

## Guidance on the sale of flight-inclusive day trips by ATOL holders

ATOL Policy and Regulations 2015/02



## 1. Introduction

- 1.1. This document sets out guidance on the sale of day trips that include an ATOL protected flight. It provides information for ATOL holders, agents of ATOL holders and Accredited Body members on protecting these trips and supplying ATOL Certificates to consumers for them.
- 1.2. Where a day trip includes an ATOL-protected flight sold with another tourist service but does not cover a period of more than 24 hours or include overnight living accommodation, it does not fall under the definition of a package or a Flight-Plus. However, the Trustees of the Air Travel Trust (ATT) have exceptionally agreed that payments may be made to consumers of failed ATOL holders for the whole trip where it resembles a package and where it has been sold subject to certain criteria being met as outlined in this document.
- 1.3. For the purpose of this document, we have termed these arrangements "Flight-inclusive day trips".

## 2. Financial Protection by the Air Travel Trust

- 2.1 Where an ATOL holder fails to meet its obligations in relation to licensable transactions, the Trustees of the ATT may exercise their absolute discretion to make a payment for the benefit of a consumer of the failed ATOL holder from the Air Travel Trust Fund under the terms of the Air Travel Trust Deed, and in line with the Air Travel Trust Payment Policy.
- The Trustees have agreed that payments may be made for the benefit of consumers of a failed ATOL holder where the ATOL holder has failed to meet its obligations in relation to Flight-inclusive day trips. The Trustees' decision on this is that the basis of the trip is an ATOL protected flight and providing financial protection for the other tourist services would avoid confusion for consumers, who may not be aware that such trips are unprotected, and be in their interests under the terms of the Air Travel Trust Deed.
- 2.3 The Flight-inclusive day trip must meet the following criteria:
  - a) Subject to 2.3 b, the trip meets all parts of the definition of a package in the ATOL Regulations, except for its duration. This means it must be a prearranged combination of at least a flight and other tourist service/s not ancillary to transport or accommodation and accounting for a significant proportion of the package, sold or offered for sale at an inclusive price but covering a period of less than 24 hours and not including overnight accommodation; and,

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- b) The trip is sold to the consumer as a single contract at a single price, with no breakdown of costs for the individual components; and,
- c) The trip includes a flight that requires ATOL protection as per the ATOL Regulations; and,
- d) The ATOL holder reports and pays the ATOL Protection Contribution for the flight for each passenger, as required by The Civil Aviation (Contributions to the Air Travel Trust) Regulations 2007, and;
- e) The CAA has given written approval for the ATOL holder to supply Flight-inclusive day trip ATOL Certificates to consumers.
- Any payments made to consumers in relation to Flight-inclusive day trips will be at the ATT Trustees' absolute discretion and will be exercised in accordance with the Air Travel Trust Payment Policy. For the purposes of the ATT Claims Payment Policy, a Flight-Inclusive day trip will be classed as an ATOL protected booking.

## 3. Supply of an ATOL Certificate for a Flight-Inclusive Day Trip

- 3.1 Regulation 17 of the ATOL Regulations requires any person<sup>1</sup> who makes available flight accommodation requiring ATOL protection to a consumer to supply an ATOL Certificate to the consumer immediately the consumer makes a payment.
- 3.2 Where the flight in a Flight-inclusive day trip requires ATOL protection under the ATOL Regulations, an ATOL Certificate must be supplied. However, because the trip does not meet the definition of a package or a Flight-Plus neither the package Certificate nor the Flight-Plus Certificate must be supplied. Ordinarily, it is a Flight-Only ATOL Certificate that must be supplied to a consumer purchasing a Flight-inclusive day trip. The Flight-Only ATOL Certificate contains a warning for consumers stating that only the flight is protected and if the consumer wants to protect the whole trip, the consumer should ask for an ATOL protected package or Flight-Plus. The latter part of this statement is potentially misleading to consumers.
- 3.3 Therefore, to avoid consumer confusion and to provide ATOL protection for the whole trip, an ATOL holder may supply a Flight-inclusive day trip ATOL Certificate if the criteria in paragraph 2.3 of this document are met. ATOL

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In this case, the person would be an ATOL holder, an agent for an ATOL holder or an Accredited Body member

- holders must obtain written approval from the CAA prior to supplying Flight-inclusive day trip ATOL Certificates to consumers.
- 3.4 Where an ATOL Certificate is produced and supplied to a consumer by an agent on behalf of an ATOL holder, then the agent must supply the correct type of ATOL Certificate for that ATOL holder. This means that, if an ATOL holder has obtained permission from the CAA to supply a Flight-inclusive day trip ATOL Certificate, then the agent must ensure that this is the Certificate it supplies to the consumer.
- 3.5 The form and content of an ATOL Certificate for a Flight-inclusive day trip is published in the Official Record Series 3, which is available on the ATOL website.

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