

**Aviation Council**  
**12:00 – 13:00, Monday 30 October 2023**  
**The Department for Transport, Great Minster House, London**

**Attendees:**

Chairs

- Baroness Vere of Norbiton, Parliamentary Under Secretary of State (Aviation, , Aviation Council Chair, (*Hereafter* 'Minister for Aviation').
- Stewart Wingate, CEO Gatwick Airport, Aviation Council Co-Chair (*Hereafter*, Co-Chair).

Aviation Council Membership

- Alberto Martin, Chief Executive Officer, London Luton Airport.
- Amanda Francis, Chief Executive Officer, Association of International Courier &
- Andy Cliffe, Chief Executive Officer, Aberdeen, Glasgow & Southampton Airports
- Balaji Srimoolanathan, Director, Aerospace, Defence, Security & Space (ADS).
- Corneel Coster, Chief Operating Officer, Virgin Atlantic.
- Dale Keller, Chief Executive, Board of Airline Representatives UK (BAR UK).
- Mark Gregory, Operations Director, Aviation Industrial Relations Director,
- Gordon Dewar, Chief Executive, Edinburgh Airport.
- Chris Gadsden, Director of Government Affairs.
- Karen Dee, Chief Executive, The Airport Operators Association (AOA).
- Ken O'Toole, Group Chief Executive, Manchester Airports Group (MAG).
- Luke Petherbridge, Director of Public Affairs, ABTA – The Travel Association.
- Marco Ciomperlik, Chief Airline Officer, TUI Group.
- Martin Rolfe, Chief Executive Officer, National Air Traffic Services (NATS).
- Neil Pakey, Chairman, Regional Airports Business Association (RABA).
- Peter O'Broin, Government Affairs Manager, UK & Ireland, (IATA).
- Rob Bishton, Chief Executive Officer, Civil Aviation Authority (CAA).
- Sean Doyle, Chief Executive Officer, British Airways.
- Steve Heapy, Chief Executive Officer, Jet2.
- Thomas Woldbye, Chief Executive Officer, Heathrow Airport.
- Tim Alderslade, Chief Executive, Airlines UK (AUK).

Council Participants

- Jim Butler, Chief Financial Officer, Gatwick Airport.
- Paul Smith, Director, Consumers and Markets Group, CAA.

## Department for Transport (DfT)

- Director General, Aviation, Maritime and Security Group.
- Director of Aviation.
- Deputy Director, Aviation Commercial, Strategy and Consumers.
- Deputy Director, Airport Policy.
- Special Advisor to the Secretary of State for Transport.
- Aviation Council Secretariat.

## Other Government Department Representatives

- Director for Sustainability and Infrastructure (DBT).
- Deputy Director, Tourism & Cultural Diplomacy (DCMS).

## Representatives of Devolved Administrations

- Director of Aviation, Maritime, Freight and Canals, (Scottish Government).
- Department for the Economy, Northern Ireland Executive.

## **Actions**

- **Action (AC004-001)** Council Members to provide DfT officials with ideas for future topics.
- **Action (AC004-002)** The Aviation Council Secretariat to contact members with the date, time, and location of the next Aviation Council.

## **Summary of Meeting**

- The Chair for the Aviation Council, the Minister for Aviation, welcomed members to the fourth meeting and invited the membership to share any reflections on summer 2023.
- An update on summer 2023 performance was provided by Gatwick, Heathrow, and Luton Airports.
- Rob Bishton (CEO, CAA) updated members on the review into the NATS technical failure on 28<sup>th</sup> August.
- The Aviation Council discussed the short- and long- term reforms of the UK slot system to ensure a fair, transparent, and competitive system.
- Rob Bishton (CEO, CAA) provided an update on Airspace Modernisation and previous actions from the Aviation Council.

## **Minutes**

### **1. Welcome**

- 1.1.** The Minister for Aviation welcomed members to the fourth meeting of the Aviation Council. Marking the final meeting of the first year of the Council, the Minister praised the work it has achieved to date and expressed optimism in what the Council could achieve next year.

- 1.2. Continuing, the Minister provided a membership update, advised members of Michael O’Leary’s (CEO, Ryanair) resignation following the Third Council meeting. The Minister then welcomed Marco Ciomperlik, Chief Airline Officer of TUI Group, Rob Bishton, CEO of the CAA, and Thomas Woldbye, CEO of Heathrow Airport. She thanked Paul Smith (Director, Consumers and Markets Group, CAA) for his work as interim CEO of the CAA.
- 1.3. The Minister recapped the actions from the last meeting, which focused on the importance of apprenticeships for the sector. The DfT and Institute for Apprenticeships and Technical Education are supporting the Aviation Industry Skills Board (AISB) with the development of a dashboard for supporting apprenticeships. The AISB board will review the full apprenticeship offer and identify updates and actions.
- 1.4. The Minister reminded members of the agreement that members would contact DfT officials with suggestions on aviation skills and provide practical solutions.

## **2. Reflections on Summer Resilience 2023**

- 2.1. The Minister for Aviation recognised that summer 2023 performance was generally good and put on record her thanks to the entire industry including airports, airlines, and ground handlers.
- 2.2. Continuing, the Minister for Aviation felt that the positive aspects about the aviation sector was not always reflected in the public narrative, and that it was important for the industry to utilise evidence that reflects a more reality-based narrative for the sector. The Minister for Aviation outlined that on-time performance should remain a focus for the sector and they should seek improvements in 2024.

## **Member Updates:**

- 2.3. Rob Bishton (CEO, CAA) provided an update to the Council on the CAA review into the NATS technical failure of 28<sup>th</sup> August. He said that an independent panel would be established, with a chair having already been appointed, and that the panel has strong resourcing support from CAA.
- 2.4. Continuing, Rob Bishton said that the first order of business would be a call for evidence and to set out its Terms of Reference for the review. The timing for the publication of the final report would depend on the evidence received, but they are working towards publishing an interim report by January 2024.
- 2.5. Martin Rolfe (CEO, NATS) said that NATS is ready and willing to engage with the CAA review with full transparency. He cited the preliminary report that NATS released shortly after the incident and said that an internal review is underway. Any findings and lessons learned will be passed to the CAA.
- 2.6. Continuing, he said that EuroControl data covering April to September, showed that the UK performed relatively well compared to other European countries.

- 2.7. Jim Butler (CFO, Gatwick Airport) recognised a number of things that went well for Gatwick Airport this summer, including having all infrastructure available following successful main runway resurfacing in 2022 and smoother terminal operations. On-time performance is still important and had been a challenge. He said that the focus now is on making improvements for summer 2024 and a resilient operation.
- 2.8. Continuing, he welcomed engagement with CAA, airlines and DfT to drive forward improvements.
- 2.9. Alberto Martin (CEO, Luton Airport) said that operations at Luton Airport had performed well. He said that Luton Airport had created a better stakeholder engagement structure.
- 2.10. Continuing, he said that NATS resourcing had largely been resolved, but challenges remain around medical revalidation of controllers when controllers return from a period of sick leave, exploring flexibility around medical requirements may help. Customer feedback was excellent, although on-time performance was still poor. Finally, he said there were challenges with market pressures and coordinated union activity.
- 2.11. Thomas Woldbye (CEO, Heathrow Airport) recognised that demand has returned, and this was very important. He said that one of the areas Heathrow Airport is focusing on going forward is Border Force performance, as passengers continue to experience long average waiting times.
- 2.12. The Minister for Aviation said she would raise this issue with the Minister for immigration when she meets him next week.

### **3. Reform of UK Airports Slot Allocation**

- 3.1. The Director of Aviation provided an overview of the three elements of slot allocation reform that the DfT are currently progressing:
  - 3.1.1. Consideration of the summer 2024 season slot alleviation
  - 3.1.2. Two Retained EU Legislation Act changes, covering the New Entrant Rule and updating the Justified Non-Use of slots (JNUS) rules. This would bring UK legislation in line with international guidelines and will ensure the slot allocation system will be able to cope with any new Covid-19 outbreak.
  - 3.1.3. A long-term slot reform consultation.
- 3.2. Amanda Francis (CEO, AICES) said that the consultation will be very important from a freight perspective. Continuing she said that availability of cargo and 'belly-hold' is crucial to UK businesses. Recent survey saw over 90% of businesses stating that express services were important for their competitiveness with 50% of businesses expected to grow their use and as such, there is a capacity requirement in terms of cargo and night flights. Given its importance to AICES members, Amanda asked whether capacity for cargo will be ringfenced.

- 3.2.1. The Director of Aviation thanked Amanda for raising the importance of freight. On the question of ringfencing cargo, he said that the consultation would be an opportunity for members and stakeholders to provide feedback for the department to consider.
- 3.3. Sean Doyle (CEO, British Airways) said that it is important that lessons are learned from the resilience issues of previous summers. Slot relief policy requires clarity.
- 3.4. Continuing, he said there is also a need to be aware of the international landscape, for example auctions may lead to increased costs for market entry, and that there is a need to ensure there is a level playing field.
- 3.5. Steve Heapy (CEO, Jet2) said that there is little justification for an extension to slot alleviations into summer 2024. Any extension to the alleviation will impede growth.
- 3.6. Chris Gadsden (Director of Government Affairs, EasyJet) said it is important that there is clear logic to the Slot Reform Consultation as to what it is seeks to achieve.
- 3.7. Continuing, he said that the UK has a very competitive aviation sector, and that there is little evidence that new entrants have struggled to get slots over time.
- 3.8. Ken O'Toole (CEO, MAG) said that getting the balance right between ring fencing and the perception of being too interventionist will be important.
- 3.9. Continuing, he said that the details of the consultation and any proposal will be key.
- 3.10. Dale Keller (CEO, BAR UK) reiterated Sean Doyle's point on the international aspect and around the auction points, particularly around new entrants.
- 3.11. Continuing, he expressed concerns financially strong carriers will obtain routes ahead of other carriers.
- 3.12. Neil Pakey (Chairman, RABA) said that there needs to be a solution that encourages regional access, and it should not be left entirely to market forces. RABA currently have a Memorandum of Understanding with Heathrow, which encourages regional access.
- 3.13. Karen Dee (CEO, AOA) reiterated the importance of the consultation, and that the principles are sensible. She cautioned about unintended consequences of reform and, therefore, how areas are defined will be key.
- 3.14. Jim Butler (CFO, Gatwick Airport) said that Gatwick Airport was supportive of the consultation and review. He reiterated that short term alleviation is no longer required and noted that Gatwick was keen to be involved on long-term proposals.
- 3.15. The Director of Aviation said that there will be a wide range of views from across sector and all are welcomed. He recognised that while the industry is competitive, new entrants might have a different view. He said that any proposed auction of slots would only be applicable to new capacity.

#### **4. Airspace Modernisation Update**

- 4.1. The Minister for Aviation said that airspace modernisation is a priority area that the Aviation Council would continue to push forward with this.
- 4.2. Rob Bishton (CEO, CAA) said that the joint CAA and DfT project team would continue to work on the scope and remit of the Single Design Entity.
- 4.3. Continuing, he said that that he recognised concerns around funding and reassured the Council that the DfT will continue to explore options for an equitable solution. On Governance, he said that the CAA would continue to work on delivery confidence. Finally, he said the updated CAP1616 was published that morning (30<sup>th</sup> October 2023) and will likely continue the current trend of increasing pass rates.
- 4.4. Karen Dee (CEO, AOA) expressed concerns about the time frame for the consultation in April 2024 and asked whether this could be brought forward. Continuing, she said that while airports have strong views on funding, airlines and airports have a real willingness to find a solution.
  - 4.4.1. Rob Bishton (CEO, CAA) confirmed that the consultation timeline will be looked at, however, underlined that it should not delay airspace modernisation.
  - 4.4.2. The Director of Aviation reiterated this, but also said that it is important that we get this right and follows the democratic process to avoid legal challenge and going back to square one.
  - 4.4.3. Karen Dee (CEO, AOA) said it was important to consider the behaviours that the policy would disincentivise outside the LTMA.

#### **5. AOB – Agenda item (10 mins)**

- 5.1. The Minister for Aviation thanked the membership for their contributions and said that she found the forum very useful. The next meeting will be held in early 2024 and officials will contact the membership with details, views were welcomed on future topics with members recognising that a discussion on PRM and customer experience would be helpful.
- 5.2. The Minister for Aviation also shared that the Air Passenger Travel Guide was re-issued before half term.

**Action (AC004-001)** Council Members to provide DfT officials with ideas for future topics.

**Action (AC004-002)** The Aviation Council Secretariat to contact members with the date, time, and location of the next Aviation Council.