



House of Commons
Transport Committee

**Passengers'
Experiences of Air
Travel: Government
Response to the
Committee's Eighth
Report of Session
2006–07**

**Twelfth Special Report of Session
2006–07**

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The Transport Committee

The Transport Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Transport and its associated public bodies.

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The current staff of the Committee are Tom Healey (Clerk), Annette Toft (Second Clerk), David Davies (Committee Specialist), Timothy Steer (Committee Specialist), Alison Mara (Committee Assistant), Ronnie Jefferson (Secretary) and Laura Kibby (Media Officer).

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Twelfth Special Report

The Committee published its Eighth Report of Session 2006–07 on 26 July. The response from the Department for Transport was received in the form of a memorandum dated 8 October 2007 and is published as Appendix 1 to this report. Transport for London and the Civil Aviation Authority also submitted responses which have been incorporated into this report. Transport for London's response was received in the form of a memorandum dated 1 October 2007 and is published as Appendix 2. The Civil Aviation Authority's response was received in the form of a memorandum dated 8 October 2007 and is published as Appendix 3.

Appendix 1: Department for Transport

Introduction

In our oral evidence we welcomed the Committee's enquiry. We emphasised that the UK has been at the forefront of liberalising the European aviation industry, which has enhanced competition and expanded choice of destinations and providers for the passenger. We also emphasised that the UK has one of the best aviation safety records in the world, which is naturally a prime concern of passengers; and that we strongly support consumer rights such as transparent ticket pricing.

The experience of the ordinary air traveller, whether the trip is for business or leisure, must be a crucial element in our air transport policy. Air transport cannot deliver for the economy unless it also delivers for passengers. Obviously, air transport policy also has to factor in the global impact of aviation on climate change and the more local (but nevertheless very significant) impacts on the quality of life of those who live near airports. Here, too, there is a need to take account of air travellers' views in deciding where and how the balance is struck.

The recent CfIT report offers some useful insights into what air travellers think, but we want to know more. The Government therefore intends to engage more closely with air travellers in general, and in particular the Air Transport Users Council (already a member of our External Advisory Group), in the development of longer-term air transport policy and on access to airports. This is part of a broader need to engage more closely with stakeholders at the early stages of policy-formulation: we will address this with specific proposals in the document which we will publish later this Autumn on how the Department will take forward the recommendations in the Eddington study. The Government is also considering how to evaluate more systematically end-to-end journeys in order to gain a greater understanding of the whole journey experience and the needs of users, rather than focussing on particular stages or modes.

On Heathrow, it is worth saying that by 2012 almost all the terminals and associated passenger facilities will be rebuilt, redesigned or refurbished. Terminal 5, which is on track to open in March 2008, will add much needed new terminal capacity. BAA has also gained

approval for its plans to replace Terminals One and Two (buildings designed in the 1950s and 1960s) with a modern passenger terminal, Heathrow East, the first phase of which is due to open in 2012. The Government will be consulting on the further development of Heathrow later this year.

Our responses to the specific recommendations addressed to Government are set out below.

Tickets

Recommendation 1

The Internet has made booking air tickets easier than ever before. It saves time and often money as passengers avoid agent premiums and booking fees. This is a welcome innovation, giving passengers more choice and more power to make their own decisions. However, we are concerned by evidence that online booking may disadvantage disabled passengers who need to discuss their travel requirements in person. We recommend that the Disability Rights Commission examine this problem to determine whether there is a case for issuing further advice or guidance to air travel operators about this particular area. (Paragraph 12)

Government response

The Department for Transport is currently working with the UK air transport industry to revise the Code of Practice “Access to Air Travel for Disabled People”, which was published in 2003. The Code is aimed at improving the accessibility of air travel to disabled people and it covers all stages of the journey, from accessing information and booking, through to arrival at the final destination. As part of this work we will be considering developments such as the increased use of online booking, and making recommendations on how to ensure booking processes are accessible to disabled people.

Recommendation 2

For passengers to have confidence in online booking, it is vital that airlines put additional taxes, fees and charges up-front in their online advertising and on their booking pages. As it stands, there is the danger that customers are being duped into choosing a carrier on the basis of inaccurate fare information presented on the Internet. This is unfair both on the passenger, who might never know that a better fare was available, and on those airlines who are honest about their fare structure on their websites. This is not a problem which is confined to the UK: non-UK operators who carry significant numbers of passengers to and from the UK are engaged in this kind of hucksterism. We recommend that the Government make representations to the European Commission on the issue of online advertising of air fares. There must be a level playing field across the whole of the deregulated European market. (Paragraph 20)

Government response

Following its warning to the travel industry in February, the Office of Fair Trading has taken enforcement action against thirteen airlines which did not include all fixed, non-

optional costs in prices on their websites. Eleven of the airlines, including all UK carriers engaged by the OFT, have taken action to ensure that their internet booking sites display all-inclusive prices. Two other airlines have undertaken to do so, but have said that technical issues have prevented them from changing their website booking processes immediately.

Separately, the European Commission's Proposal for a Regulation on common rules for the operation of air transport services in the Community, updating 1992's "Third Package" that liberalised EU air transport, was published in July 2006 and includes measures to address the transparency of air ticket prices. During negotiations in Council, the UK has taken a prominent role in seeking to ensure that fares offered for all flights departing from airports in the European Community should at all times include all applicable and unavoidable taxes, fees and charges. We have not, however, sought to extend this to flights operating into the European Community from third countries, as such a measure would be impossible to enforce in respect of overseas airlines, and applying it solely to European carriers would place them at a commercial disadvantage.

The Council has adopted amendments which would have the effect sought by the UK, and the European Parliament has since sought similar amendments at First Reading. Negotiations are under way between the Council and the Parliament to agree a common text, and it seems that the Third Package Regulation will, in its final form, require all-inclusive fares to be offered at all times. The new Regulation is likely to come into force during 2008.

Recommendation 3

As telephone booking becomes less popular, a higher percentage of bookings made over the phone are done so because, for one reason or another, the passenger is obliged to, usually by the airline's own rules. This is sharp practice. We recommend that the Government undertake a review of telephone charges for airline bookings to ascertain the extent of the problem and, if required, to limit the amount of charges. (Paragraph 22)

Government response

The Aviation Minister intends to discuss this with the Chair and Chief Executive of the AUC.

The Unfair Commercial Practices Directive will provide a range of consumer protections. For example, it prohibits traders from omitting material information which the average consumer needs to make an informed transactional decision. Information about additional charges to be levied for payment by telephone is likely to be material to the average consumer in making informed choices. Accordingly, omission of this information is likely to amount to a misleading omission (and therefore be unfair) under the Directive.

The Directive will be implemented by Regulations to be made later this year, which will come into force in April 2008.

Recommendation 4

The Government should be in no doubt that we continue to support a mandatory arrangement for financial protection of air travellers, as envisaged by the CAA. We repeat the warning we gave in 2006: some scheduled airlines still appear to be at risk of collapse; existing consumer protection is patchy; and Government delay and procrastination will only increase the risk to which passengers are exposed. (Paragraph 25)

Government response

The Government responded to the Committee on 8 March 2006, and continues to believe that a £1 levy on all international flights leaving the UK would be disproportionate regulation.

Travel to airports

Recommendation 5

Public transport access to airports must, as the Government's own White Paper states, be an integral part of airport development. We recognise that it is often for individual airports and local authorities to fund development. Airports are, however, critical for the economic well-being of the country: they impinge not only on local economies but on the national wealth and, in the case of the London airports in particular, as gateways to international business. With this in mind, we welcome the emphasis that the Department has already placed on surface access in its guidance to airports to develop Master Plans. The Department should review the Plans it has received to evaluate whether they reflect that emphasis, in particular in terms of public transport access, and if they do not, to require redrafting. As a matter of principle, local planning inquiries should not give approval to airport schemes that do not provide for good public transport access. (Paragraph 34)

Government response

Master plans, supported in *The Future of Air Transport* White Paper, provide a mechanism for airports to explain their development proposals to a wide range of stakeholders and help to inform the regional and local planning process. The Department for Transport published (in 2004), jointly with the Scottish Executive and Welsh Assembly Government, guidance on the preparation of master plans.

Master plans are developed and owned by airport operators, and the Department has no formal role in assessing or approving them. There are no plans to review the master plan guidance at this stage, given that most of the work in preparing the first set of master plans is now complete or at an advanced stage.

However, the Air Transport White Paper committed the Government to monitor and evaluate the effectiveness and impact of the policies set out in the White Paper. The Department has therefore commissioned independent experts to develop a framework

setting out possible methodologies for evaluating white paper policies, including master plans. The Department intends to publish the evaluation strategy by the end of the year.

Recommendation 6

We have not heard from the Treasury what the proceeds from the increased Air Passenger Duty will be spent on. It is important that if airlines and air passengers are to accept increased charges such as this, for environmental purposes, that they should be spent on those areas associated with air travel that produce the most pollution. Though flying is in itself a significant source of carbon emissions, ground transport accounts for the majority of local pollution around airports. We therefore recommend that some of the proceeds of the increase in APD be reinvested in improving public transport access to airports and the Treasury makes clear the relationship between APD, investment in ground transportation and other environmental improvements. (Paragraph 36)

Government response

The Chancellor announced at the time of the 2006 Pre-Budget Report that the increase in APD will secure extra resources in the coming spending round for priorities such as public transport and the environment. The role that APD can play in tackling aviation's environmental impact is recognised and HM Treasury's estimate was that 0.3 million tonnes of carbon per year could be saved. Taking into account the non-CO₂ effects of aviation, the change could be equivalent to saving $\frac{3}{4}$ million tonnes of carbon per year. This is broadly the same as 750 transatlantic flights.

In general tax revenues are not hypothecated but contribute, with other taxes and income, to the overall amount available to Government to spend, including on the environment and transport infrastructure. The Government's spending priorities are not in general determined by the way in which the money is raised: making the decisions separately ensures value for money.

Recommendation 7

Airports must invest in coach and bus facilities that are well placed, easily accessible and widely publicised to air passengers. We commend Manchester and Heathrow airports and National Express for developing facilities along these principles and we look to other airports to work with public transport operators in the same constructive manner. We recommend that the Government include specific reference to bus and coach facilities in its guidance to airports for Master Plans. (Paragraph 40)

Government response

The Department published guidance on producing master plans (see the response to Recommendation 5 above) to provide a clear framework to support airport operators, including locally appropriate ways of improving surface access. However, they have no statutory basis within the planning system, and airports prepare them voluntarily, determining their scope and content.

This approach recognises the flexibility that is needed to reflect the circumstances of different airports. It is therefore sensible that each operator looks at how best to increase its public transport use in its particular setting, and we would not wish to be prescriptive in setting this out.

We do, however, welcome the Committee's comments. These reinforce the master plan guidance which stresses the importance of public transport, including bus and coach facilities, as part of an integrated approach to the development of an airport.

Recommendation 8

When it comes to travelling to the airport by car we are faced with a conundrum: environmentally it is better for a passenger to drive to the airport and leave their car at an airport car park than it is for them to be 'dropped off'. Does this mean that parking facilities at airports are a good thing? It is clear to us from the evidence we received from park and ride operators and from National Express that airports make a great deal of money from their parking charges. This money is recycled back into the airport and passengers benefit. But this is no long term solution to the problem of congestion. Parking provision works along the same principle as road building: if you build it people will come. The only way, in the long term, to encourage people to use public transport, once the provision is there, is to reduce the ability they have to access the airport by car and to leave a vehicle. We recognise that this is difficult. It will be part of a broader strategy to get people out of their cars and it will not yield short term results. Road pricing will help. (Paragraph 44)

Recommendation 9

In the first instance, we recommend that the Government commission a review of airport parking charges and of the ability of off-site parking providers to compete fairly with airport car parks. We fully support the Minister's view that park and ride should be part of the mix for travel to airports and we find Transport for London's attitude unacceptable. (Paragraph 45)

Government response to 8 and 9

The Future of Air Transport White Paper made clear that any proposals for new airport capacity must ensure surface access options that minimise environmental, congestion and other local impacts.

Airport parking charges are a commercial matter for the airport operator. The development of off-airport parking facilities is a matter for the local planning authority.

The Office of Fair Trading is, however, able to investigate if it suspects that a feature or a combination of features of the market in which airport services are supplied by an airport operator prevents, restricts or distorts competition.

Transport for London has responded separately to this recommendation on park and ride.

Recommendation 10

AirTrack and Crossrail would be enormous boons to those living near and working at Heathrow, to London and indeed to the rest of the country. Both schemes command broad support. The Government should give AirTrack its full backing and seek to help it progress through the planning process towards construction. This is already the case with Crossrail and we are happy to see the Bill making progress. We are, however, concerned that the Treasury has yet to make a firm commitment to fund the balance of the scheme that cannot be funded by London taxpayers and business. This may be as much as £8 billion. It would be unacceptable after so much effort, expense and Parliamentary time has gone into making Crossrail a reality for it to fall at the last hurdle of Treasury funding. (Paragraph 49)

Government response

The Department recognises the important role that Airtrack could have with regard to surface access to the airport, particularly in the light of the Eddington Study, and is happy to work with BAA in the procurement of Airtrack services as they progress the project and Transport and Works Act application.

On 5 October the Prime Minister announced the go-ahead for Crossrail. A deal is now in place to provide funding for the £16bn project; Crossrail will be funded both by the Government and the businesses that are set to directly benefit from the link. The Government acknowledges the huge amount of work that has gone into securing this funding deal, something that has eluded all previous Governments. We continue to work closely with BAA to agree appropriate access rights to their Heathrow rail network and a financial contribution to the project from BAA.

The recent Rail White Paper ‘Delivering a Sustainable Railway’ confirmed the Government’s policy that the funding of any airport-specific rail improvements requires careful consideration with each scheme assessed on a case-by-case basis. The White Paper also supports the principle that the ‘beneficiary pays’. This means that costs of any enhancements should be apportioned according to those that benefit.

[Recommendation 11 – Addressed to TfL]

Recommendation 12

London City Airport is a small airport, historically with poor transport links. The Docklands Light Railway extension to the airport has been a huge success. We congratulate Transport for London on that achievement. This link could act as a model for regional airports which currently have only road access and would benefit from public transport provision. In particular, those areas with light rail systems might look to tie them into airport development. Investment to support better train/light rail links to regional airports should be supported. (Paragraph 56)

Government response

Ministers make decisions about transport investments and other interventions on the basis of a range of factors, including value for money. The Department for Transport has an

established and rigorous process for the consistent and transparent assessment of the value for money of all investment and other intervention options.

The Air Transport White Paper made clear that the Government expects airport operators to pay for the costs of road and rail improvements to the extent that these are required to cater for airport-related traffic. This principle is currently being applied in the assessment of strategic road and rail improvements that might be needed to support a second runway at Stansted.

Airports

Recommendation 13

Monopoly power slows growth and stunts innovation; it has no incentive to cut prices or to provide a better service. It is bad for the customer. We are pleased that the Competition Commission is considering the position of BAA. We have received little evidence pointing to benefits from BAA remaining in its present state and we see no reason to change the view of our predecessor Committees that BAA should be broken up. We look forward to the Commission's decision on the matter. (Paragraph 64)

Recommendation 14

The Government must turn to the regulatory questions we raised in our report on the Civil Aviation Authority as soon as possible. We expect a full response as soon as the Competition Commission has reached a decision. (Paragraph 67)

Government Response to 13 and 14

The Government recognises the vital role that competition plays in both protecting the consumer, and ensuring the continued development of an efficient and sustainable aviation industry in the UK. Where this is not practical, economic regulation should be appropriate and proportionate.

The Competition Commission inquiry into the supply of airport services in the UK by BAA is still under way.

Recommendation 15

The Civil Aviation Authority is the economic regulator for the airports. It recognises that the passenger and the airline interest are not always the same but it does not appear to discriminate in favour of one or the other. We recommend that, when there is a conflict between the airline and the passenger interest in a particular area, there should be a general presumption that the CAA will come down on the side of the passenger. (Paragraph 69)

Government response

As economic regulator, the Civil Aviation Authority is required to carry out its duties in relation to economic regulation as conferred in the Airports Act 1986. To complement these duties, the Government welcomes the introduction of constructive engagement

between airports and airlines to allow their input to the process of price cap review. For the most part, it would be expected that during this process, airlines would act in the best interests of passengers given the competitive nature of the industry in which they operate. Where there is a divergence of interest, the Government would expect the CAA to act in line with its statutory duties.

On 9 October the Government announced a strategic review of the CAA to be conducted by Sir Joseph Pilling (formerly Permanent Secretary at the Northern Ireland Office). This is in accord with the Transport Committee's recommendation following its inquiry into the work of the CAA. The review will consider the structure, scope and organisation of the CAA with a view to ensuring that the UK's arrangements for aviation regulation and policy making are able to meet current and future challenges. The review will be concluded in 2008.

Please note that the strategic review is complementary to (but separate from) the Competition Commission enquiry into BAA.

Recommendation 16

The service level quality regime at Heathrow and Gatwick is an example of the CAA acting in the interests of the passenger, providing incentives for these airports to perform better. We agree with the CAA's recommendation to the Competition Commission that the regime could be further improved by introducing penalties for poor performance. (Paragraph 75)

Government response

The Government recognises the importance of service quality at UK airports and keeps such issues under review. The CAA has yet to decide on the price caps and service quality regime at Heathrow and Gatwick from 2008, and will do so taking account of the recommendations made by the Competition Commission in its report on the economic regulation of Heathrow and Gatwick published on 3rd October 2007. It would therefore be inappropriate to comment on the service level quality regime at these airports at this time. The CAA expects to publish proposals for consultation in November 2007

Recommendation 17

Considerable amounts of money have been invested by both airports and airlines in new check-in facilities and technologies which are designed to ease the passenger experience. It is unfortunate that the full benefits of these new systems cannot be realised due to changes to security policy in other countries which require additional checks of data supplied online. The Government must work far more closely with airlines and airports to ensure that they are made aware of potential changes of this type as soon as possible and preferably before large amounts of money have been spent to little or no benefit. (Paragraph 79)

Government response

DFT maintains close contact with the industry on this subject, principally through its Facilitation Stakeholder Forum, a regular meeting on which the US authorities (a major

source of such requirements) are represented. We have encouraged standardisation of data requirements, for example by working closely with the International Civil Aviation Organisation to produce international guidelines on Passenger Name Record data standards, and by ensuring, through the Facilitation Stakeholder Forum, that the industry is aware of new data proposals and lobbying on their behalf when necessary.

Recommendation 18

Duty free shopping is one of the fringe benefits of air travel for passengers. Retail and catering now make up a significant part of many airports' revenue and take up increasing amounts of airport space. While passengers clearly value these services we question whether so much space is now devoted to them that they have reached a tipping point and that passengers would not prefer to have some of that enormous space apparent at the 'front end' where they are increasingly cramped waiting to pass through check-in and security. (Paragraph 85)

Government response

The Government recognises that the quality of service provision at UK airports is an important issue. Provided security and other statutory operational requirements are met, it is for airport operators to decide upon the shopping facilities they offer at their airports.

Recommendation 19

The European Commission's proposed Directive on airport charges is regulation for regulation's sake. The UK has a healthy, competitive airports sector and the CAA does a very good job regulating it where required. The Commission's proposal would result in a five hundred percent increase in regulation for the UK airports market. The Government must take a firm line and refuse to accept any increase in the number of UK airports subject to regulation. (Paragraph 91)

Government response

Negotiations on the draft Directive on Airport Charges are now underway. The Government recognises that the UK has a healthy and increasingly competitive airport sector and wishes to ensure that the Directive on Airport Charges does not hamper this. Our aim is to ensure that the Directive focuses on those airports across the EU which have the greatest potential to abuse their market position. We have been active in proposing alternative ways of defining the scope of the Directive as well as contributing to the debate on other aspects of the Directive.

Security

Recommendation 20

Moving passengers more swiftly through to airside will, in itself, reduce the threat to the travelling public. Speeding up check-in times and reducing the security queue should be a priority for airports and airlines. (Paragraph 103)

Government response

Although this is fundamentally a matter for industry, TRANSEC will continue to work with airports and airlines to develop security measures and practices that are effective, sustainable and responsive to the changing nature of security threats. For example, TRANSEC is working closely with industry to consider if it is possible to allow passengers to travel with more than one cabin bag whilst maintaining the quality and integrity of the screening process.

Recommendation 21

Security procedures at airports are lengthy, intrusive and frustrating. But they are also absolutely fundamental not only to the safe travel of air passengers but to the wider national security interest. Since the security alert of 10 August 2006 there have been extra pressures on airports to deal with complicated new procedures. The Government could do more to support airports; in particular to keep them better informed when changes are planned—though we acknowledge that they often have to be made immediately in response to a new threat—and to assist with emergency staff or funds if required. (Paragraph 104)

Government response

The Government will not compromise in the need to ensure appropriate security measures at airports. Airports and airlines are given as much advance notice of changes as is possible. In an emergency full consultation is not always possible, however, there are robust longstanding procedures for non-emergency stakeholder engagement and consultation. These take place through the formal structure of the Department's National Aviation Security Committee (NASC) and its sub-committees, and through regular day-to-day contact.

Recommendation 22

We are pleased that the Minister recognises the importance of research and development as part of the long-term practical solution to security checks. R&D should be a high priority for the Government; it is one of the things that the UK is best at and we should not be relying on other countries to get there first. (Paragraph 105)

Government response

TRANSEC's Research, Analysis and Development (RAD) team continues to commission research studies across all modes of transport to inform policy and delivery of effective security. TRANSEC is supported in this role by two government research establishments; the Home Office Science Development Branch and the Defence Science and Technology Laboratories. TRANSEC's RAD team has long-established links with European and international partners to avoid duplication of effort between research programmes.

Recommendation 23

We support the 'user pays' principle for airport security although Government has an important role, particularly in supporting R&D to improving detection and

throughput. Airports must ensure that they level the right charge, treading a fine line between ensuring that the burden on airlines is not so onerous that it makes them uncompetitive whilst at the same time ensuring that the charge is high enough to factor in contingencies like 10 August and changes in security policy. This must be kept under continuous review in light of the changing national and international security situation. (Paragraph 109)

Government response

National security is of paramount importance. The Government is mindful of the costs associated with changes to the security regime, and this is also recognised by the CAA in the process through which price caps are set at designated airports.

The composition of charges for the services offered by the airport is for the airport operator to decide, provided that – at designated airports – the overall price cap set by the CAA is not breached.

Recommendation 24

The Department appears to be unduly relaxed about the number of people in breach of the carry-on restrictions, many of them knowingly so. Bearing in mind the extra costs in both manpower and time associated with enforcing the new rules, which will rise in proportion to the number of breaches, this is an important and worrying trend. Even more so when we hear of passengers reasons for breaching the rules: we are clearly in some serious trouble if our citizens are not ‘buying in’ to national security policies. (Paragraph 113)

Government response

Airports and airlines need to ensure compliance with the carry-on restrictions in the first instance, as the Government’s ‘contract’ is with industry, not the passenger. It is for airports to take appropriate action if their customers are attempting to breach the regulations on liquids – which are a matter of EU law – much in the same way as they would act if another prohibited article such as a knife was found. In the lead up to the peak summer holiday period, the Department implemented a comprehensive communications plan to reinforce public awareness and understanding of the aviation security regime. This was via a £1.5m advertising campaign (“Arrive Prepared”) in the national press and on the Department’s website.

Recommendation 25

There is confusion between the airports and the Government as to what is actually happening on the ground. We recommend that the Department gather figures from all UK airports of the numbers of passengers attempting to breach the carry-on restrictions. Only when we have these full figures will the picture be clear and the Government will be able to act to tackle non-compliance. (Paragraph 114)

Government response

The figure of 2 tonnes of liquid confiscated per day, quoted at the evidence session on 16 May, was cited in a letter to the Department in respect of one airport, and was not part of a regular monitoring exercise. The Department has no plans to collect such data regularly, as TRANSEC's role is to monitor against security standards.

Recommendation 26

We commend the work of airport security officers, who are doing an increasingly complex job in difficult circumstances. Good security officers can make the difference for passengers faced with lengthy waits and checking procedures as well as playing a vital role in ensuring public safety. It is clear that airports are aware of this valuable asset and we look to them to work with unions and the Government to devise strategies to recruit and retain the best security officers in the world and to make transition to new procedures smooth and straightforward.

Government response

The Government agrees with the Committee in holding the work of airport security officers in the highest regard. The aim of TRANSEC aviation research studies is to provide evidence which ultimately can be used to enhance the effectiveness of security measures across the UK both in terms of technology and operational procedures. As the airport security officer is an important integral part of the overall security regime, the factors that impact on their abilities to deliver effective security must be considered. To this end TRANSEC has completed a scoping study with primary stakeholders across the aviation industry to identify these performance influencing factors. The identified factors will be used as the basis for commissioning a more comprehensive study during the rest of financial year 2007/08 and 2008/09.

Baggage

Recommendation 27

Lost and mishandled baggage is one of the biggest areas of complaint for air passengers. Finding the baggage once it has vanished and returning it to the owner is of course important but airlines and airports together need to develop much more robust systems to stop it happening in the first place. It is absurd that there is no Europe-wide standard for collecting figures on lost and mishandled baggage. We recommend that the Government raise this issue at the next Transport Council. (Paragraph 121)

Government response

The Government acknowledges the Committee's recommendation and agrees that European-wide standards for collecting figures on lost and mishandled baggage would be useful. The Association of European Airlines (AEA) collates and publishes figures from twenty-four of its member airlines that file reports for publication, including some of the larger UK carriers. But these figures are not comprehensive. Bearing in mind the Committee's Recommendations 19 and 31 about 'better regulation' in the European

context, the Government does not think that raising this issue at the Transport Council is appropriate.

Recommendation 28

The disarray at British Airways over their recently revised baggage policy is symptomatic of the confusion that reigns in this area of the airline industry. It is one thing for airlines to use baggage size and amount as a means of differentiating their services from competitors, it is another to have such confusing policies that passengers end up bearing the brunt in excess charges or having to dump baggage belongings at the airport. We await the implementation of the EU maximum baggage carry-on rules in May 2008. If it proves successful at reducing confusion for passengers we recommend that the Government look at the benefits of proposing an extension to cover all baggage rules. (Paragraph 127)

Government response

The Government recognises the benefits of harmonisation of cabin baggage rules and will play its part in implementing any such EU ruling.

Airlines

[Recommendation 29 – addressed to low cost carriers]

Recommendation 30

We are pleased that the numbers of disruptive incidents on board aircraft are going down, but they remain too high. There is no easy solution to this problem and we acknowledge the work of the airlines and the Government in this area. We encourage them to continue pressing for the maximum penalties and complete bans on further air travel for those who disrupt flights with violence, abuse and poor behaviour. (Paragraph 138)

Government response

We are not complacent about the consequences of unruly behaviour on board aircraft and take incidents extremely seriously. As a world-wide concern, unruly passenger behaviour is covered under the International Civil Aviation Organisation (ICAO) resolution A33-4, which contains provisions for handling such behaviour. UK legislation implementing the resolution includes the Air Navigation Order 2005 and the Aviation Offences Act 2003. We commend those airlines who have adopted a zero tolerance approach and pursue penalties where appropriate.

Recommendation 31

We agree with the Minister that the UK tries to apply a light touch to regulation, though it is not always as considered as it could be when implementing European Regulations and Directives. Sweeping regulation for the whole industry could be excessive when the problem clearly relates to a single carrier or only a few carriers. We recommend that remedial action should wherever possible be directed at the small

number of recidivist airlines which present a persistent problem, rather than at the industry as a whole. (Paragraph 141)

Government response

The Government supports the principle of proportionate regulation and in September 2007 launched new guidance for officials to improve implementation of EU law.

Recommendation 32

Airline cabin crew are critical to the safe and comfortable operation of a flight. They are highly trained professionals; they are the front line for safety and emergency procedures. As such they deserve proper training, paid for by their prospective employer, decent working conditions and the security of knowing that across the industry they meet common standards of medical fitness. We urge the Government to resist any move at European level that would lower the standards of training and fitness for cabin crew. (Paragraph 145)

Government response

The Government recognises the important safety role carried out by airline cabin crew and the need to ensure that they receive proper training. It is expected that the European Aviation Safety Agency will take on responsibility for proposing the standards for airline cabin crew in 2008. The Government would not support any proposal from EASA that would lower the standards of training and fitness for cabin crew.

Complaints and compensation

Recommendation 33

The CAA are responding to this recommendation.

Recommendation 34

We are disappointed that airlines are routinely using the ‘extraordinary circumstances’ clause as a means of avoiding paying compensation to passengers for cancelled flights. We are not, however, surprised given how poorly drafted the Regulation is. We hope that the challenge to the wording in the European Court of Justice will produce a precise interpretation that will mean that airlines can no longer blame nebulous external factors. (Paragraph 152)

Government response

Negotiations with the European Commission and other Member State national enforcement bodies (NEBs) have taken place with a view to producing guidance on some of the provisions of Regulation (EC) 261/2004 including the ‘extraordinary circumstances’ clause. The UK would investigate any case of suspected sustained abuse of the ‘extraordinary circumstances’ clause although there is no evidence to suggest that abuse is commonplace. The Government and CAA are considering the outcome of the recent case on this provision in the European Court of Justice.

Recommendation 35

We note that the recent review by the European Commission of its compensation Regulation failed to mention the Commission's own incompetence when drawing up advertising and publicity for the Regulation. An error when drawing up these materials may be excused, but the refusal to withdraw them once the error has been brought to your attention is inexplicable. It is disgraceful that European taxpayers' money has been wasted forcing the Commission to withdraw materials that were inaccurate and misleading to the public. We commend our own Government and the Civil Aviation Authority for bringing the inaccuracies to the Commission's attention and recommend that, in future, the Commission pay more attention to them. (Paragraph 156)

Government response

The Government notes the Committee's comments.

Passengers requiring assistance

Recommendation 36

The UK airports sector has worked under a voluntary code to provide services and access to disabled persons. It is disappointing that this voluntary code has not worked and that the European Commission has felt the need to step in with a Regulation. We hope that it will improve the air travel experience for disabled persons and we commend those UK airports which are already putting extra resources into improved facilities for these travellers. UK airlines also have a generally good record in assisting disabled passengers and we look to the industry to work with Government on those issues where there is concern—wheelchair handling in particular—to ensure that the European Commission does not come sweeping in with more onerous regulation. (Paragraph 162)

Government response

The Government is keen to ensure that the European Regulation on the Rights of Disabled Persons and Persons with Reduced Mobility when Travelling by Air proves effective. We have put in place an enforcement regime and are revising our Code of Practice "Access to Air Travel for Disabled People" to reflect the Regulation and to provide guidance to industry on how to meet its obligations. The Code will also promote good practice in areas not covered by the Regulation.

Appendix 2: Transport for London

Introduction

Transport for London (TfL) is grateful for the Committee's report. In particular, we were pleased that the Committee acknowledged the success of the Docklands Light Railway extension to London City Airport. We would, however, like to respond to the report's recommendations regarding Park and Ride, and taxis at Heathrow which mentioned us specifically. Our comments are set out below with the relevant recommendations from the report.

Park and Ride

Committee's recommendation

When it comes to travelling to the airport by car we are faced with a conundrum: environmentally it is better for a passenger to drive to the airport and leave their car at an airport car park than it is for them to be 'dropped off'. Does this mean that parking facilities at airports are a good thing? It is clear to us from the evidence we received from park and ride operators and from National Express that airports make a great deal of money from their parking charges. This money is recycled back into the airport and passengers benefit. But this is no long term solution to the problem of congestion. Parking provision works along the same principle as road building: if you build it people will come. The only way, in the long term, to encourage people to use public transport, once the provision is there, is to reduce the ability they have to access the airport by car and to leave a vehicle. We recognise that this is difficult. It will be part of a broader strategy to get people out of their cars and it will not yield short term results. Road pricing will help.

In the first instance, we recommend that the Government commission a review of airport parking charges and of the ability of off-site parking providers to compete fairly with airport car parks. We fully support the Minister's view that park and ride should be part of the mix for travel to airports and we find Transport for London's attitude unacceptable. [Paragraphs 44 and 45]

TfL's comments

TfL's Park and Ride Policy

The TfL policy for Park and Ride has been established based upon the following key elements: –

- The TfL Park and Ride Assessment Framework for London, incorporating TfL's Park and Ride policy guidelines, which was published in November 2004. This document, which has already been provided to the Committee, sets out TfL's approach to assessing Park and Ride proposals. To summarise the policy, it is for no new Park and Ride facilities within zones 1–3, however, within zones 4–6

(including to the GLA boundary) such schemes could be appropriate, where they would not lead to a net increase in vehicle kilometres travelled.

- The London Plan also sets established land use policies which promote high density development around public transport nodes, so the development and delivery of large car parks at such nodes in central and inner London would conflict with this objective.
- London is different to other UK cities, due to the city-wide provision of high quality public transport, which means that there are a greater number of acceptable options for travelling to the airport by public transport.

TfL Position on Park and Ride, as part of access to Airports

While the TfL Park and Ride Assessment Framework does not apply specific requirements to airport access, this policy is based upon the fact that TfL will not support Park and Ride schemes in central or inner London, given that they are likely to encourage rail heading. Rail heading is the phenomenon where passengers drive to a main station rather than use their local station, because of fares, service level or other journey options, putting them off travelling from their local station and adding to traffic congestion levels elsewhere and encouraging car users to drive further. Rail heading goes against the desire to reduce net vehicle trip kilometres and increase public transport use.

TfL's policy is to promote buses, walking and cycling as ways of accessing rail/underground stations. Public transport access levels are very high across London (with good interchange between different modes) and so TfL would see little reason for introducing measures that would promote driving by car relatively short distances to stations, when instead public transport could be used for the whole journey. According to the TfL Park and Ride Assessment Framework, in zones 4–6, in outer London, proposals for new sites or substantial increases to existing park and ride car parks can be considered, provided they result in shortening of car vehicle trips and an overall reduction in net vehicle kilometres travelled.

The TfL Park and Ride Assessment Framework underlines the position that to deliver new Park and Ride facilities within zones 1–3 does not help to deliver the Mayor's objectives to manage car use and reduce congestion in London. However, proposals that are able to demonstrate a net reduction in vehicle kilometres are worthy of consideration in zones 4–6, should they conform to the basic policy (including the discouragement of rail heading), as well as being able to positively address relevant DfT WebTag objectives and other planning guidelines (e.g. Green Belt policies).

Turning specifically to access to airports, only London City and London Heathrow airports are within London, to which this issue applies and both of these airports are already very well served by public transport. The London Plan clarifies the need to deliver improvements to public transport access to airports through policy 3C.5. TfL's policy is to support the London Plan and continue to provide enhancements to and to promote public transport surface access for both airports within London as follows: –

- London Heathrow Airport – Improvements being delivered through the PPP improvements to the Piccadilly line (including extension to serve Terminal 5) and the proposals for Crossrail.
- London City Airport – Has greatly benefited from the recent extension of the Docklands Light Railway, which has helped to ensure that over 50% of the Airport’s passengers now arrive by public transport, one of the highest levels of public transport access to any airport in the UK. In line with the airport’s plans for expansion, future access will improve further when the DLR extension to Woolwich is completed.

Therefore, to deliver a Park and Ride facility for either of these airports would not be likely to deliver the Mayor’s objectives to manage car use and reduce congestion and would instead result in rail heading, as described above, and thus also add to highway congestion levels within London as a result.

Hatton Cross Proposal

The option of delivering Park and Ride in outer London was tested, when London Underground proposed a Park and Ride facility adjacent to Hatton Cross Tube station. This was specifically not for access to Heathrow Airport, but for motorists who would otherwise use routes such as the M4 to travel into central London. However, despite the fact that this proposal was demonstrated to reduce net vehicle kilometres to the Planning Inspector’s satisfaction (and in accordance with the Mayor’s Transport Strategy); the Office of the Deputy Prime Minister and relevant Government Ministers rejected the proposal in 2006 on the basis of urbanising encroachment and visual amenity loss in the green belt and also because the proposed facility was to be located in the airport runway’s public safety zone.

Conclusion

TfL strongly repudiates the Committee’s suggestion that it appears to be “actively hostile” to park and ride proposals. The TfL Park and Ride policy will not permit Park and Ride sites in zones 1–3, for the reasons noted above. However, the TfL Park and Ride Assessment Framework clearly demonstrates that in zones 4–6, where Park and Ride can be shown to reduce net vehicle kilometres and thus not to encourage rail heading, nor go against other planning guidance, it is worthy of consideration, whether in the context of airport access or otherwise. The above case at Hatton Cross confirms this.

Taxis

Committee’s recommendation

There is clearly a need to resolve the confusion that surrounds the rules for taxi fares from Heathrow. It appears to us that the proposed legislative change in the Transport for London Bill will most likely solve the problem, but it is not necessarily the best solution in the long term. There is a danger that relying on the metered fare for short local journeys from the airport will lead to a dearth of taxis at Heathrow. We recommend that TfL look into a system similar to that which operates in New York

City, where the fares to and from the area's airports in yellow cabs are standardised by the Mayor. This system is simple and easy to understand and would assist in particular those arriving in the UK from abroad. [Paragraph 53]

TfL's comments

The Committee acknowledges that the change proposed in the TfL Bill will address the issue of fares to destinations outside London. We believe this will be an effective long-term solution, as well as resolving the problem in the short-term. Under this provision, a taxi driver will be legally allowed to charge a fixed price fare if it is agreed with the passenger before the journey starts. Journeys within London will continue to be governed by the metered fare. All metered fares from Heathrow include an extra charge that compensates drivers for the airport levy charge made by BAA.

Measures are also in place to address any potential reluctance of taxi drivers to undertake short journeys after paying the airport levy and waiting in the feeder park.

A driver accepting a local journey at the airport is given a voucher entitling him or her to return to the terminal rank within an hour without paying another airport levy charge or going through the feeder park again. TfL's view is that this gives adequate protection to drivers and, with the normal obligation to take the passenger, service from the airport should be satisfactory in this regard. TfL is working with BAA and the taxi trade serving Heathrow to address issues of compliance with existing rules.

The Committee refers to regulated fares to and from airports in New York. In fact, the fixed fares are only between the City Centre – Manhattan – and John F Kennedy airport and not for short, local journeys. Fares for journeys between JFK and other parts of the city are metered, and fares to Newark airport are metered with a surcharge. TfL does not believe it is necessary to introduce a similar system in the capital as it is not aware of problems with the supply of taxis for equivalent journeys from Heathrow to central London.

Appendix 3: Civil Aviation Authority

Introduction

The CAA response to the Transport Committee report on Passengers' Experiences of Air Travel, published on 26 July 2007, is below. This response deals only with those recommendations that are pertinent to the CAA. In each case, the Committee's recommendation is published followed by the CAA's response to it.

Airports

Recommendation 15. The Civil Aviation Authority is the economic regulator for the airports. It recognises that the passenger and the airline interest are not always the same but it does not appear to discriminate in favour of one or the other. We recommend that, when there is a conflict between the airline and the passenger interest in a particular area, there should be a general presumption that the CAA will come down on the side of the passenger. (Paragraph 69)

CAA response

The CAA can well understand the Committee's recommendation.

We note that most other sector regulators have a statutory duty to promote, secure or protect the interests of end-consumers rather than intermediate suppliers, and we see no obvious logic for regulating airports differently.

We would expect the Competition Commission to consider this issue as part of its ongoing market investigation into BAA, which is expected to reach conclusions no later than March 2009. Subsequently, and in the light of any recommendations made by the Competition Commission, we would expect the Government to consider what, if any, changes should be made to the regulatory framework. In the meantime, the CAA will continue to carry out its functions by reference to our statutory duties under the Airports Act 1986 as currently framed, including furthering the reasonable interests of users, where users refers to both passengers and airlines.

As outlined in our earlier evidence to the Committee, the CAA is the enforcement body for European Regulations such as those dealing with denied boarding, cancellation and long delay (DBC) and with the rights of passengers of reduced mobility (PRM), which specifically address areas where the interests of passengers and of airlines do not necessarily coincide.

Complaints and compensation

Recommendation 33. The Air Transport Users' Council does a fine job with limited resources and what appears to be no advertising budget. We recommend that the CAA look at devising some kind of cross-subsidy for the Council from airport and airline fines for poor performance and that the Council does more to advertise itself. (Paragraph 147)

CAA response

Whilst the CAA recognises the sentiment of this recommendation, the CAA does not currently have powers to fine airports and airlines and does not believe that seeking such powers is the best way forward. The Air Transport Users' Council is already funded through CAA charges to the aviation industry and the Council has told us that they are reasonably confident in a passenger's ability to link to their web site from established sources such as Citizens Advice, Consumer Direct and internet search engines such as Google.