

STANSTED AIRPORT CONSULTATIVE COMMITTEE

Secretariat

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27 July 2012

Dear Sirs,

Review of Price Regulation at Heathrow Gatwick and Stansted Airports

Thank you for the opportunity to respond to the Authority's consultation on its proposed review of price regulation at Heathrow, Gatwick and Stansted for the next regulatory period beginning in April 2014 (Q6). We were also grateful to be able to meet CAA representatives and obtain further background on the review.

It might be helpful to preface our comments by explaining the role of the User Experience Group at Stansted. The User Experience Group meets on a quarterly basis to consider matters affecting the experience of users of the airport and undertakes visits to better understand the experience of airport users. The Group also seeks to share ideas and discuss best practice from other airports and consultative committees. The airport visits form a key part of our work and inform the Group as to the passenger experience. Each meeting is preceded by a visit to review a particular element of the passenger experience. The current work programme has covered: surface access to the airport; check-in; departure facilities; and arrivals (border control and baggage reclaim). The final meeting this year will focus on surface departures from the airport. Future meetings will cover freight and PRM issues. The Group sees its role as acting as a critical friend to the airport with issues raised as a result of the visits adding value in helping the airport enhance the passenger experience.

As regards the issues raised by the consultation, the Group welcomes the new primary duty that the Civil Aviation Bill places on the Authority to further the interests of present and future passengers. This passenger-based focus will be key in the Authority fulfilling its commitment to improve choice, value and fair treatment for consumers.

The review seeks views on whether Stansted should continue to be subject to economic regulation by the CAA. We currently adopt a neutral stance on this issue. Economic regulation by the CAA does provide an important form of control and the new passenger focus basis should enhance the process in terms of delivering and monitoring passenger benefits. A move away from economic regulation by the CAA would mean that the airport would set its own charges. Whilst these charges would be subject to competition law, the Group considers that resolution of disputes might result in a lengthy process and introduce uncertainty and delay.

In terms of specific issues, the Group is aware through its work that whilst complaints about poor service may be directed to the airport, it is important to realise that a number of key areas of service provision fall outside the airport's specific responsibility. This is particularly relevant at Stansted where two major low cost airlines dominate operations. The service and economic model is different from that used by traditional scheduled and charter operators.

A couple of examples illustrate this problem.

Low cost airlines encourage passengers to travel light – without baggage checked into the hold. The impact of this is to cause delays in security with a number of passengers trying to take forbidden items with them in hand luggage. We are aware from the results of ASQ surveys that the time taken to get through security is perceived to be a problem for passengers at Stansted. In our view this problem is created by the airlines but it is the airport's performance that suffers.

Another example is the tendency of low cost airlines not to use a seat allocation scheme. This causes problems around departure gates, particularly affecting families with young children and passengers with restricted mobility. Responsibility for the problem clearly rests with the airline and not the airport.

It is not clear how any new CAA arrangements might be able to improve the current situation in this and other airline related problems. The Group would be particularly interested in obtaining the views of the CAA on how these and other passenger service issues, that impact on airport performance but which are caused by factors outwith the airport's direct area of responsibility, might be best addressed.

The issue of access to the airport by public transport is also an important issue. Whilst there is a competitive market for coach services incentivising price and service standards, a similar situation does not prevail for rail services. In particular, the quality and pricing of the Stansted Express service has been an area of passenger dissatisfaction. The introduction of new improved rolling stock has been a welcome improvement, but reliability and pricing levels remain an issue. Whilst approaches can be made to the franchise operator, responsibility falls outside the airport's direct control despite being an important element of the passenger experience.

The Group is also aware that one low cost operator is reluctant to use air bridges – which provide a better passenger experience – mainly due to the airline's perception that this would have an adverse impact on turnaround times. However at some European airports, the same airline is required by the local airport operator to use air bridges.

This response has been endorsed and agreed by the Stansted Airport Consultative Committee.

The Group would welcome the opportunity to continue to engage with the CAA as policy options are further developed.

User Experience Group
Stansted Airport Consultative Committee
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