

CAA Consumer Panel – Annual Report and Work Programme

About the Panel

Following consultation with industry and consumer stakeholders, the CAA set up the Consumer Panel in 2012. Our role is to help the CAA to understand fully, and take account of, the interests of consumers in its policy development and decisions. We do this by providing the CAA with independent advice and guidance on consumer issues, and by challenging and scrutinising the CAA's ideas and its work. The Panel helps the CAA address a risk common to all regulated industries, which is that regulatory decisions will not be seen as legitimate unless they are taken on the basis of effective input from all stakeholders, and not just the regulated businesses who invest significant resources in working with and influencing their respective regulators.

The main focus of our work is the CAA's strategic objective to 'improve choice and value for aviation consumers now and in the future by promoting competitive markets, contributing to consumers' ability to make informed decisions and protecting them where appropriate'. In scrutinising and challenging the CAA's activities in these areas, we will also consider whether the action the CAA takes to improve choice and value for consumers satisfies the principles of better regulation.

2014-15 Annual Report

The Panel will be publishing its third Annual Report this summer.¹ The Report is currently being drafted, but we are likely to focus on:

The last 12 months

- The CAA's emerging consumer research programme. Over the period, the CAA has conducted two significant pieces of consumer research: on expectations of alternative dispute resolution (ADR), such as 'ombudsman' schemes, as a way to resolve air travel problems; and a broader piece on the air travel experience, with a particular focus on the experience of disabled passengers and PRMs, and attitudes towards aviation safety and security.
- The significant decision taken by the CAA that it should seek to end its involvement in consumer complaint handling, and transfer this activity to private sector ADR bodies who are far better placed to perform this role.
- Our input to the CAA on the economic regulation of new runway capacity, where we have urged the CAA to ensure that the pressure to 'get something built', does not mean today's passengers end up paying for improvements that they will not necessarily benefit from.

The next 12 months

- We welcome the CAA's increased focus on consumer research, but it does not yet constitute the systematic approach to consumer research that we believe the CAA should be taking, and which should lead to policy action rooted in a deep understanding of the consumer interest. The CAA has recently started to develop its next strategic plan, covering the period

¹ Previous annual reports and minutes from Panel minutes can be found [here](#).

2016-21. This presents an ideal opportunity to take stock of what consumers' priorities for improvement are, and to ensure that the CAA's strategy is firmly focused on delivering the outcomes that consumers want. We will also call on the CAA to commit to a rolling 'tracker' survey to allow it to monitor the success of its strategy and keep abreast of new and emerging consumer risks.

- We will continue to focus on the reform of consumer complaint handling arrangements. While we understand that airlines should be given the opportunity to take up ADR voluntarily, it should be prepared to make the case to Government for mandatory ADR for air travel, bringing aviation into line with other major regulated sectors. Consumer protection in aviation is largely based on giving passengers rights – if individual consumers have no easy way to enforce those rights then this approach will not work.

CAA Consumer Panel

June 2015