

Consumer Panel minutes

10:30 – 16:00 19 January 2023, Earhart

Attendees

Consumer Panel

Jacqueline Minor (JM)	Acting Panel Co-Chair
David Thomas (DT)	Acting Panel Co-Chair
Jennifer Genevieve (JG)	Panel Members
Walter Merricks (WM)	
Carol Brennan (CB)	
Helen Dolphin (HD)	
Rick Hill (RH)	
James Walker (J Walker)	
Vaughan Williams (VW)	
Freya Whiteman (FW)	Secretariat
Sally Bland (SB)	

Invited Guests

Paul Smith (PS)
Anna Bowles (AB)
Ewa Gowers (EG) (item 4)
Sir Stephen Hillier (SSH) (item 5)
Richard Moriarty (RM) (item 5)
David Oastler (DO) (item 7)
Helen Swanbury (HS) (item 7)

Environmental Sustainability Panel (ESP) (item 6)

Dr Ruth Mallors-Ray, Chair (RMR)	Panel Chair
Professor Charlotte Clark (CC) <i>Teams</i>	Panel Members
Dr Martin Hawley (MH)	
Professor David Lee (DL)	
Professor Alastair Lewis (AL)	
Dr Chikage Miyoshi (CM)	
Professor Anil Namdeo (AN)	
Bronwyn Fraser (BF)	Secretariat
Abigail Grenfell (AG)	

Apologies

Jenny Willott (Chair of the Consumer Panel)

Declaration of Interests

The register of interests, as circulated before the meeting, was taken as read and CB also noted some changes that would need to be made to the register. An updated register would be circulated by FW in due course.

1. Chair's Update

JM welcomed those present to the meeting and explained that she was acting as Co-Chair with DT as JW was unwell.

The minutes of the quarterly Panel meeting, held on 20 October 2022 were agreed.

JM noted that the April meeting would sadly be Walter's last meeting before his term ends.

JM provided an overview of key Government developments since the last Panel meeting:

- Mark Harper had been appointed as the new Secretary of State for Transport.
- Baroness Vere had been appointed the Aviation Minister and had previous experience of the sector.
- JW had met twice with Jeremy Newman as part of the Public Bodies Review and the Panel would be submitting a response to the Call for Evidence.
- Members of the Panel recently met with the CAA to discuss DfT's Groundhandling review
- A vote on the Retained EU Law (Revocation and Reform) Bill (REUL) had recently taken place.

JM noted that RM is sadly stepping down in April and there are some executive-level changes at the CAA, which would be discussed later on the agenda.

JM provided an overview of the meetings JW had held with the CAA in the last quarter, including at an executive level. JW is also due to attend a consumer focused ExCo PIE meeting on 8 February.

JW also attended an external Consumer Panel Chairs meeting.

JM asked members to provide any comments to FW on the draft response to the Public Bodies Review Call for Evidence.

2. Member Updates

JM invited updates from members on the work of the sub-groups and other developments since the October meeting and the following points were raised:

- Innovation sub-group workshops on Advanced Air Mobility and Quantum Technology had been held with Lizzy Morgan, which members found interesting and thought provoking. The sub-group also met with the Law Commission on how the Panel could input from a consumer perspective on a new project that will examine legal and other implications of increased autonomy in the aviation sector.

- The accessibility sub-group had met with James Fremantle to discuss the proposed airline accessibility framework.
- CB reported that satisfaction levels in the Aviation Consumer Survey had declined in the past year, and overall had reduced by 10% since 2016. Complaints handling represented the lowest area of satisfaction. A question regarding airport queuing had been added in light of the disruption experienced last year and it was hoped that this would encourage further conversations about avoiding similar problems in the future.
- A workshop to discuss the NERL price control final proposals would be held shortly.

3. CAA Update

PS attended the meeting to provide an update on recent developments. He highlighted the following points:

- The interim airport accessibility report had been published before Christmas. It had shown varying performance across the airports at different times, with Luton the worst performing overall.
- A high volume of complaints had been received from consumers regarding Wizz Air in November/December, which related to disruption during the summer months. There had been some positive engagement with senior executives which had provided a useful insight into how they dealt with customers, the ADR problems experienced, and also the differing expectations of consumers. Steps were being taken to address the problems in a timely manner, but further work was needed.
- Work was continuing on the proposed airline accessibility framework to ensure it was ready for consultation.

4. The CAA as the Market Surveillance Authority (MSA) for Remotely Piloted Aircraft Systems (RPAS)

EG attended the meeting to provide an update on consumer implications of the CAA as the Market Surveillance Authority for RPAS (drones). She went through the different categories of RPAS in operation, the licensing requirements and the data volume comparisons. There were around 500,000 active users that were known about with forecasted growth in the RPAS sector of 7 million by 2035.

Some enforcement action (such as fixed penalty notices) could be issued by the Police, and licenses could be removed if necessary, but the rapid increase in the use of drones since 2019 was creating a 'wild West' environment and a Market Surveillance Authority (MSA) was needed. The DfT had asked the CAA if they would be willing to take on the duty of being the MSA in the UK and Northern Ireland from January 2026.

The CAA Board had ratified the decision with an initial DfT fund in 2023/24 ready to perform the role from 1 January 2026. This would encompass preventative measures, standards, overseeing conformity assessment bodies and safety regulator work.

EG confirmed that the CAA would not have front line product responsibility and their authority would be market surveillance via conformity assessment bodies. Conformity assessment checks would be carried out before a product went to market and the MSA would then oversee dip samples and checks. A focus was needed on how that arrangement would work.

EG asked members of the Panel for their input into shaping the roles over the next 12 months and the following points/queries were raised:

- JM queried what would happen after the initial DfT funding ran out, and EG confirmed that there would be a tax or levy on manufacturers. The details of this needed to be worked out.
- RH highlighted some ways to encourage drone registration that were used in the marine industry, such as features that could only be unlocked with a code that was issued with the licence. EG would follow this up with Ofcom.
- Retailers doing more at the point of sale, as happened with e-scooters and televisions, was suggested, though it was noted that as drones were both products and aviation products they were in a grey area in terms of categorising sales. EG confirmed that trading standards were not involved, and the majority of drones were imported from China.
- The accountability of operators and owners was discussed, and it was noted that drones flown by AI would still be the responsibility of the operator.

Preparation for 2026 was difficult given the speed of evolution in the technology, but EG confirmed that the team would be doing as much as they could in terms of publicity and working with the market.

JM thanked EG for her comprehensive presentation.

5. Chair and CEO Update

SSH and RM joined the meeting to provide an update on recent activities of the CAA.

SSH highlighted the themes from the Board meeting held the day before. He explained that safety, security and the consumer interest remained key priorities as well as lessons learned from the post-Covid recovery period. Many consumers had not been well-served during the summer disruptions and there would be less tolerance if there was a repeat of this situation. Standards had been uneven across the industry and had been a reminder that the CAA did not have the enforcement powers necessary, as were expected by the public. The case for enhancing the CAA's authority, in line with other regulators, was continuing to be pursued with Government.

SSH discussed the changes to the Executive, including the forthcoming departure of the CEO and COO in the Spring. He explained that the recruitment process was underway and the Board was focussed on maintaining stability. The consumer interest remained at the core of the CAA's priorities.

The arms-length public bodies review would be concluded by the end of year, and the CAA had fully engaged with the process in terms of the call for evidence, which had involved the Consumer Panel. Proposals for change were expected and welcomed to ensure the CAA was fit for the future.

RM discussed the unique and trusted role of the Consumer Panel, which was key to the CAA's infrastructure. He added that it was essential to continue getting the best value from the Panel and its members' expertise. He discussed the lack of a statutory basis for the Panel, though noted that this did allow for some flexibility. In relation to the Consumer Survey, RM discussed the issue of complaints which, where possible, were being automated for greater speed. This was generally good in routine

cases, but not in more complex ones, such as those involving re-routing. He acknowledged that the CAA's powers were limited but its influence could be broad. Dealing with pan-European airlines had reiterated the varying expectations of consumers in different jurisdictions.

The case for the CAA being given more enforcement powers was discussed, and in particular, whether the problems experienced during summer 2022 could persuade the Government of the need for them.

In the context of DfT's groundhandling review, JM referred to a recent workshop arranged by the CAA that Panel members attended and asked if there was anything the CAA could do to mitigate the risks of significant disruptions during the summer. RM explained that the CAA was influencing beyond its authority and was engaging with airlines and airports about groundhandling as part of its safety remit. Groundhandling resources generally were being increased, which the CAA could influence, but had no powers to mandate. PS added that the CAA had made clear that they would be supportive of any set standards that the airports chose to implement.

HD queried the status of the Accessibility Panel. RM confirmed that the Panel had achieved a lot but there were ambitions to do more, and the status could be discussed as part of a future review. In the meantime, HD would provide some details of comparators' Terms of Reference.

JM thanked SSH and RM for their comprehensive updates which were appreciated. On behalf of the Panel, she wished RM success in his future endeavours.

6. Introductory Joint Workshop with Environmental Sustainability Panel (ESP)

Members of the Consumer Panel joined members of the Environmental Sustainability Panel (ESP) for an introductory joint workshop. RMR and DT co-chaired the session and those present introduced themselves.

RMR provided the background to the joint meeting, explaining that the two Panels had different remits but were comparable in many ways and the respective Chairs were looking into future joint work.

Part 1 introductory session

DT explained that the two Panels had many overlaps in terms of size, their 'critical friend' role and ways of working. He discussed the Consumer Survey which was in its 11th wave and which provided a stock take of consumer opinion and contributed to policy development. CB explained that the survey involved 3,500 people per annum and was carried out once a year. As had been raised previously, satisfaction had dropped from 90% to 80% since 2016.

DT noted that behind the scenes, there was a lot of work ongoing in terms of the Panel providing formal responses to consultations, holding deep-dive sub-group workshops on various policy issues across the CAA and the Panel Chair meeting with CAA and industry stakeholders.

RMR discussed parallels from the perspective of the ESP, and explained that the Panel had been established following publication of the CAA Environmental Strategy the previous year. The Panel was necessarily very technical due to the nature of the subject and offered support and expertise to the CAA's Environmental Sustainability Team, other panels and the Board. The main aim was to help the

CAA factor in an understanding of environmental issues by challenging and supporting the strategic process. Their role was internally focussed and there was no lobbying or external work at the current time.

In terms of the work being undertaken, DT explained that the Consumer Panel's 18 month work programme had been published and covered three strands:

- Building the Evidence Base, including shaping consumer research and ensuring decisions are based on sound evidence;
- Driving Better Outcomes for Consumers, including working with the CAA to learn lessons from post-pandemic disruption, and ensuring rapid improvements to services for vulnerable consumers; and
- Influencing Future Frameworks, including ongoing Government consultations on areas such as CAA powers and ATOL reform.

A key theme was returning to pre-pandemic service levels, with a particular focus on vulnerable consumers. HD explained that the Consumer Panel had worked with the CAA to move the definition of vulnerability away from specific groups of consumers to the idea that anyone could be vulnerable depending on the situation. The Consumer Survey was discussed in terms of environmental information and RMR explained that this varied for different age groups and there was poorer health in inner cities because of factors including pollution. RH explained that the survey covered those issues across the UK regions and the data could be drilled down into. AL suggested that an indicator could be developed to represent all groups, though it was noted that this would impact on the cost of the survey.

RMR explained that the ESP's work programme had been published up to March 2023 and focused on supporting the delivery of the strategy. It covered eight short thought pieces on strategic issues, with direction from the DfT and advice on sustainability issues. The Panel were keen to shape a longer-term programme and move towards alignment of the Panels working together. An element of fluidity needed to be retained to allow for additional areas of work that might arise.

AG explained that coming out of the pandemic, there was a need to be greener, and this was leading to genuine shifts, but also greenwashing. The pace and extent of change in the industry was extremely fast which put additional pressure on the environmental agenda.

DT detailed the ways of working for the Consumer Panel, in terms of maintaining key objectives, effective use of sub-groups and the work undertaken by the Chair and Secretariat.

JM explained that ways to enhance the impact and visibility of the Consumer Panel had been discussed at the previous Panel meeting. Initiatives were underway including setting up an intranet site for the Panel and holding lunch & learn sessions to raise awareness among colleagues. There was good access to the CEO and CAA Chair which was beneficial.

RMR explained that the ESP had been to the Board. As the remit of the Panel covered very complex subjects, the key was balancing the critical friend role and the consumer voice vs scientific issues. FW explained that the Consumer Panel was well received as colleagues had realised its benefits to their work. This same could apply to the ESP.

Part 2: Future Joint Working

Possible touchpoints and interactions between the two Panels' work plans was discussed, including a potential joint meeting on Environmental information for consumers. AG explained that there was a lot of distrust about off-setting, which could be looked into, along with air pollution around airports. Both Panels could look into implications to consumers and the environment.

Environmental and consumer implications of airspace modernisation might be viewed differently by the two Panels, but could come together to report to the Board. Some flexibility could be maintained so that future work could be arranged on an interactive basis as topics came up. This, and the frequency of the joint meetings, could be discussed by BF and FW with their regular updates with the Panel Chairs.

Public health during travel was suggested as an area of interest, possibly drawing on research by Transport Focus.

The economic regulation of airports and the science behind the structure of charges was suggested as an area of consideration. Some work on cost benefit analysis had been carried out relating to Airbus flights from Heathrow to Frankfurt and took into account emissions and noise. It was noted that noise regulations varied in different countries. Consumers were pushing hard on emissions, which were also the legislative priorities, however noise was also worth considering, along with possible incentives through airport charges.

The co-chairs thanked members of both Panels for their contributions to the joint meeting.

Members of the ESP left the meeting and JM resumed the Chair for the remainder of the Consumer Panel meeting.

7. Retained EU Law (Revocation and Reform) Bill (REUL)

HS and DO attended the meeting and presented their update on the latest developments with the Retained EU Law (Revocation and Reform) Bill (REUL). This had undergone its third reading and was due for discussion at the House of Lords.

DO explained that the options for REUL were to either 'sunset' some secondary legislation by the end of 2023, extend the period to 2026, reinstate or revoke legislation. Around 90 pieces of legislation related to areas of CAA responsibility, of which 80% were airspace regulation and 20% were consumer rights and protections.

The CAA proposed approach was to take the opportunity to reshape the background to the legislation though this would take time to consider and would not be deliverable by 2026. The CAA were therefore recommending the preserve option with some minor redundant legislation being sunset in the meantime.

DO discussed the risks and ongoing uncertainty that made effective planning difficult as the outcome was not known. The risks and the dynamic environment of aviation meant that clarity and agreement was needed and DO asked the Panel for their input.

JM expressed concern that the coverage of the REUL Bill was unclear and there was a risk of losing legislation as a result. The Panel would be concerned about broader legislation, not just that which falls within DfT's remit. There would be little parliamentary scrutiny or consultation, and trade would be impacted if standards were different from the EU. PS added that DO's suggested approach, to retain most legislation in its current form, was helpful as it enabled time for consultation.

The status of Regulation 261 was queried and it was noted that if the Bill was extended to 2026 EU 261 could be reviewed after that. PS added that there was no indication that the Government had a particular vision to change the Regulation. He added that the second phase of the ATOL Reform consultation would be published in the near future and had some momentum behind it. Airline insolvency was lacking momentum and the Bill to give the CAA more enforcement powers was currently on hold because of the resources being allocated to REUL.

The CAA is also considering the consumer legislation within DBT' remit, which may also be retained.

FW asked how the Panel could input further into the work and DO said that Members' views and advocacy were very helpful. He suggested providing a further update and seeking members' views in the April meeting.

JM thanked DO and HS for their update.

8. AOB

The Chair invited those present to raise any other items of business, and the following points were raised:

- A paper on the airline website accessibility audit had been provided as part of the pre-reading material. FW had spoken to website audit firms before Christmas and would circulate a draft tender document to members for comment on. RH offered to provide details of a communication industry project that had been carried out as a cross-sector comparator. Apps were suggested as an area for focus, including the level of input by users with disabilities and how consumer-facing tools could be tailored to individual requirements.
- PS explained that there had been an announcement made during the afternoon about the interim arrangements for the CEO's replacement.

There was nothing further to discuss and JM thanked members for taking part. The meeting closed at 16.07hrs.