice.
- We will focus particularly on the empowerment of disabled and reduced mobility consumers as research suggests this group's experience of air travel is markedly poorer than that of other consumers.
- We will monitor the development of ADR in the sector under the CAA's new approach, including consumer awareness of ADR, how ADR delivers for consumers in practice, and the quality and consistency of ADR coverage. Over the longer term we will look for an improvement in the

current low satisfaction ratings with industry complaint handling that the consumer tracker survey presents.

- Following the result of the EU referendum, we will help ensure that the CAA properly represents the interests of consumers in discussions with Government about consumer rights and protections post-Brexit.

Unfair contract terms

- We welcome the CAA's decision to look at the issue of potentially unfair terms in airline contracts and develop guidance for the industry. In the first instance, we will encourage the CAA to help ensure that it develops a robust understanding of which contract terms are particularly harmful to consumers.
- We also recommend that the CAA understands consumer behaviour in relation to contract terms. A key issue is that for terms to be assessable for fairness, they must be transparent. So, the CAA will need to interpret transparency in the context of how real consumers actually behave. Many people do not tend to read contracts thoroughly or at all before committing to a purchase and have certain 'behavioural biases' (e.g. being strongly influenced by how things are presented in an offer from a business). The CAA will also need to be alive to the needs of certain consumers who may have particular difficulties collecting, processing and acting on information, such as young consumers, some older consumers and consumers in unfamiliar circumstances (e.g. the recently bereaved).

Other priorities

ATOL reform

- The second European Package Travel Directive (PTD2) must be implemented by 2018. The Government is considering potentially radical reform of ATOL (the UK's current financial protection scheme for consumers buying air package holidays, which is administered by the CAA). Options include replacement of ATOL with mandatory insurance or industry-organised schemes, as well as the combination of schemes

covering air and non-air packages. Although wider reform will not happen before PTD2 must be implemented, we will continue to engage with the CAA and ensure that the advice it provides to the Government reflects the interests of consumers.

- We will continue to work with the CAA on the short-term implementation of PTD2, including advising it on issues that it brings to the Panel's attention, such as the protection of 'Seat-Only' sales by ATOL-licensed businesses and the regulation of so-called Linked Travel Arrangements (LTAs) or 'click-thru' sales, which will be covered by PTD2.

Safety and security

- We will apply some resource on the question of consumer information. On safety, the consumer tracker survey and earlier research indicates a desire among *some* consumers for more information about the industry's performance – this is a delicate and complex issue and needs to be handled carefully.
- On security, we will respond to requests from the CAA to contribute to any Government review of aviation security communications, particularly on the issue of consumer confusion caused by the sometimes inconsistent way the aviation industry responds to similar or identical security risks, and the way consumer interest issues often cut across different bodies' responsibilities.

Unregulated airports

- With the exception of Gatwick and Heathrow, UK airports operate in a highly competitive environment, and, overall, consumers are reasonably satisfied with the service they receive from non-regulated airports. However, we are concerned that the power of the low-cost carriers who typically operate from such airports has driven a 'bare bones' approach to airport operations, which has left airports poorly prepared to ensure consumers' needs are met when things go wrong. Where time permits, we intend to give further consideration to this issue, including whether the CAA should ask DfT for greater regulatory powers to deal with issues that competition alone fails to address, and present our views to the CAA.

Chapter 4

Transparency

Expenditure

The Panel cost the CAA £36,000 in Chair and Member fees in the 12 months to April 2016.

Meetings with stakeholders

- Air Travel Insolvency Protection Advisory Committee (ATIPAC)
- Airport Operators Association (AOA)
- Association of British Travel Agents (ABTA)
- Baroness Dianne Hayter
- British Air Transport Association (BATA)
- Chair of Communications Consumer Panel
- Chair of Financial Services Consumer Panel
- Chair of Food Standards Agency Consumer Advisory Panel *f*
- Chair of Legal Services Consumer Panel
- Heathrow Airport Ltd
- Irish Commission for Aviation Regulation
- The Rt Hon David Blunkett (Chair of easyJet special assistance advisory group)
- Which?

Terms of Reference

1. The Consumer Panel ('the Panel') has been established by the Civil Aviation Authority ('CAA') to support the delivery of the CAA's strategic objective to improve choice, value and fair treatment for aviation consumers now and in the future ('the strategic objective').

Objective and Focus

2. The Objective of the Panel is to provide independent advice and constructive challenge to the CAA about whether and how the interests of consumers are taken into account in fulfilling relevant regulatory duties and other functions.
3. In delivering its Objective, the Panel will act as a 'critical friend', define the scope of the consumer interest in any given issue, and generally reflect the consumer principles of access, information, choice, equity, safety, representation and redress.
4. The Panel can also support the CAA by bringing to its attention issues and areas of best practice from other sectors that may be relevant to the CAA's remit.
5. In fulfilling its Objective, the Panel should consider the interests of all groups of aviation consumers.
6. The Panel has an independent advisory role but does not have any decision making responsibilities or accountability role. In fulfilling its Objective, the Panel is independent in its thinking and is able to express its views freely.
7. The primary focus of the Panel's work shall be on those activities that fall within the CAA's statutory remit. However, where time allows, the Panel may also look at the impact on consumers of aviation industry activities that are not currently regulated and which fall outside the CAA's remit.
8. At the Panel Chair's discretion, the Panel can co-operate with airport consultative committees or with any consumer, industry or regulatory group, national or international, which can further the reasonable interests of passengers and would support the Panel's work.

Membership

9. The Panel shall consist of a Chair and up to 8 Members. The number of members will be reviewed prior to April 2017.

10. The Chair and Members shall be recruited through a process of open competition and encompass a broad range of relevant expertise and experience.
11. Appointment of the Chair will be made by the CAA for a term of three years, and may be renewed for a maximum of one further term of three years.
12. Appointment of Members will be made by the CAA on the advice of the Chair of the Panel. Such appointments will be for a term of up to three years which may be renewed for a maximum of one further term of up to three years.
13. Appointment of Members will be made by the CAA on the advice of the Chair of the Panel. Such appointments will be for a term of three years which may be renewed for a maximum of one further term of three years. However, the fact that a Member has served for a maximum period in that capacity will not necessarily preclude his or her serving as Chair beyond the end of that time, in which case paragraphs 11 and 12 will apply to that new appointment as appropriate.
14. No employee of the CAA may be Chair or a Member of the Panel.
15. Members will be appointed as individuals and, individually and collectively, are not delegates of any particular interest group.
16. The Chair and Members will work towards the objective of the Panel, and not promote their own interests or those of any group or organisation for which they work or of which they are members.

The Panel's Duties

17. The Panel will:
 - a) Meet regularly (and no less than four times per year) and be available for consultation by the CAA on specific issues. The quorum for meetings shall be five members.

- b) Prioritise its work on those issues that relate to the CAA's statutory duties, where it can have most impact and are relevant to its skills and experience.
- c) Be active in bringing to the attention of the CAA issues which are likely to be of significance to consumers, particularly where the CAA has regulatory accountabilities.
- d) Help the CAA develop its approach to consumer engagement to inform its work.
- e) Respond to formal requests for advice from the CAA in such a manner as it sees fit. (Where the Panel feels unable to respond to a request for advice it shall provide a reasoned explanation.)
- f) Request access to information from the CAA which it reasonably requires to carry out its work.
- g) Request regular access to the CAA Chairman, Board, Chief Executive and senior executives of the CAA.
- h) Determine its own rules of procedure. (The CAA's rules on conflicts of interest shall apply to the Panel, and any financial arrangements applicable to the Panel shall be handled under the CAA's standing processes.)
- i) Maintain the confidentiality of information provided to the Panel by the CAA (see paragraphs 23-25, below).

The CAA's duties

18. The CAA will:

- a) Be open and transparent with the Panel as the CAA's work programme evolves in order that the Panel can meaningfully identify and review its priorities and plan its work.
- b) Provide the Panel with sufficient notice of the issues that it will require advice from the Panel on.
- c) Consider representations made to it by the Consumer Panel, and from time to time provide to the Panel in such a manner as it thinks fit, responses to such representations.

- d) Provide secretariat support (up to 0.5 FTE) to enable the Panel to operate effectively.
- e) Provide the Panel with prompt access to all information which the Panel reasonably requires in order to fulfil its duties.
- f) Give the Panel reasonable access to the CAA Chairman, Board, Chief Executive and senior executives of the CAA.
- g) Give sufficient prior notice of new consumer issues that the CAA is putting in the public domain (“no surprises”).

Accountability

- 19. The Panel will consult with the CAA when developing its annual work programme, which may be amended from time to time in response to developments in the aviation market. The work programme should include a clear ordering of priorities, demonstrate how it links to the CAA’s statutory remit, how the Panel’s resource will be allocated and an indication of what the Panel wishes to achieve for consumers. The CAA may propose priorities and subjects for the Panel’s consideration.
- 20. The Panel will produce an annual report on its activities, which shall be published separately to the CAA’s annual report.
- 21. The Panel will publish the agenda and minutes of its meetings on the CAA website.
- 22. The Panel may speak out publicly when it wishes to draw attention to matters in the public interest.
- 23. The Panel and CAA shall review the Panel’s Terms of Reference from time to time, not less than every two years.

Information provision and confidentiality

- 24. It is in the interest of both the CAA and the Panel for the CAA to make available to the Panel relevant, timely, and up to date information of relevance to consumer interests. The Panel will respect the status on which all information is provided by the CAA and maintain the confidentiality of all information supplied by the CAA on that basis.

25. However, the CAA is subject to some legal constraints in relation to the disclosure of information it gathers in the course of its work. It is permitted to disclose information about businesses and individuals where this will facilitate the exercise of its statutory functions and this would include putting material before the Consumer Panel so that it may carry out its role in helping the CAA make better regulatory decisions. There may be exceptional cases where the CAA, having applied the relevant legal tests, considers that disclosure cannot be made or redactions need to be applied. This would be where the CAA considers that disclosure would be contrary to the public interest or would cause significant harm to the individual or business concerned. The CAA will therefore provide the Panel with information relating to individual airlines and airport operators where the Panel reasonably requires it to fulfil its role of helping the CAA to carry out its regulatory duties.
26. The CAA may on occasion opt not to disclose information or to redact it where disclosure would be contrary to the public interest or might harm the interests of the business or individual concerned. Panel members will agree to respect and understand the need for confidentiality. They will not disclose any information about a business or individual which is provided to them in the course of acting as a Panel member without the consent of the CAA and then only for purposes related to fulfilling their role as Panel member.

Chapter 5

Who we are

Chair

Keith Richards

Keith is a barrister, arbitrator and commercial mediator. He has served as an independent member and non-exec director on regulatory bodies in a variety of sectors and specialises in professional/industry self-regulation, consumer rights and alternative redress. He previously served as Head of Business and Professional Development and Consumer Affairs at the travel industry body ABTA. He was a Member of the Confederation of British Industry (CBI) Consumer Affairs Panel and served as its Deputy Chair for a while. Keith is Chair of the Disabled Persons Transport Advisory Committee (DPTAC) having previously served for nine years as Chair of the DPTAC International Working Group covering Aviation and Maritime. For many years he served as Senior Campaigns Lawyer at Which?, and as legal editor of the journal Consumer Policy Review.

Members

Sarah Chambers

Sarah is an expert in regulation, competition and consumer policy. She was Chief Executive of Postcomm, the postal services regulator, and held various senior roles in the Department of Business Innovation & Skills (including Director of Consumer & Competition Policy) and the Department of Energy & Climate Change. She is currently a Panel Member of the Competition & Markets Authority, and has a number of other public appointments and non-executive roles.

Ann Frye

Ann is an independent international specialist on the transport needs of disabled and older people. She advises governments, public, commercial and professional bodies on sustainable policy solutions to meet mobility needs in all transport modes,

including aviation. She has worked in this field for over 25 years primarily in the UK Government Department for Transport where she led a major programme of research, policy and legislation on disability and other equality issues. Ann is a Fellow of both the Chartered Institute of Logistics and Transport and of the Chartered Institution of Highways and Transportation, and is a Visiting Professor at University College London.

Steven Gould

Steven is a specialist in regulation, consumer protection and strategic policy development. Having led the regulatory function of RICS – the world’s leading built environment professional body – for 14 years, Steven retired from full time employment in 2014. Before joining RICS, he had previously worked for Which? and also in government. He currently holds two other non- executive roles; the first on the General Chiropractic Council and the second as a Trustee of the Microgeneration Certification Scheme - a charity responsible for standards, public protection and education in domestic renewable energy. His previous non-executive roles include membership of the government’s Better Regulation Commission, Director of Ombudsman Services Ltd, and membership of a number of professional conduct panels and advisory committees on governance and conduct.

Robert Laslett

Robert is an independent economist who retired in 2012 from being Executive Director at the Office of Fair Trading. He is member of the Independent Governance Committee of Zurich Insurance, a member of the Council of the Pensions Policy Institute, a visiting senior lecturer at University College London, a volunteer adviser at Citizens Advice, and a member of the board of On Our Radar, a non-profit company undertaking citizen journalism. He was Chief Economist for Pensions at the Department for Work and Pensions, headed the London office of economic consultancy Charles River Associates, and worked as a country economist and risk specialist at the World Bank.

Trisha McAuley OBE

Trisha is a consumer expert, a non-executive director and a management consultant. She was formerly the Senior Director for Scotland of Consumer Futures, and

Consumer Focus Scotland. Trisha has twenty years' experience as a successful senior leader in consumer affairs in Scotland and the UK, developing consumer policy, and advising government, regulators, service providers and businesses on how best to engage with, and take account of the needs of consumers and service users, particularly those who are most disadvantaged or vulnerable. Trisha is also a Board Member of NHS Greater Glasgow and Clyde, Vice-Chair of the Board of Glasgow City Health and Social Care Partnership, a Non-executive Director of Northern Ireland Water, and a Board Member of East Dunbartonshire Health and Social Care Partnership. She is the public interest member of the Institute of Chartered Accountants Scotland (ICAS) Discipline Board and a member of the Ofgem Gas Network Innovation Competition Expert Panel. Trisha was awarded an OBE in the 2015 New Year Honours list for services to consumer affairs.

Adam Scorer

Adam has been a prominent consumer campaigner across regulated markets for many years leading public affairs, policy and communications based campaigns at Which?, energywatch, Consumer Focus, Consumer Futures and Citizens Advice. Adam is a member of the Oversight Panel for ADR in the water industry, has provided consultancy services to regulated companies and has recently been an interim director of external affairs for Energy UK.

Anthony Smith

Anthony is the Chief Executive of Transport Focus. Having qualified as a solicitor, Anthony worked for five years as principal consumer lawyer for Which? This was followed by a year as the legal consultant for Consumers International, a worldwide federation of consumer groups. Prior to joining Passenger Focus, Anthony was deputy and acting director of ICSTIS, the regulator of premium rate telephone services.

Claire Whyley

Claire is a professional researcher and policy analyst, focusing on consumer behaviour and decision-making, consumer protection and consumer-focused regulation. She specialises in user-led, evidence-based and impact-focused policy development, across a range of markets, with a particular interest in vulnerable and

excluded consumers. She has delivered a number of research projects focussing especially on people with low or unstable incomes and customers in arrears. She recently completed a multi-sector review of best practice in debt collection and recovery looking, in particular, at preventative pre-arrears strategies to support consumers to avoid serious financial difficulties and a study of local authorities' council tax collection practices. Claire is also a member of a number of other Boards and Consumer Panels, including the Advertising Advisory Committee, the Finance and Leasing Association Lending Code Board, and is a Trustee of the Money Advice Trust. Claire previously completed two terms as a member of the Financial Services Consumer Panel and was Deputy Director of Policy at the National Consumer Council.