

13th December 2024

Economic Regulation (CAP 3044)
Civil Aviation Authority
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Via email: economicregulation@caa.co.uk

To whom it may concern,

This is the Heathrow Passenger Forum's (HPF) response to CAP 3044 : "Draft H8 method statement and business planning guidance" consultation.

Method Statement

We strongly support the recognition by the CAA of the importance in the H8 price control process that Heathrow can deliver resilient services and meet its environmental obligations. Although throughout this response our focus is rightfully on the delivery of services which relate to the passenger experience (departing, arriving and connecting) we understand that passengers also have a view on the environment. They want to feel comfortable with their aviation related activities and wish to be a part of the journey towards Net Zero.

Although a passenger thinks about the delivery of their travel experience holistically – perhaps only breaking it down into "the airport" and "the airline" - we do think it is vital to recognize that throughout the passenger end to end journey their needs to be collaboration across multiple actors: airlines, air traffic control, baggage handlers, Border Force etc. From a passenger perspective we would argue that the CAA should look at whether the current measures and targets are focused enough on delivering the outcome passengers are wanting and whether there is enough **collective accountability** across all the parties involved.

Over the last 6 months Heathrow and the HPF have spent considerable time looking at the meaningful and actionable contribution that independent passengers can make to the H8 process, helping provide that clear “line of sight” when it comes to consumer priorities.

This has led us to look at building on the important work of the HPF with a greater strategic focus, a medium to long term view, based on access to deeper briefings. It might be helpful to outline where we arrived.

H8 Strategic Sub-Group

Purpose

The H8 Strategic Sub-Group would primarily focus on strategic issues and consultations, in the first instance being involved in Heathrow’s next regulatory planning cycle (H8).

Delivering

- A passenger perspective on Heathrow’s future plans
- Constructive challenge of Heathrow’s future plans by ensuring that they have a clear link back to available consumer-based data
- Recommendations about any potential gaps in Heathrow’s consumer evidence base
- Contributions to CAA and Heathrow consultations that impact the Heathrow passenger

Membership

An ideal membership of 6-8, with a maximum of 2 active members of the HPF and a minimum of 4 focused H8 members. The HPF Chair will Chair the Strategic Sub-Group with another independent HPF member deputising.

Candidate Profiles

- candidates who are independent and bound by a confidentiality agreement, drawn from the following
- a traveller with personal circumstances / conditions that impact their airport experience such as physical, cognitive, psychological or sensory. Again, ideally drawing from HAAG
- heavy corporate traveller

- heavy leisure traveller
- connecting traveller

They have been sourced from finance, infrastructure, policy, consumer affairs backgrounds but will have NO direct or indirect connection with the aviation industry beyond using Heathrow. Additionally, we have a mix of genders and ethnicities, including a parent with children under 16.

Programme Of Work

It is envisaged that the group will meet around 9 times. Beginning with scene-setting deep dives into Heathrow – opportunities and challenges. Moving through a number of expert led briefings with the opportunity for challenge and several fully independent (no HAL) discussions with other bodies. All of this will allow a fact-based assessment of the landing point and a rational view of compromise.

The Three Main Priorities

The three priorities, as outlined in 2.12 are logical. We would argue that prioritising one over another especially in relation to (a) ‘incentivising HAL to deliver a high standard of service quality...’ and (b) ‘allowing for efficient investment and providing incentives to increase capacity....’ is not possible. In many respects (a) is the ‘golden thread’ that runs through (b) and (c).

Constructive Engagement Rounds

We are confident that the engagement process centered on the passenger user contribution by HAL is robust and will deliver effective contributions, feedback and challenge.

Consumer Engagement

The enhanced process of engagement lends itself to effective challenge of research data and assumptions. Our hope and intention are that this more passenger user approach allows the proposition to be ‘**stress tested**’. Looking at trade-offs and priorities which ensure elevated, consistent and memorable customer experiences.

Capital Governance

We would encourage the CAA to consider an approach resulting in the introduction of a consumer voice into the H8 capital governance process to ensure that consumer voice/priorities remain at the fore of capital decisions during H8. A role that HPF or the subgroup could possibly evolve into.

Final Thoughts

By seeking greater consumer engagement, the CAA is ensuring that the process is better equipped to deliver a desirable and credible experience. Crucially, this must result in everyone understanding the consequences of compromise. Where there is a mismatch between the H8 outcome and the ability to deliver against all the metrics that should be reflected. That's not an admission of defeat but of reality. The challenge is, which the process will deliver, is the accurate prioritisation of effort to ensure the consumer's hierarchy of needs is met.

Finally, the timetable set out does seem challenging if we want consumer priorities to be fully represented in the Heathrow Business Plan and the eventual settlement. We hope that enough time is allowed for consumers to fully engage with the options and decisions.

Yours faithfully

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