

CAA Consumer Panel

Work Programme:

August 2018 – March 2020



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About the CAA Consumer Panel

The CAA Consumer Panel acts as a non-statutory critical friend, giving expert advice to the CAA as policy is being developed, and making sure the consumer interest is central. The Panel's objective is to champion the interest of consumers. The Panel focuses on the interests of current and potential aviation consumers, and citizen issues, such as noise from flightpaths, do not fall under our remit.

The key activities of the Panel are to:

- Help the CAA to understand fully, and take account of, the interests of consumers in its policy development and decisions.
- Use existing CAA research, request the CAA undertakes new targeted research, and to gather intelligence, to understand the aviation consumer experience.
- Provide the CAA with feedback from a consumer perspective on the effectiveness of its policies and practices.

Chair's Foreword

The Consumer Panel is going through a period of renewal. When I began as Chair in January 2018, one of my first tasks was to recruit a number of new Panel members as members of the original Panel were coming to the end of their terms. Two new Panel members started in April 2018 and three more will be joining us in October and we look forward to the expertise and enthusiasm these new members will bring. However, sadly this means we will be losing a number of very valued members of the Panel, who will be leaving us at the end of September. They have contributed a huge amount to the Panel's work and will be much missed.

This period of change has given us the opportunity to look at our work plan from first principles and this plan is for an 18-month period, which will bring us back in line with the CAA's annual planning timetable going forward.

There are a number of external factors which have shaped our plan, not least the Government's ongoing work on a new Aviation Strategy. This gives us the opportunity to think more widely about changes that we would like to see to ensure aviation policy has consumers at its heart. It means we can consider recommendations that would require legislative change and gives the space for us to think imaginatively about the CAA's future relationship with airlines, airports, consumers and the Government.

Our activities over the next 18 months will be focused into three strands: Access, Quality and Redress, each of which is expanded in this plan. These themes will shape our work and highlight what our priorities will be over the period.

We aim to challenge constructively and make helpful recommendations to ensure the CAA keeps consumers at the heart of all it does to the benefit of those who currently fly and those who do not. We want to see air travel accessible to all those who want to fly, ensuring passengers receive a good quality of service from all those with whom they interact, and if something goes wrong they have easy access to a complaints process that puts things right and learns the lessons.

The rest of this work plan lays out the detail of our proposed work over the next 18 months, and we will report annually on the progress we are making.



Jenny Willott
CAA Consumer Panel Chair

Chapter 1

Assessing the evidence

Evidence base

Our primary evidence base is the CAA's Aviation Consumer Survey, a biannual nationally representative survey of 3,500 UK consumers, which measures attitudes and behaviour towards flying over time.

The survey aims to:

- Increase understanding of flying behaviours and attitudes towards flying, including barriers for non-flyers, as well as priorities for choosing future flights;
- Increase understanding of perceptions of the aviation industry in the areas of levels of safety, choice, value and fair treatment, environmental performance and security;
- Measure satisfaction with the flying experience; and
- Increase understanding of attitudes towards experiences of disruption when flying and the handling of any subsequent complaints.

The Consumer Panel was instrumental in introducing and developing the survey, which is a significant strategic tool for measuring consumer satisfaction with the aviation experience.

Chapter 2

Strategic themes

Our aims

We want to see markets and regulation that have the clear interests of existing and future consumers at their heart, that work effectively to ensure effective airline competition on price and service quality, airports that provide an affordable, good quality and consumer focused service, and empowered consumers making informed decisions about which companies to use. Airline services and airport environments should be designed and delivered to ensure accessibility to everyone, and people who may need extra help should be supported to make sure they can effectively access the market. And when things go wrong, consumers should have quick, fair and easy access to redress. This will in turn help the CAA to deliver its strategic objective of empowering consumers.

Our work is grouped under the following three strategic themes:

Access

What we want to see:

The experiences and needs of consumers at risk of vulnerability are well understood and taken into account in the design and delivery of services. Everybody who wants to do so is able to access the market and has a good experience when they do so.

Quality

What we want to see:

Airlines compete on both price and service quality, and consumers are able to make easy and accurate comparisons. Airports provide more transparency about service quality. Digital innovation is harnessed to positive effect for consumers. Information is transparent and easily available, including in formats which can be used by third parties to give effective advice and make accurate comparisons.

Redress

What we want to see:

When things do go wrong consumers should have quick, fair and easy access to redress, with equitable outcomes. Both airlines and airports use consumer complaints to learn lessons and improve service quality and provision. This will make things better for everybody, including those who do not complain. Reform of airline insolvency arrangements should be cognisant of consumer needs and ensure consumers are adequately protected.

Outputs and impact

Below we have grouped the outputs we expect to produce to March 2020 under our strategic themes. Our key outputs are designed to help and influence the CAA, although we may also publish our findings where we consider this would be useful and in the consumer interest. We recognise that throughout the work programme things may change and we will remain flexible.

In order to achieve impact for aviation consumers we will of course continue to engage constructively with key stakeholders, including the CAA, airports, airlines, and consumer representatives. In addition to the outputs set out below we will focus on our 'business as usual' work, including commenting on development of CAA policy and enforcement work at key stages, meeting with stakeholders, pressing for research in relevant areas, and providing input and advice where requested. There are a number of issues that we will continue to monitor and pick up when necessary, including Brexit and the Heathrow price control review 'H7'.

Chapter 3

Work plans

Access

The evidence: The Aviation Consumer Survey considers the diverse needs of passengers with physical and hidden disabilities that may impact on their journey. Around three quarters of those who had booked assistance were satisfied with the process of booking and the assistance they received. However, only 58% were satisfied with the carriage of special items. A useful comparator is rail, where satisfaction with booked assistance is around 85%.

We note that people at risk of vulnerability are less likely to have confidence in the safety of UK airports than the average passenger (66% vs. 74%), and only half enjoy travelling by air (50% vs. 58%). This group is also slightly less likely to be satisfied than the average passenger with some of the highest scoring aspects of the passenger journey, particularly navigating around the airport.

Outputs: The CAA plans to develop a framework to address the needs of consumers at risk of vulnerability in order to better understand the needs of this group and ensure they are met. In late 2018 – early 2019 the Panel will support the CAA by:

- Developing a definition of vulnerability as it relates to aviation consumers;
- Considering the most useful language to use in this area;
- Setting out what the Panel believes the key vulnerability issues in aviation to be; and
- Hosting a roundtable of expert stakeholders to check and challenge our findings.

Quality

The evidence: In terms of searching and booking, over 80% of respondents were satisfied with deciding which flight to book and the process of booking the flight although satisfaction with the process of booking has fallen from a high of 89% in October 2017 to 84% in the latest wave.

When questioned in more detail, just over half of people said it was easy to understand how much it costs to travel with different airlines and to make comparisons between them. Over three quarters of respondents booked online, suggesting more could be done in the digital environment to make sure costs are clear and comparable up front.

Outputs: In the first half of 2019 the Panel will work with the CAA to explore how technology is changing the consumer experience, for example how data is aggregated and used, or how use of algorithms could impact on how consumers are presented with ticket options, as well as on how much they pay.

The Panel will also work with the CAA to map the data that is currently available to inform consumer choice, as well as providing recommendations on other data which could be made available. The Panel will consider how consumers make use of information and the role of third parties in increasing informed choice. This work is likely to take place in the second half of 2019.

On the journey: Just over three quarters of respondents were satisfied with the airport experience. Satisfaction is highest with wayfinding and information about flight status, and lowest with choice between airports and airlines. 77% were satisfied with the onboard and in-flight experience.

Two major drivers of dissatisfaction are apparent:

- Disruption leading to operational delays: Consumers consider delays to be 'disruption' and experiencing it reduces their satisfaction. 45% of respondents perceived that they experienced disruption on their last flight. They defined it as long queues and crowding at the airport, delays of up to two hours, and delays after boarding. The most dissatisfying forms of disruption were delays at immigration and for baggage.
- Disruptive passengers: 1 in 5 people said they had experienced disruptive or anti-social behaviour while at the airport or on a plane.

Outputs: We note the ongoing work between industry, Government and the CAA to address the issues relating to disruptive passengers. We therefore intend to focus on the issue of disruption leading to operational delays. In 2019 - 2020 we will investigate available evidence and provide recommendations to:

- Explore differences between how passengers and industry perceive disruption; and
- Recognising that disruption can occur, produce recommendations for how it might be handled better to mitigate effects on consumers, with particular focus on the interface between airlines and airports.

Redress

The evidence: Complaints are a key area of dissatisfaction and the lowest scoring headline measure in the survey.

Less than half of respondents were satisfied with the speed of response, fair treatment, being kept informed of progress and redress offered, although we note that overall satisfaction with complaints handling has improved to 64% since the previous wave.

However the ADR schemes in aviation uphold over 60% of passenger complaints, which indicates there may be wider problems in complaint handling by airlines.

Of survey respondents who experienced a delay or cancellation, 60% said they were not made aware of compensation by the airline. 42% went on to claim compensation. While airlines only have to compensate passengers in certain circumstances, these results suggest that airlines could do more to make consumers aware that they may be eligible for compensation.

Outputs: In the second half of 2018 the Panel will focus the majority of its resource on complaints and redress, in order to input to both the CAA itself and the ongoing work on the Aviation Strategy. We will provide views and advice on the following areas:

- Gaps in the current evidence base and how these could best be addressed;
- The complainant experience at the first tier;
- The complainant experience at the second tier, including addressing whether ADR should continue to be voluntary in the aviation sector and whether it is in the consumer interest to authorise multiple ADR providers; and
- The complainant experience of compensation and options for improving uptake of compensation, including consideration of the merits of automated compensation and how collective redress could be harnessed to best effect for aviation consumers.

The Panel will also input to the Airline Insolvency Review, representing the consumer interest and highlighting the need for adequate consumer protections.

Chapter 4

Who we are

Chair

Rt Hon Jenny Willott OBE, Chair

Jenny was appointed to the Panel in January 2018. Jenny was Member of Parliament for Cardiff Central for ten years, serving as Consumer Affairs Minister, with responsibilities including consumer policy, competition policy and employment law, Women and Equalities Minister and as a Government Whip. She is now the Director of Enterprise and Innovation at St Mary's University, Twickenham, and a Non-Executive Director for the Independent Parliamentary Standards Authority. Prior to entering Parliament she worked in the voluntary sector, including as Chief Executive of Victim Support South Wales and Head of Advocacy for UNICEF UK.

Members

Carol Brennan

Carol will join the Panel in October 2018. Carol is a Reader in Consumer Policy and Director of the Consumer Dispute Resolution Centre at Queen Margaret University, Edinburgh. Carol's research interests include consumer policy, complaint management, dispute resolution, consumer empowerment and customer experience. Carol is Chair of the Scottish Legal Complaints Commission Consumer Panel and is a member of the Office of Rail and Road Consumer Expert Panel. She is also Chair of the Qualifications and Awards Board for the Chartered Trading Standards Institute. Carol conducts research for consumer policy and dispute resolution organisations, and publishes regularly in academic journals. Carol draws on her research to influence new developments in strategy, policy and practice. She recently produced reports on consumer representation, the outcome of complaints and using complaints to transform services.

Sarah Chambers

Sarah was one of the founding Consumer Panel members, having been appointed to the Panel in 2012, and will step down in September 2018. 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 and non-executive director of the Competition & Markets Authority, and has a number of other public appointments and non-executive roles, including as Chair of the Legal Services Consumer Panel.

Helen Dolphin MBE

Helen was appointed to the Panel in April 2018. Helen is a committed campaigner on improving transport for disabled people. After becoming disabled in her early twenties Helen trained as a journalist and worked for ITV Anglia News as a news reporter. She followed this by taking up the role of Director of Policy and Campaigns for a national disabled charity. Helen now works as an independent mobility specialist advising government, public, commercial and professional bodies on how to improve accessibility. She recently gained a degree in law and carries out equality law work for Fry Law. Helen is a member of the Disabled Persons Transport Advisory Committee (DPTAC), Chair of the Joint Committee on the Mobility of Disabled People (JCMD) and Chair of her local mobility assessment centre East Anglia Driveability (EAD).

Robert Laslett

Robert was appointed to the Panel in 2012 and will step down in September 2018. Robert is an independent economist who retired in 2012 from being Executive Director at the Office of Fair Trading. He is a 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 chair 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 was appointed to the Panel in October 2015. Trisha is an independent consumer expert and an experienced Non-Executive Director. For over twenty years she was a senior executive in UK and Scottish consumer organisations and is the former Scottish Director of Consumer Futures. She was awarded an OBE for services to consumer affairs in 2015. Trisha is currently the Independent Chair of National Grid's RIIO2 Gas and Electricity Transmission Stakeholder Challenge Groups. She is also Independent Chair of two Electricity Code Governance Panels: the Grid Code Review Panel and the Connections and Use of Systems (CUSC) Panel. She is a Board Member of Northern Ireland Water, a Member of the Institute of Chartered Accountants Scotland Discipline Board, a Member of the Ofgem Gas Network Innovation Competition Panel, a Member of the Ofgem Consumer Progress Panel, a Member of the Office of Rail and Road Consumer Expert Panel, and a Member of the Heathrow Consumer Challenge Board. Trisha is also a Panel Member of the current Independent Review of Legal Services in Scotland.

Walter Merricks CBE

Walter was appointed to the Panel in April 2018. Walter's career over the past 20 years has involved work with ombudsman and complaint services, competition and consumer protection systems and regulatory bodies in the retail financial services, gambling, surveying and legal services, press, telecoms, energy, copyright licensing and ATOL protection sectors. He was the inaugural Financial Ombudsman and worked with the Financial Services Consumer Panel between 1999 and 2009. He recently served for six years on the board of the Gambling Commission, and now chairs the boards of IMPRESS (the Independent Monitor for the Press), and of JUSTICE, the law reform charity.

Jacqueline Minor

Following a short period lecturing in law at the University of Leicester, Jacqueline Minor joined the European civil service, first at the Court of Justice and subsequently at the European Commission. After more than 20 years' working on Internal Market issues, including a period as Director responsible for Consumer Policy, she served as Head of the Commission's Representation in the UK from 2013 until retirement in 2017. She is a member of the Board of Governors of the University of Brighton, an Honorary Senior Fellow of Regent's University, London and a Governor of the National Institute for Economic and Social Research. Jacqueline joins the Panel in October 2018.

Anthony Smith

Anthony was appointed to the Panel in 2012 and will step down in September 2018. 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 Transport Focus, Anthony was deputy and acting director of ICSTIS, the regulator of premium rate telephone services.

David Thomas

David is a chartered accountant and an economist. He was appointed a specialist panel member at the Competition and Markets Authority in 2017 and since 2016 has run his own consulting practice focusing on economics, regulation and disputes in the communications sector. David was a director of competition and regulatory finance at Ofcom where he had responsibility for, among other things, price controls. After leaving Ofcom he established and led KPMG's global economics and regulation practice. David will join the Panel in October 2018.

Claire Whyley

Claire was appointed to the Panel in October 2015. 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. 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.