
STATUTORY INSTRUMENTS

2011 No.[]]

CIVIL AVIATION

**The Civil Aviation (Air Travel Organisers' Licensing)
Regulations 2011**

<i>Made</i>	- - - -	<i>2011</i>
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SCHEDULE — Revocations

The Secretary of State, in exercise of the powers conferred by sections 7(1) and (2), 71 and 71A of and paragraph 15 of Schedule 1 to the Civil Aviation Act 1982(a), after consultation with the Civil Aviation Authority as required by section 71(2) of that Act, and after consultation with the Administrative Justice and Tribunals Council under Part 3 of Schedule 7 to the Tribunals, Courts and Enforcement Act 2007(b), makes the following Regulations:

PART 1 GENERAL

Citation, commencement and expiry

1.—(1) These Regulations may be cited as the Civil Aviation (Air Travel Organisers' Licensing) Regulations 2011.

(2) They come into force on 1st January 2012.

Review

2.—(1) Before the end of the review period, the Secretary of State must—

- (a) carry out a review of these Regulations;
- (b) set out the conclusions of the review in a report; and
- (c) publish the report.

(2) In carrying out the review the Secretary of State must, so far as is reasonable, have regard to how Council Directive 90/314/EEC of 13 June 1990 on package travel, package holidays and package tours(c) is implemented in other member States.

(3) The report must in particular—

- (a) set out the objectives intended to be achieved by the regulatory system established by these Regulations;
- (b) assess the extent to which those objectives are achieved; and
- (c) assess whether those objectives remain appropriate and, if so, the extent to which they could be achieved with a system that imposes less regulation.

(4) "Review period" means—

- (a) the period of five years beginning with the day on which these Regulations come into force, and
- (b) subject to paragraph (5), each successive period of five years.

(5) If a report under this regulation is published before the last day of the review period to which it relates, the following review period is to begin with the day on which that report is published.

Revocation of Regulations

3. The Regulations specified in the Schedule are revoked.

(a) 1982 c.16; The expression "prescribed" is defined in section 105(1); section 7(2) was amended by the Criminal Justice Act 1982 (c.48).

(b) 2007 c.15.

(c) OJ No. L158, 13.6.1990, p.59.

Interpretation

4.—(1) In these Regulations—

“the Act” means the Civil Aviation Act 1982;

“agent for an ATOL holder” has the meaning specified in regulation 10(a);

“approved body” has the meaning specified in regulation 10(b);

“approved body standard terms” has the meaning specified in regulation 49(1);

“ATOL” means an air travel organiser’s licence granted by the CAA under these Regulations;

“ATOL Certificate” means a document which complies with requirements specified in accordance with regulation 17;

“ATOL holder” means a person who holds an ATOL;

“ATOL standard terms” has the meaning specified in regulation 41(1);

“compliance manager” means an officer of the company, sole trader or partner in a partnership with authority to ensure that the ATOL holder complies with the terms and conditions of its ATOL, these Regulations and the Civil Aviation (Contributions to the Air Travel Trust) Regulations 2007(a);

“consumer” means an individual who—

- (a) either makes use of flight accommodation for travel in person or who, without accepting any payment, provides it to another person who uses that flight accommodation for travel in person;
- (b) intends to make use of flight accommodation for travel in person or intends, without accepting any payment, to provide it to another person who uses that flight accommodation for travel in person; or
- (c) makes use of flight accommodation for travel in person which has been provided to them by a person who has not accepted any payment;

but is not a person who procures flight accommodation in the course of business and with a view to profit, while acting as the agent of another person who uses that flight accommodation for travel in person;

“electronic communication” means a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa)—

- (a) by means of an electronic communications network (within the meaning set out in section 32(1) of the Communications Act 2003(b)); or
- (b) by other means while in an electronic form;

“failure of an ATOL holder” has the meaning specified in regulation 31;

“flight accommodation” means accommodation for the carriage of a person on a flight by an aircraft (whether or not registered in the United Kingdom) in any part of the world;

“Flight-Only provider” means a person who as a principal or agent makes available flight accommodation only;

“Flight-Plus” has the meaning specified in regulation 22;

“Flight-Plus arranger” has the meaning specified in regulation 23;

“insolvency” of a person occurs where any of the following steps, or an equivalent step, has been taken by or against the person under the law of a court having jurisdiction over the person’s affairs—

- (a) bankruptcy or insolvency is adjudicated against the person;

(a) S.I. 2007/2999.

(b) 2003 c.21. Section 32(1) has been amended by regulation 2(1) and paragraph 9 of Schedule 1 of the Electronic Communications and Wireless Telegraphy Regulations 2011 (S.I. 2011/1210).

- (b) the court approves a compromise, composition or similar arrangement of the person's debts on the basis of a receiving order;
- (c) the person makes a valid assignment, composition or similar arrangement for the benefit of all its creditors;
- (d) the court orders the winding-up or liquidation of the person's affairs;
- (e) an effective resolution is passed for the voluntary winding-up or liquidation of the person;
- (f) a compromise, composition or similar arrangement of the person's debts is made binding on the person and substantially all of its creditors; or
- (g) a receiver, trustee, liquidator, administrator or similar person is appointed on behalf of the creditors of the person;

"invitation to purchase" means a commercial communication which indicates characteristics of the product and the price in a way appropriate to the means of that commercial communication and thereby enables the consumer to make a purchase;

"Member" means a person appointed by the Secretary of State under section 2 of the Act to be a member of the CAA;

"package" means the pre-arranged combination of at least two of the following components when sold or offered for sale at an inclusive price and when the service covers a period of more than twenty-four hours or includes overnight accommodation—

- (a) transport;
- (b) accommodation;
- (c) other tourist services not ancillary to transport or accommodation and accounting for a significant proportion of the package,

and

- (i) the submission of separate accounts for different components shall not cause the arrangements to be other than a package;
- (ii) the fact that a combination is arranged at the request of the consumer and in accordance with the consumer's specific instructions (whether modified or not) shall not of itself cause it to be treated as other than pre-arranged;

"the person concerned" means in Part 5 the applicant for or holder of an ATOL or approval which is the subject of the proceedings;

"a right to fly provider" means a person who makes available flight accommodation on a flight operated by a specified operator and supplies to the person from whom payment is accepted a right to fly document or right to fly information;

"a right to fly document" means a document which gives to every person specified in the document a right to fly on the flight specified in the document, without the need for any further payment;

"right to fly information" means information which gives to every person specified in the information, a right to fly on the flight specified in the information, without the need for any further payment;

"schedule of agency terms" has the meaning specified in regulation 30;

"specified method" has the meaning specified in regulation 16; and

"specified operator" has the meaning specified in regulation 20.

(2) A reference in these Regulations to a document or any other thing in writing includes that document or thing in electronic form.

(3) The periods of time specified in regulations 7(6), 37, 41(3), 45, 49(3), 53(2), 57(1), 57(3) and 68(3) as a number of days are exclusive of the first day and inclusive of the last day, unless

the last day falls on a Saturday, Sunday, Christmas Day, Good Friday or a bank holiday under the Banking and Financial Dealings Act 1971(a) in any part of the United Kingdom, in which case the period of time is exclusive of that day also.

Requirements for service of documents

5.—(1) Subject to paragraph (2), a notice or other document required to be served under these Regulations must be served in accordance with regulation 6 or 7.

(2) Anything which is required to be served on the CAA under these Regulations may be served electronically by sending it to an e-mail address which the CAA has published for the purpose.

(3) A document is served on a person under regulation 6 if served on, in the case of—

- (a) an individual, that person;
- (b) a body corporate, a director, secretary, chief executive, treasurer, manager or other officer of the company;
- (c) a limited liability partnership, any designated member as defined by section 18 of the Limited Liability Partnerships Act 2000(b);
- (d) a partnership, a partner or any person having control or management of the business;
- (e) an unincorporated body or association, the proprietor or a person concerned in the management or control of the body or association.

Service by post etc

6.—(1) A notice or other document is served on a person in accordance with this regulation if it is set out in writing and —

- (a) delivered to that person;
- (b) left at the person's proper address;
- (c) sent by post to that address; or
- (d) sent to the person at that address by fax or other similar means which produce a document containing a text of the communication, in which event the document is regarded as served when it is received.

(2) In paragraph (1), "proper address" means in the case of—

- (a) an individual, that person's usual or last known place of business, employment, or residence;
- (b) a body corporate, its principal or registered office or its principal place of business;
- (c) a limited liability partnership, the address of its principal or registered office; or
- (d) a partnership or an unincorporated body or association, its principal office or principal place of business.

Electronic service by the CAA

7.—(1) A notice or other document required to be served by the CAA is served in accordance with this regulation if—

- (a) an address for service using electronic communication has been given by that person and not withdrawn in accordance with paragraph (5);

(a) 1971 c.80.

(b) 2000 c.12. Section 18 cross-refers to section 8 of the Limited Liability Partnerships Act 2000 and section 8 has been amended by regulation 85 of The Limited Liability Partnerships (Application of Companies Act 2006) Regulations 2009 (S.I. 2009/1804).

- (b) that person has agreed to accept service by electronic communication of documents in a certain form and has not withdrawn that agreement in accordance with paragraph (5); and
 - (c) electronic communication is used to send the notice or other document in that form to that person at that address.
- (2) A document given to or served on a person in accordance with paragraph (1)(b) must be in a form sufficiently permanent to be used for subsequent reference.
- (3) If a document is given to or served on a person in accordance with paragraph (1)(b), the document is deemed to have been given to or served on that person at the time at which the electronic communication is transmitted unless—
- (a) the contrary is proved; or
 - (b) paragraph (4) applies.
- (4) If the time at which an electronic communication is transmitted to a person is a time at which that person's principal place of business in the country in which the addressee is situated is not normally open for business, the document is deemed to have been given or served on that person on the next day on which that person's principal place of business in the country in which the addressee is situated is normally open for business.
- (5) A person who has supplied an address for service using electronic communication and has agreed to accept service of documents in a certain form in accordance with paragraph (1)(b) may give notice withdrawing that address or that agreement or both.
- (6) A withdrawal under paragraph (5) takes effect on the later of—
- (a) the date specified by the person in the notice; and
 - (b) the date which is fourteen days after the date on which the notice is given.
- (7) This regulation does not apply to any document the service of which is provided for by the rules of the court.

Manner of publication by the CAA

- 8.**—(1) Any notice or other matter required by these Regulations to be published is published by the CAA in its Official Record.
- (2) Where the CAA is required to publish any information or document, including its Official Record, it may do so electronically or otherwise.
- (3) Any notice that is required to be published for a particular period and is published for a part, but not all, of the period is deemed to have been published for the whole of the relevant period if the failure to publish that notice throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the CAA to prevent or avoid.

PART 2

REGULATION OF PROVISION OF ACCOMMODATION IN AIRCRAFT

Who is entitled to provide flight accommodation

- 9.** Only the following persons may make available flight accommodation in the United Kingdom—
- (a) the operator of the relevant aircraft;
 - (b) an ATOL holder acting in accordance with the terms of its ATOL;
 - (c) a person who is exempt from the need to hold an ATOL by reason of regulation 10; or
 - (d) a person who is exempted by the CAA under regulation 11 from the need to hold an ATOL.

Persons exempt from requirement to hold an ATOL

- 10.** The following persons are exempt from the need to hold an ATOL—
- (a) subject to regulation 12, a person who acts as agent on behalf and with the authority of a disclosed identified principal who is an ATOL holder (in these Regulations called “an agent for an ATOL holder”) unless required to hold an ATOL by reason of regulation 13(3);
 - (b) a person who acts as a member of a body approved for the purposes of these Regulations under regulation 34 (in these Regulations called “an approved body”) and in accordance with the conditions of membership of that approved body;
 - (c) a right to fly provider; and
 - (d) a person who is established in an EEA state other than the United Kingdom and who is not a Flight-Only provider.

Power to exempt

11.—(1) The CAA may exempt from the need to hold an ATOL any person or any class or description of persons.

(2) The CAA may exempt from any of the provisions of these Regulations any person or class or description of persons provided the CAA is satisfied that consumers will receive a level of consumer protection equivalent to that which would otherwise be required under these Regulations.

(3) Any exemption issued under paragraph (1) or (2)—

- (a) must be in writing;
- (b) may be subject to such conditions as the CAA thinks fit;
- (c) may be revoked or varied in writing by the CAA; and
- (d) must be published by the CAA.

(4) An exemption issued under paragraph (1) or (2) will come into force on the day after the date on which such exemption is published by the CAA.

Acting as agent for an ATOL holder

12. For the purposes of these Regulations, a person does not act as an agent for an ATOL holder unless immediately upon receipt by that person of any payment for the flight accommodation being made available that person—

- (a) is entitled to issue an ATOL Certificate on behalf of the ATOL holder without reference to the ATOL holder;
- (b) is able to bind the ATOL holder to the contract for flight accommodation; and
- (c) acts in accordance with the terms of a written agency agreement which complies with regulation 30.

Restrictions on when flight accommodation may be made available

13.—(1) A person must not make available flight accommodation which constitutes a component of a package in the capacity of an agent for an ATOL holder except where all the components of the package are made available under a single contract between the ATOL holder and the consumer.

(2) A person must not make available flight accommodation which constitutes a component of a package or a Flight-Plus in the capacity of a right to fly provider.

(3) A person who as agent for an ATOL holder makes available flight accommodation which constitutes a component of a Flight-Plus must do so under and in accordance with its own ATOL.

Who is entitled to hold themselves out as being able to provide flight accommodation

- 14.** A person must not in the United Kingdom—
- (a) hold themselves out as a person who may make available flight accommodation unless—
 - (i) they are entitled to make available that accommodation under regulation 9; and
 - (ii) at all times in the course of holding themselves out as a person who may make available flight accommodation, they disclose to the consumer the capacity in which they are entitled to make that accommodation available; or
 - (b) give an indication directly or indirectly by whatever means that they—
 - (i) hold an ATOL which they do not hold; or
 - (ii) are a member of an approved body when they are not a member.

Supply of ATOL Certificate

- 15.**—(1) This regulation applies to any person who makes available flight accommodation—
- (a) as a principal in the capacity of a licence holder and who sells directly to a consumer without using an agent;
 - (b) in the capacity of the agent for a licence holder; or
 - (c) in the capacity of a member of an approved body.
- (2) A person to whom this regulation applies must supply an ATOL Certificate to the consumer by the specified method upon accepting payment for flight accommodation.
- (3) A person must not supply an ATOL Certificate unless they are required to do so by paragraph (2).

Meaning of specified method

- 16.** The specified method means in relation to an ATOL Certificate, a right to fly document or right to fly information required to be given to a person from whom payment is accepted—
- (a) in the case of a person who is present, providing the ATOL Certificate, the right to fly document or information to that person at the time such payment is made;
 - (b) in the case of a person who is not present, immediately sending to that person the ATOL Certificate, the right to fly document or information by email or some other equivalent electronic means; or
 - (c) in the case of a person who makes a booking by telephone, either the method specified in sub-paragraph (b) or immediately posting the ATOL Certificate, the right to fly document or information to that person.

Form and content of an ATOL certificate

- 17.**—(1) An ATOL Certificate is a document which—
- (a) specifies the flight accommodation, living accommodation and any other tourist services to which it applies;
 - (b) confirms that the specified flight accommodation, living accommodation and other tourist services are sold under and in accordance with an ATOL;
 - (c) specifies the name of the ATOL holder under whose ATOL it is sold; and
 - (d) complies with any requirements as to the form and content of an ATOL Certificate which have been published by the CAA.
- (2) The CAA will publish requirements as to the form and content of an ATOL Certificate.

Provision of flight accommodation by a right to fly provider

18. A person acting as a right to fly provider must not make available flight accommodation except to a person who the right to fly provider has reasonable grounds for believing is the consumer as regards that flight accommodation.

Information to accompany an invitation to purchase

19. Any invitation to purchase flight accommodation made by a person in response to a request made directly to them by a consumer must include—

- (a) the name of the person who would be accepting the payment;
- (b) the capacity in which that person is making available the flight accommodation;
- (c) if that person is acting as an agent for an ATOL holder and the flight accommodation is not to form part of a Flight-Plus, the name of that ATOL holder and the number of that ATOL;
- (d) if that person is acting as an agent for an ATOL holder and the flight accommodation is to form part of a Flight-Plus, the agent's name and the agent's ATOL number; and
- (e) if that person is a member of an approved body, the approved body's name and ATOL number.

Specified operator

20.—(1) The CAA must specify an aircraft operator if it has confirmed to the CAA that it provides right to fly documents, right to fly information or both to right to fly providers.

(2) The CAA must publish a list of specified operators.

(3) A specified operator means an aircraft operator specified by the CAA in accordance with paragraph (1).

Compliance

21. A person must not contravene any term or condition of an ATOL or of an approval as an approved body which they hold.

PART 3

REGULATION OF FLIGHT-PLUS

Definition of a Flight-Plus

22.—(1) Subject to paragraphs (3), (4) and (5), a Flight-Plus exists when—

- (a) flight accommodation is made available which includes as a minimum—
 - (i) a flight out of the United Kingdom; or
 - (ii) a flight into the United Kingdom where the consumer has commenced the journey in the United Kingdom and departed the United Kingdom using another means of transport; and
- (b) living accommodation outside the United Kingdom or self-drive car hire outside the United Kingdom or both is supplied by any person under or in connection with the contract for such flight accommodation; and
- (c) the arrangement covers a period of more than twenty-four hours or includes overnight living accommodation.

(2) Where there is a Flight-Plus it includes, as well as the flight accommodation and any living accommodation or self-drive car hire, any other tourist services not ancillary to flight

accommodation or living accommodation, accounting for a significant proportion of the Flight-Plus and supplied under or in connection with the contract for the flight accommodation.

(3) A package is not a Flight-Plus.

(4) A flight which begins and ends in the United Kingdom does not form part of a Flight-Plus.

(5) In determining whether a Flight-Plus exists or whether a tourist service forms part of a Flight-Plus, there must be disregarded any living accommodation, self-drive car hire or other tourist service which is requested by or on behalf of the consumer other than on the same day as the consumer requests the flight accommodation or on the previous day or the next day.

Definition of Flight-Plus arranger

23.—(1) Subject to paragraph (2), a Flight-Plus arranger means a person who—

- (a) as principal or agent, makes available flight accommodation in response to a request which has been made directly to them by a consumer; and
- (b) has taken or takes any step which is intended to include, facilitate or enable or has the effect of including, facilitating or enabling the inclusion of that flight accommodation as a component of a Flight-Plus.

(2) Where a request for flight accommodation is made to a member of an approved body and that member acts to provide flight accommodation and any other tourist service forming part of a Flight-Plus, the Flight-Plus arranger for that Flight-Plus is deemed to be the approved body.

When a Flight-Plus arranger is liable

24.—(1) A Flight-Plus arranger who has made available flight accommodation as part of a Flight-Plus, is liable to the consumer for the provision of that flight accommodation whether or not the Flight-Plus arranger acted as principal or agent.

(2) For the purposes of this Part, flight accommodation which forms part of a Flight-Plus will not be provided if either no flight accommodation is provided or if, having regard to the dates, times and points of departure and return, the offered alternative flight accommodation varies significantly from that contracted for.

Obligations of a Flight-Plus arranger to provide alternative flight accommodation, living accommodation and self-drive car hire prior to departure

25.—(1) Subject to regulation 29, where before the intended departure, the Flight-Plus arranger becomes aware that flight accommodation, living accommodation, self-drive car hire or any combination of these forming part of a Flight-Plus will not be provided, the Flight-Plus arranger must make suitable alternative arrangements, at no extra cost to the consumer, for alternative flight accommodation, living accommodation, or self-drive car hire, as appropriate.

(2) If it is impossible to make alternative arrangements as described in paragraph (1) or these are not accepted by the consumer for good reasons, the Flight-Plus arranger must refund to the consumer the amount paid by the consumer, on their own behalf or on another consumer's behalf, for all of the flight accommodation, living accommodation, self drive car hire and other tourist services forming part of the Flight-Plus.

Obligations of a Flight-Plus arranger to provide alternative flight accommodation, living accommodation and self-drive car hire after departure

26.—(1) Subject to regulation 29, where after departure, the Flight-Plus arranger becomes aware that flight accommodation which forms part of a Flight-Plus will not be provided, the Flight-Plus arranger must provide the consumer, at no extra cost, with suitable alternative transport back to the place of departure, or to another return-point to which the consumer has agreed.

(2) Where after departure, the Flight-Plus arranger becomes aware that living accommodation or car hire which forms part of a Flight-Plus will not be provided, the Flight-Plus arranger must

provide the consumer, at no extra cost, with suitable alternative living accommodation or self-drive car hire, as appropriate.

(3) If it is impossible to make arrangements in accordance with paragraphs (1) or (2) or these are not accepted by the consumer for good reasons, the Flight-Plus arranger must refund to the consumer the amount paid by the consumer, on their own behalf or on another consumer's behalf, for all of the unused flight accommodation, living accommodation, self-drive car hire and other tourist services forming part of the Flight-Plus.

Extent of compensation to be provided for flight accommodation, living accommodation and self-drive car hire

27.—(1) Subject to regulation 29, where suitable alternative flight accommodation, living accommodation or self-drive car hire is provided under regulation 25 or 26, the Flight-Plus arranger must, where appropriate, compensate the consumer for the difference between the flight accommodation, living accommodation and self-drive car hire offered as part of the Flight-Plus and the flight accommodation, living accommodation and self-drive car hire supplied.

(2) The compensation to be provided must include any incidental expenses reasonably incurred by the consumer including but not limited to additional living accommodation expenses.

Obligations of a Flight-Plus arranger to provide a refund for tourist services other than flight accommodation, living accommodation and self-drive car hire

28. Subject to regulation 29, in the case of the non-provision of any tourist service forming part of a Flight-Plus other than flight accommodation, living accommodation or self-drive car hire the Flight-Plus arranger is liable to refund to the consumer the amount paid by the consumer, on their own behalf or on another consumer's behalf, for that tourist service.

Limitation of obligations of Flight-Plus arranger

29. A Flight-Plus arranger is not liable to the consumer for the provision of flight accommodation, living accommodation or self-drive car hire provided as part of a Flight-Plus or to provide a refund in relation to any other tourist service forming part of a Flight-Plus except where the reason for the non-availability of the flight accommodation, living accommodation or self-drive car hire or the non-provision of the other tourist service forming part of the Flight-Plus is—

- (a) the insolvency of any person concerned with its provision; or
- (b) the failure of the ATOL holder providing the flight accommodation.

Requirement for a written agency agreement

30.—(1) The CAA may publish a schedule of terms to be included in a written agency agreement (in these Regulations called the “schedule of agency terms”) which may be made applicable to ATOLs.

(2) A person who makes available flight accommodation acting as a principal in the capacity of an ATOL holder and selling to a consumer via an agent for an ATOL holder, must have a written agency agreement with that agent—

- (a) which authorises the transaction;
- (b) under which the agent undertakes not to accept payment for the making available of flight accommodation unless the agent supplies the consumer, by the specified method, an ATOL Certificate; and
- (c) which includes any relevant parts of the schedule of agency terms required to be included under its ATOL.

(3) The CAA may at any time propose to vary the schedule of agency terms or any part of that schedule and any such proposal is for the purposes of these Regulations to be treated as a proposal

for the variation of every ATOL to which the schedule of agency terms or any part of that schedule applies.

Failure of an ATOL holder

- 31.**—(1) The CAA must publish a Register of Failed ATOL Holders.
- (2) “Failure of an ATOL holder” occurs where CAA holds an opinion that the ATOL holder—
- (a) is insolvent;
 - (b) cannot or will not be able to meet its obligations to its customers; or
 - (c) will fail to meet its obligations to its customers.
- (3) Where a failure of an ATOL holder occurs, the CAA must publish a notice of the failure of the ATOL holder in the Register of Failed ATOL Holders.
- (4) The date on which failure of an ATOL holder occurs is the date on which the relevant notice of the failure of the ATOL holder is published in the Register of Failed ATOL Holders.

PART 4

LICENSING PROVISIONS

CHAPTER 1

Application, refusal and continued validity for an ATOL and approval of an approved body

Application for and grant of an ATOL

- 32.**—(1) The CAA must specify and publish the requirements for an application for an ATOL or a variation to an ATOL.
- (2) Subject to paragraph (4), an application for the grant or variation of an ATOL must be made in a form and manner specified and published by the CAA.
- (3) Where such an application is received the CAA must—
- (a) grant an ATOL or a variation to an ATOL to the applicant in the terms requested in the application;
 - (b) grant an ATOL or a variation to an ATOL in those terms with such modifications and subject to such conditions as the CAA thinks fit; or
 - (c) refuse to grant an ATOL or a variation to an ATOL.
- (4) The CAA may refuse to consider an application unless it is accompanied by the charge payable under a charging scheme made under section 11 of the Act.
- (5) An ATOL granted by the CAA may require compliance with one or more of the ATOL standard terms and all or any part of the schedule of agency terms.

Refusal to grant an ATOL

- 33.**—(1) The CAA must refuse to grant an ATOL if the CAA is not satisfied that the applicant is a fit person to make available flight accommodation.
- (2) The CAA may refuse to grant an ATOL or a variation to an ATOL if the CAA is not satisfied—
- (a) that the applicant is competent to make available flight accommodation;
 - (b) that the resources of the applicant and the financial arrangements made by the applicant are adequate for discharging the actual and potential obligations in respect of the activities in which the applicant is engaged (if any) and in which the applicant may be expected to engage if granted the ATOL;
 - (c) that it has appointed a person acceptable to the CAA as compliance manager; or

- (d) that the applicant has complied with all or any of regulations 7, 8 or 9 of the Civil Aviation (Contributions to the Air Travel Trust) Regulations 2007 which are applicable to it in the circumstances.
- (3) In determining whether the applicant is a fit and competent person the CAA must have regard to—
- (a) the past activities generally of the applicant and the applicant's employees; and
 - (b) where the applicant is a body corporate, the past activities generally of the persons appearing to the CAA to control that body.
- (4) The CAA must not refuse an ATOL on the grounds that the applicant has insufficient experience in making available flight accommodation.

Application for and grant of approval as an approved body

- 34.**—(1) The CAA must specify and publish the requirements for an application for an approval as an approved body or a variation of such an approval.
- (2) Subject to paragraph (4), an application for approval as an approved body or a variation of such an approval must be made in a form and manner specified and published by the CAA.
- (3) Where such an application is received the CAA must—
- (a) grant an approval or a variation to such an approval to the applicant in the terms requested in the application;
 - (b) grant an approval or a variation to such an approval subject to such conditions as the CAA thinks fit; or
 - (c) refuse to grant an approval or a variation to such an approval.
- (4) The CAA may refuse to consider an application unless it is accompanied by the charge payable under a charging scheme made under section 11 of the Act.
- (5) An approval granted by the CAA may require compliance with one or more of the approved body standard terms and all or any part of the schedule of agency terms.

Refusal to grant an approval

- 35.** The CAA must refuse to grant an approval as an approved body or a variation to such an approval for the purposes of these Regulations unless—
- (a) the applicant is an ATOL holder; and
 - (b) the CAA is satisfied that—
 - (i) the applicant's organisation, staffing, financial and other arrangements; and
 - (ii) the applicant's conditions of membership and its arrangements for supervising its members,are such that a person dealing with a member of the approved body will receive a level of protection which is equivalent to the one they would receive if dealing similarly with an ATOL holder that is not an approved body.

CHAPTER 2

Revocation, suspension, variation and refusal of ATOL or approval

SECTION 1

ATOL

Revocation suspension or variation of an ATOL

- 36.**—(1) The CAA must revoke, suspend or vary an ATOL if the CAA is no longer satisfied that the ATOL holder is a fit person to make available flight accommodation.
- (2) The CAA may revoke, suspend or vary an ATOL if—

- (a) it is not or is no longer satisfied with regard to any of the matters specified in regulation 33(2) and (3), or
- (b) the ATOL holder fails to comply with any term or condition of its ATOL.

Procedure for revocation, suspension, variation or refusal of ATOL

37. Subject to regulation 38, if it is proposed to—

- (a) revoke, suspend or vary an ATOL otherwise than on the application of the holder;
- (b) grant or vary an ATOL in terms other than those requested by the applicant; or
- (c) refuse to grant an ATOL,

the CAA must serve on the ATOL holder or the applicant for the ATOL at least 21 days' notice of the proposal to make such a decision and its reasons for the proposal.

Expedited suspension of an ATOL

38.—(1) The CAA may suspend an ATOL notwithstanding that it has not complied with the requirements of regulation 37 if it—

- (a) (i) is no longer satisfied that the ATOL holder is a fit or competent person to make available flight accommodation; or
- (ii) is not or is no longer satisfied that the resources and financial arrangements of the ATOL holder are adequate for discharging the actual and potential obligations in respect of the activities in which the ATOL holder is engaged;
- (b) serves on the ATOL holder at least 72 hours notice of its proposal to suspend the ATOL and its reasons for the proposal; and
- (c) considers any representations which may be made to it by the ATOL holder before the expiration of such notice.

(2) In computing the period of 72 hours specified in paragraph (1)(b), the whole of any Saturday, Sunday, Christmas Day, Good Friday, or a bank holiday under the Banking and Financial Dealings Act 1971 in any part of the United Kingdom is to be disregarded.

Provisional variation of an ATOL

39.—(1) Where in the CAA's opinion it is in the interests of consumers to do so, the CAA may provisionally vary an ATOL with immediate effect.

(2) When issuing a provisional variation the CAA must supply a summary of the reasons for the provisional variation.

(3) A provisional variation remains in force until a decision is reached on a proposal to revoke, suspend or vary the ATOL unless the provisional variation is withdrawn by the CAA.

(4) A provisional variation may impose such terms or conditions on the ATOL as the CAA considers necessary for the protection of current or potential consumers of the ATOL holder.

Application for revocation, suspension and variation of an ATOL

40.—(1) The ATOL holder may apply for it to be revoked, suspended or varied at any time, but may not apply for the variation of the ATOL standard terms.

(2) The CAA may refuse to consider any application for variation of an ATOL unless it is accompanied by the charge payable under a charging scheme made under section 11 of the Act.

Compliance with and variation of ATOL standard terms

41.—(1) The CAA may publish a schedule of standard terms which may be made applicable to licences (in these Regulations, called "ATOL standard terms").

(2) The CAA may publish a proposed variation to ATOL standard terms.

(3) A proposal to vary one or more of the ATOL standard terms must specify the date on which the variation will come into force which must be at least 28 days after the date of publication.

(4) Where an ATOL is subject to one or more of the ATOL standard terms, the ATOL holder must comply with any variation to the ATOL standard terms applicable to its ATOL.

Supplying false information

42. A person must not, for the purpose of obtaining for themselves or for another person an ATOL or a variation of an ATOL or the cancellation of the suspension of an ATOL, knowingly or recklessly supply to the CAA any information which is false in a material detail.

SECTION 2

Approval of approved body

Validity of an approval

43. An approval ceases to be valid if the approved body ceases to hold an ATOL or its ATOL is suspended.

Revocation suspension or variation of an approval

44. The CAA may revoke, suspend or vary an approval if—

- (a) it is not or is no longer satisfied with regard to any of the matters specified in regulation 35, or
- (b) the approval holder fails to comply with any term or condition of its approval.

Procedure for revocation, suspension, variation or refusal of approval of approved body

45. Subject to regulation 46, if it is proposed to—

- (a) revoke, suspend or vary an approval otherwise than on the application of the approved body;
- (b) grant or vary an approval in terms other than those requested by the applicant; or
- (c) refuse to grant an approval,

the CAA must serve on the approved body or the applicant for the approval at least 21 days' notice of the proposal to make such a decision and its reasons for the proposal.

Expedited suspension of an approval

46.—(1) The CAA may suspend an approval notwithstanding that it has not complied with the requirements of regulation 45 if it—

- (a) is no longer satisfied that—
 - (i) the applicant's organisation, staffing, financial and other arrangements; and
 - (ii) the applicant's conditions of membership and its arrangements for supervising its members,

are such that a person dealing with a member of the approved body will receive a level of protection which is equivalent to the one they would receive if dealing similarly with an ATOL holder that is not an approved body.

- (b) serves on the approved body at least 72 hours notice of its proposal to suspend the approval and its reasons for the proposal; and
- (c) considers any representations which may be made to it by the approved body before the expiration of such notice.

(2) In computing the period of 72 hours specified in paragraph (1) the whole of any Saturday, Sunday, Christmas Day, Good Friday, or a bank holiday under the Banking and Financial Dealings Act 1971 in any part of the United Kingdom is to be disregarded.

Provisional variation of approval

47.—(1) Where in CAA’s opinion it is in the interests of consumers to do so, the CAA may provisionally vary an approval with immediate effect.

(2) When issuing a provisional variation the CAA must supply a summary of the reasons for the provisional variation.

(3) A provisional variation remains in force until a decision is reached on the proposal to revoke, suspend or vary the approval unless the provisional variation is withdrawn by the CAA.

(4) A provisional variation may impose such terms and conditions on the approval as the CAA considers necessary for the protection of current or potential consumers of the approved body or its members.

Application for revocation, suspension and variation of approval

48.—(1) The approved body may apply for its approval to be revoked, suspended or varied at any time, but may not apply for the variation of the approved body standard terms.

(2) The CAA may refuse to consider any application for variation of an approval unless it is accompanied by the charge payable under a charging scheme made under section 11 of the Act.

Compliance with and variation of approved body standard terms

49.—(1) The CAA must publish a schedule of standard terms which may be made applicable to approved bodies (in these Regulations called the “approved body standard terms”).

(2) The CAA may publish a proposed variation to approved body standard terms.

(3) A proposal to vary one or more of the approved body standard terms must specify the date on which the variation will come into force which must be at least 28 days after the date of publication.

(4) Where an approval as an approved body is subject to one or more of the approved body standard terms, the approved body must comply with any variation to the approved body standard terms applicable to its approval.

PART 5

Decisions and hearings

CHAPTER 1

Licensing Procedures

Decisions to be made by Member

50.—(1) This Part applies to the CAA’s function of making a decision to—

- (a) revoke, suspend or vary an ATOL or approval otherwise than on the application of the holder,
- (b) grant or vary an ATOL or approval in terms other than those requested by the applicant,
- (c) refuse to grant an ATOL or approval, or
- (d) provisionally vary an ATOL or approval.

(2) Any other decision to grant, revoke, suspend or vary an ATOL or approval may be made on behalf of the CAA only by a Member or by an employee of the CAA.

(3) Where this Part applies, the quorum of the CAA is one Member.

(4) Where a decision is to be made by more than one Member, references in this Part to “Member” shall include all such Members.

Application for extension of time limit

51.—(1) The CAA may extend any time limit imposed by this Part whether or not it has already expired, if—

- (a) it would not be reasonable to expect any person subject to such a limit to comply or to have complied with the time limit; or
- (b) not to extend the time limit would result in substantial injustice.

(2) Before deciding whether or not to extend the time limit the CAA must give persons entitled to attend a hearing under regulation 59 an opportunity to submit written representations.

Confidential information

52.—(1) In this regulation, specified information means information which in the opinion of the CAA relates to the private life or the commercial or financial affairs of any person.

(2) The CAA must exclude from a statement of reasons or decision which it is required to publish any specified information which cannot be disclosed without disadvantage the person to whom it relates where, by comparison with the advantage to the public, its disclosure is unwarranted.

(3) The CAA must not serve any specified information which cannot be disclosed to the prospective recipient without disadvantage to the person who has provided it where, by comparison with the advantage to the public and the prospective recipient, its disclosure is unwarranted.

Consideration of representations

53.—(1) Before making a decision specified in regulation 50(1)(a), (b) or (c), the Member must consider any representations and evidence submitted by the person concerned and the CAA’s employee responsible for the proposal.

(2) The requirement to consider the representations only applies if they are provided to the CAA within 10 days after the date of service of the notice under regulation 37 or regulation 45 or such additional period as the Member may determine in accordance with regulation 51.

Statement of reasons

54. Where the CAA makes a decision to—

- (a) revoke, suspend or vary an ATOL or an approval otherwise than on the application of the holder;
- (b) grant or vary an ATOL or an approval in terms other than those requested by the applicant; or
- (c) refuse to grant an ATOL or an approval,

the CAA must supply a statement of its reasons for the decision to the applicant or to the holder or former holder of the ATOL or of the approval.

Publication of Decision

55. Where the CAA decides to revoke or suspend an ATOL or approval the decision must be published by the CAA.

CHAPTER 2

Requirement for and conduct of hearing

Requirement to hold a hearing

56.—(1) Within the time limit under regulation 53 for providing representations to the CAA, the person concerned may request a hearing.

(2) If the person concerned requests a hearing, the Member must before making a decision, hold a hearing and consider any representations made or evidence submitted at such a hearing.

Giving notice of hearing

57.—(1) Subject to regulation 51, no hearing is to be held under this Part unless the CAA has served on the applicant, ATOL holder or approved body concerned at least 7 days notice of the date, time and place of the hearing.

(2) The notice must clearly identify the matter to which it relates.

(3) The notice must be published at least 7 days before the date of the hearing unless the hearing is to be held in private.

(4) On the day of a hearing, the notice must be posted in a visible and accessible place at the venue where the hearing is scheduled to take place unless the hearing is to be held in private.

Expedited hearing

58.—(1) If the CAA is satisfied that for reasons of urgency it is desirable to do so, a hearing may be held without notice having been served, published and exhibited in accordance with regulation 57.

(2) In such a case, the CAA must give notice of the date, time and place of the hearing, being notice of such length and by such means as it thinks fit, to the applicant, the ATOL holder or approved body.

Entitlement to attend and be heard

59. The person concerned and the CAA's employee who has made the proposal to be determined have a right to attend and be heard at the hearing.

Absence of party

60. Where the CAA is required to hold a hearing under this Part, the hearing may proceed in the absence of the person concerned or that person's representative and the CAA must consider any representations made or evidence submitted by any person entitled to attend who is in attendance.

Technical assessors

61. The Member conducting a hearing may appoint a technical assessor, so long as that assessor did not participate in the application or proposal which is the subject of the hearing, to provide advice and assistance.

Right to be represented produce evidence and examine other parties

62.—(1) At a hearing every person with a right to be heard may appear in person or be represented by any other person who they have authorised to represent them.

(2) The person with a right to be heard or their representative may—

(a) produce oral and written evidence; and

(b) examine the other persons being heard, and any witness produced by such persons.

Hearings in public or in private

- 63.**—(1) All hearings must be in public unless—
- (a) the CAA is satisfied that a private hearing is required—
 - (i) in the interests of morals, public order or national security in a democratic society,
 - (ii) the interests of juveniles or the protection of the private lives of the parties, or
 - (iii) to the extent strictly necessary in the opinion of the CAA in special circumstances if publicity would prejudice the interests of justice; or
 - (b) where the person concerned has requested in writing that the hearing be in private and the CAA is satisfied that there is no important public interest consideration that calls for the public to be present.
- (2) The CAA may decide under paragraph (1) that part only of the hearing is to be in private or that information about the proceedings before the CAA, the names and identifying characteristics of persons concerned in the proceedings or specified evidence given in the proceedings must not be made public or disclosed to a party or parties.
- (3) Any person who the CAA, with the consent of the parties, permits to attend the hearing may attend a hearing, whether or not it is in private.

Procedure at hearing

- 64.**—(1) At the beginning of any hearing the Member must explain the manner and order of proceeding, having regard to any applicable burden and standard of proof and rules of evidence.
- (2) The CAA may conduct the hearing in the manner it considers most suitable—
- (a) to the clarification of the issues before it; and
 - (b) to enable the CAA, with the assistance of the parties, to deal with the case fairly and justly;
- seeking to avoid, where appropriate, formality and inflexibility in its proceedings.
- (3) The CAA may consider evidence of any fact which seems to the CAA to be relevant even if the evidence would be inadmissible in proceedings before a court of law.

Provision of transcripts

- 65.**—(1) All the proceedings at a hearing in accordance with this Part must be recorded in writing.
- (2) Subject to paragraphs (3), (4) and (5), a copy of the transcript of the proceedings must be made available to any person on request, unless a decision has been taken to hold the hearing in private, in which case a transcript must only be made available to those present at the hearing.
- (3) If part of the hearing is held in private, a copy of the transcript of that part of the proceedings must only be supplied to persons present during that part.
- (4) The CAA is entitled to require payment of a reasonable fee before supplying a copy of any transcript.
- (5) The CAA is not required to supply an electronic recording or transcript of the proceedings at any time more than one year after it has published or notified its decision.

Exclusions

- 66.** Nothing in this Part prevents the CAA from provisionally varying an ATOL in accordance with regulation 39 or an approval in accordance with regulation 47.

PART 6

Appeals and transfer of licence

Appeal to County Court or Sheriff Court

67.—(1) Subject to paragraphs (3) and (4), an appeal lies to a county court from any decision of the CAA that a person is not a fit person to hold an ATOL.

(2) If the court is satisfied that on the evidence submitted to the CAA it was wrong in deciding that a person is not a fit person to hold an ATOL, the court may reverse the CAA's decision and the CAA must give effect to the court's determination.

(3) If the appellant resides or has its registered or principal office in Scotland the appeal lies to the sheriff court within whose jurisdiction the appellant resides and the appeal is by way of summary application^(a).

(4) Notwithstanding any provision to the contrary in rules governing appeals to the county court in Northern Ireland, if the appellant resides or has its registered or principal office in Northern Ireland the appeal lies to a county court held under the County Courts (Northern Ireland) Order 1980^(b).

(5) The CAA will be a respondent to any appeal under this article.

(6) For the purposes of any provision relating to the time within which an appeal may be brought, the CAA's decision is deemed to have been taken on the date on which the CAA supplied a statement of its reasons for the decision to the applicant for the licence or the holder or former holder of it.

Transfer of ATOL

68.—(1) Subject to the provisions of this regulation, if the sole holder of an ATOL (being an individual) dies, the ATOL must be treated from the time of death as if it had been granted to the ATOL holder's legal personal representative.

(2) The legal personal representative required by paragraph (1) of this regulation to be treated as the holder of the ATOL may apply to the CAA for the transfer of the ATOL to any person entitled to a beneficial interest in the deceased's estate (including themselves in their personal capacity if, in that capacity, they are entitled to such an interest).

(3) The application must state the grounds on which it is based and must be served on the CAA within the period of 21 days from the day on which the applicant first became entitled to make it; and if no application as aforesaid is made within that period the ATOL must cease at the expiration of that period to be treated as if granted to a person other than the person to whom it was granted.

(4) The CAA must not grant an application for the transfer of an ATOL to any person if it would be bound under regulation 33 to refuse that application if it were an application for the grant of an ATOL to that person, and the provisions of Part 5 as to decisions and hearings apply accordingly.

(5) For the purposes of this regulation "legal personal representative" means a person constituted executor, administrator or other representative of a deceased person by probate, administration or other instrument.

(a) Act of Sederunt (Summary Applications, Statutory Applications and Appeals etc Rules) 1999 S.I. 1999/929.

(b) S.I. 1980/397 (N.I. 3).

PART 7

Offences Penalties and Proceedings

Offences and penalties

69.—(1) A person who contravenes regulation 15, 18 or 21 is guilty of an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

(2) A person who contravenes regulation 9, 14, or 42 is guilty of an offence and liable on summary conviction to a fine not exceeding level 5 on the standard scale or on conviction on indictment to a fine or imprisonment for a term not exceeding 2 years or both.

Due diligence defence

70.—(1) In any proceedings against a person for an offence under regulation 9, 14, 15, 18 or 21 it is a defence for that person to prove that that person took all reasonable steps and exercised all due diligence to avoid committing the offence.

(2) A person shall not be entitled to rely on the defence provided in paragraph (1) by reason of reliance on information supplied by another unless that person proves that it was reasonable in all the circumstances for that person to have relied on the information, having regard in particular to—

- (a) the steps taken, and those that might reasonably have been taken, for the purpose of verifying the information; and
- (b) whether the person had any reason to disbelieve the information.

Time limit for prosecution

71.—(1) Notwithstanding anything in section 127(1) of the Magistrates' Courts Act 1980^(a), an information relating to an offence under these Regulations which is triable by a magistrates' court in England and Wales may be so tried if it is laid at any time before the end of the period of twelve months beginning with the date of the commission of the offence.

(2) Notwithstanding anything in section 136 of the Criminal Procedure (Scotland) Act 1995^(b) summary proceedings in Scotland for an offence under these Regulations may be commenced at any time before the end of the period of twelve months beginning with the date of the commission of the offence.

(3) For the purposes of paragraph (2), section 136(3) of the Criminal Procedure (Scotland) Act 1995 shall apply as it applies for the purposes of that subsection.

(4) Notwithstanding anything in article 19(1) of the Magistrates' Courts (Northern Ireland) Order 1981^(c), a complaint charging an offence under these Regulations which is triable by a magistrates' court in Northern Ireland may be so tried if it is made at any time before the end of the period of twelve months beginning with the date of the commission of the offence.

(a) 1980 c.43.
(b) 1995 c.46.
(c) S.I. 1981/1675 (N.I. 26).

PART 8 Amendments

The Civil Aviation (Contributions to the Air Travel Trust) Regulations 2007

72. Regulation 2(1) of The Civil Aviation (Contributions to the Air Travel Trust) Regulations 2007(a) is amended as follows—

- (a) before the definition of “ATOL Regulations”, insert—
““approved body” means a body approved as an approved body by the CAA under the ATOL Regulations;”;
- (b) in the definition of “ATOL Regulations”, for “1995” substitute “2011”;
- (c) the definition of “end user” is omitted;
- (d) after the definition of “ATOL Regulations”, insert—
““consumer” means an individual who—
 - (a) either makes use of flight accommodation for travel in person or who, without accepting any payment, provides it to another person who uses that flight accommodation for travel in person, or
 - (b) intends to make use of flight accommodation for travel in person or intends, without accepting any payment, to provide it to another person who uses that flight accommodation for travel in person;”;
- (e) in the definition of “relevant booking”, for “an end user” in sub-paragraph (a), substitute “a consumer” and for sub-paragraph (b), substitute—
“(b) which is accepted by—
 - (i) an air travel organiser, or
 - (ii) where a licence is held by an approved body, a member of that approved body,and constitutes an activity in respect of which that organiser or approved body is required to hold a licence.”;
- (f) for the definition of “SBA”, substitute—
““SBA” means a licence (a Small Business ATOL) which authorises the holder to accept relevant bookings which include not more than—
 - (a) 500 passengers; or
 - (b) such greater number as the CAA may publish from time to time; and”.

PART 9 Transitional and Saving Provision

Licences granted under the 1995 Regulations

73.—(1) Any licence granted by the CAA under the 1995 Regulations which is in effect immediately before the day on which these Regulations come into force—

- (a) has effect on and after that date as if it were granted under these Regulations; and
- (b) remains in force until the expiry of that licence.

(2) In this regulation, “1995 Regulations” means the Civil Aviation (Air Travel Organisers’ Licensing) Regulations 1995(a).

(a) S.I. 2007/2999.

SCHEDULE Revocations

Regulation 3

<i>SI number</i>	<i>Title</i>	<i>Extent of revocation</i>
1995/1054	The Civil Aviation (Air Travel Organisers' Licensing) Regulations 1995	The entire instrument
1996/1390	The Civil Aviation (Air Travel Organisers' Licensing) (Amendment) Regulations 1996	The entire instrument
1997/2912	The Civil Aviation (Air Travel Organisers' Licensing) (Second Amendment) Regulations 1997	The entire instrument
2003/1741	The Civil Aviation (Air Travel Organisers' Licensing) (Amendment) Regulations 2003	The entire instrument
2007/2999	The Civil Aviation (Contributions to the Air Travel Trust) Regulations 2007	Regulation 19

Signed by authority of the

Secretary of State for Transport

Parliamentary Under Secretary of State,

Department for Transport

Xx December 2011

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations revoke and replace the Civil Aviation (Air Travel Organisers' Licensing) Regulations 1995, as amended. In addition to some minor and drafting amendments the following changes are made.

Regulation 2 requires the Secretary of State to review the operation and effect of these Regulations and publish a report within five years after they come into force and within every five years after that. Following a review it will fall to the Secretary of State to consider whether the Regulations should remain as they are, or be revoked or be amended. A further instrument would be needed to revoke the Regulations or to amend them.

Part 2 (regulations 9 to 21) regulates who is entitled to provide flight accommodation in the UK and restrictions on how such provision is made.

Regulation 9 requires an Air Travel Organisers' Licence (ATOL) to be held by anyone other than aircraft operators who wishes to make available flight accommodation in the UK unless exempt under regulation 10 or 11. The exemption applies to agents of an ATOL holder, persons acting as a member of an approved body, right to fly providers, those persons established in an EEA state other than the UK who is not a Flight-Only provider and those exempted by the CAA under regulation 11. "Approved body", "right to fly providers" and "specified operators" are defined in regulation 4.

(a) S.I. 1995/1054.

Part 3 (regulations 22 to 31) regulates the sale of Flight-Plus which comprises of a sale of a flight out of or into the United Kingdom together with living accommodation or self-drive car hire abroad. "Flight-Plus" is defined in regulation 22. A Flight-Plus arranger (defined in regulation 23) is liable to the consumer for the provision of the flight accommodation, living accommodation and self-drive car hire provided as part of a Flight-Plus. If prior to departure by the consumer, the Flight-Plus arranger becomes aware that any of these elements will not be provided, the Flight-Plus arranger must provide suitable alternatives at no extra cost to the consumer (regulation 25). If after departure the Flight-Plus arranger becomes aware that the flight will not be provided, the Flight-Plus arranger must provide the consumer at no extra cost suitable alternative transport back to the place of departure. In the case of living accommodation or self-drive car hire not being provided, the Flight-Plus arranger must provide the consumer at no extra cost with suitable alternative living accommodation or self-drive car hire, as appropriate (regulation 26). Where suitable alternative arrangements cannot be made, the Flight-Plus arranger must compensate the consumer (regulation 27). However, the Flight-Plus arranger is not liable unless the reason for the non-availability of the flight or living accommodation or self-drive car hire is due to the insolvency of any person concerned with its provision or the failure of the ATOL holder providing the flight accommodation (regulation 29).

Regulation 30 allows the CAA to publish a schedule of terms for written agency agreements which may be required to be included in any agency agreement between an ATOL holder and its agent.

Part 4 (regulations 32 to 49) regulates the process for CAA in dealing with applications, refusals and variations for ATOLs and approvals as an approved body. Regulations 33 and 35 specify circumstances where the CAA must or may refuse an ATOL or approval. Regulations 38 and 46 provide for expedited suspension of an ATOL or approval and regulations 39 and 47 provide for provisional variation of an ATOL or approval where CAA believes such provisional variation is in the interests of consumers. CAA is required to publish a schedule of ATOL standard terms and in granting an ATOL, the CAA may make the ATOL subject to one or more of the ATOL standard terms (regulation 41). The CAA is also required to publish a schedule of standard terms which may be made applicable to approved bodies (regulation 49).

Part 5 (regulations 50 to 66) regulates the process by which decisions on licensing is made by the CAA. Regulation 50 requires certain decisions to be made by a Member of the CAA, whilst other decisions may be made by a Member or an employee of the CAA. "Member" is defined in regulation 4. The process incorporates an opportunity for representations to be made by the person concerned (regulation 53) and for that person to make a request for a hearing (regulation 56). There is also provision for an expedited hearing for urgent cases (regulation 58) and hearings in private (regulation 63). CAA is required to publish its decisions (regulation 55).

Part 6 (regulations 67 and 68) provides for appeals to the county court, or in Scotland the sheriff court, from any decision of the CAA that a person is not a fit person to hold an ATOL and transfer of ATOLs following the death of a sole holder of an ATOL.

Part 7 (regulations 69 to 71) deals with offences and penalties. Regulation 69 specifies the offences and penalties and regulation 70 provides for a due diligence defence. Regulation 71 extends the time limit for prosecution 12 months beginning with the date of the commission of the offence.

Part 8 (regulation 72) makes amendments to the Civil Aviation (Contributions to the Air Travel Trust) Regulations 2007.

Part 9 (regulation 73) provides for ATOLs granted by the CAA under the Civil Aviation (Air Travel Organisers' Licensing) Regulations 1995 to remain in force until expiry of that ATOL.