

Debate Pack

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Flying Schools

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1 Background

There will be a Westminster Hall debate on flying schools on 12 September 2023. The debate will be led by Tim Loughton, Conservative MP for East Worthing and Shoreham.

1.1 Flight school closures

Over the last twelve months, three UK flying schools offering commercial pilot training have closed down, leaving some of their trainee pilots with significant financial losses.

The flying schools are:

- Flying Time Limited (FTA) Global, based at Brighton City Airport in West Sussex, and founded in 2006. It ceased trading in May 2023.¹
- Tayside Aviation, based at Dundee airport in Scotland, and founded in 1968. It ceased trading in April 2023.²
- Bournemouth Commercial Flight Training, based at Bournemouth Airport in Dorset, and founded in 2002. It ceased trading in November 2022.³

[In July 2023 the BBC reported](#) that many trainee pilots at these flying schools were required to pay for their courses in advance, and lost thousands of pounds, in some cases as much as £90,000, when the schools closed.⁴

1.2 Flight school regulation

Flight schools are regulated by the [Civil Aviation Authority](#) (CAA), the UK aviation industry regulator. But this regulation only extends to the flight school safety provisions and the quality of their pilot training, not their financial ‘health’. [The CAA advises pilot students](#) to be cautious when paying up front for pilot courses, and to use a credit card where possible to protect the payment:

¹ ITV News, [Trainee pilots left up to £90,000 out of pocket after prestigious flying school goes bust](#), 23 May 2023

² BBC News, [Tayside Aviation goes into administration with loss of 22 jobs](#), 21 April 2023

³ Yahoo! News, [‘Renowned’ flight school at Bournemouth Airport has ceased trading after 20 years](#), 8 November 2022

⁴ BBC News, [Trainee pilots lose tens of thousands after flying schools collapse](#), 1 July 2023

Protecting your investment

The CAA's approval of a flight school means it complies with all safety requirements and is able to provide training to an agreed standard. The CAA does not regulate the financial viability of flying schools or clubs so CAA approval to conduct flight training does not imply any certification of financial health or stability. For this reason, the CAA advises all prospective student pilots to take precautions to protect their financial investment.

Many flying schools may offer a discount if you pay more money 'up front'. Whilst you can make a saving, it should also be considered what will happen if the school or club ceases trading. If payments are made in advance, using a credit card will usually protect the payment up to a certain amount, whilst cheque or bank transfer payments may result in you losing your money.⁵

1.3

Campaign for financial regulation of flight schools

Following these closures, the British Airline Pilots Association (BALPA) a trade union and professional association, and Wings Alliance which represents student pilots, have campaigned for better regulation of UK-CAA approved flying schools (known officially as Approved Training Organisations or ATOs).⁶

On 14 June, representatives of BALPA, Wings Alliance, Flyer Magazine and Bristol Ground School wrote [an open letter to the Transport Secretary Mark Harper](#) [PDF]. The letter noted that:

- the total amount of money owed to customers of now-defunct flying schools may be in the order of £4 million
- flying schools have only asked for advance payments because their risk of insolvency is high
- there is anecdotal evidence that some flying schools will not accept credit cards to be used for advance payments, meaning consumers lose the protection they would have had under [Section 75 of the Consumer Credit Act](#).⁷

The letter also claimed that the CAA has a statutory duty under retained EU law to ensure UK-approved flying schools show 'evidence of sufficient

⁵ [CAA: Finding a flight school or examiner](#), [Accessed 6 September 2022]

⁶ [CAA: Finding a flight school or examiner](#), [Accessed 6 September 2022]

⁷ BALPA, Wings Alliance, Flyer Magazine and Bristol Ground School [Open letter to the Transport Secretary Mark Harper](#) [PDF], 14 June 2023. More information on credit card protection can be found in Section 2.3 of the Library briefing [Consumer payments made in advance of receiving goods or services \(online sales, deposits, vouchers etc.\)](#).

funding'.⁸ It is unclear if such a statutory duty does apply and, as discussed in [an article by Flight Training News](#), it may be down to legal interpretation.⁹

The letter had three recommendations for the CAA:

1. Make it a requirement of a flying school's approval that they cannot take advance payments from consumers in excess of £5,000 and that the option of payment by credit card must always be available, with no surcharge applied.
2. Review its oversight procedures for flying schools, in order to achieve proper compliance with retained EU law.
3. Consider the setup of a consumer protection scheme that protects student pilot funds, similar to the [ATOL scheme](#) for customers of package holidays.¹⁰

In a parliamentary question, the Government was asked what further financial protection it might give to trainee pilots from UK flight school failures. Responding on 3 July 2023, Baroness Vere, Parliamentary Under Secretary of State for Aviation, Maritime and Security, [said the CAA did not regulate the ongoing financial viability of flying schools](#):

Responsibility for regulating flying training in the UK rests with the Civil Aviation Authority (CAA). The CAA's approval of a flying school or training establishment as an Approved Training Organisation (ATO) are designed to provide confidence that they are able to perform their operations safely. However, as the CAA does not regulate the ongoing financial viability of flying schools or clubs, approval to conduct flight training does not imply any certification of financial stability. I have asked my officials to engage with the CAA to consider this in more detail.¹¹

1.4

Financial pressures for pilot training

In a [statement](#), [BALPA Interim General Secretary Miranda Rackley](#) noted that there is no public funding for pilot training:

Flight schools going bust is financially devastating to hardworking students who deserve to have their money better protected from flight school failures.

Pilot training is amongst the most expensive training of all professions, and unlike other careers such as law and medicine, there is no student funding

⁸ BALPA, Wings Alliance, Flyer Magazine and Bristol Ground School [Open letter to the Transport Secretary Mark Harper](#) [PDF], 14 June 2023

⁹ Flight Training News, [To oversee or not to oversee?](#), 20 June 2023

¹⁰ BALPA, Wings Alliance, Flyer Magazine and Bristol Ground School [Open letter to the Transport Secretary Mark Harper](#) [PDF], 14 June 2023

¹¹ PQ HL8744 [[Aviation: Training](#)], answered 3 July 2023

available. Many trainees resort to family support to fund their training, with some re-mortgaging family houses.

Government needs to step up and protect students that are so vital to the future of the UK aviation industry.¹²

According to the pilot website [UK Flying](#), training to become a qualified pilot can cost between £65,000 and £112,000 and there are very few airlines sponsoring pilots, and no Government grants. Many aspiring pilots use private bank loans, family help, and/or opt for modular training which can be undertaken, and paid for, in stages.¹³

[BALPA suggest that flying schools may have been struggling](#) in recent years due to financial pressures caused by the Covid pandemic, and the rising costs of energy.¹⁴

¹² BALPA Press Release, [Pilots demand Government protect trainee pilots from losing tens of thousands of pounds from flight school collapses](#), 22 June 2023

¹³ UK Flying, [Funding](#), [Accessed 6 September 2022]

¹⁴ BALPA Press Release, [Summer 2023 – BALPA Position on Flight Training](#), 21 August 2023

2 Parliamentary Material

2.1 Parliamentary Questions

Aviation: Training

3 July 2023 | UIN HL8745

Asked by: Lord Balfe

To ask His Majesty's Government how, if at all, they intend to improve the financial regulation of UK flight schools.

Answering member: Baroness Vere of Norbiton | Department: Transport

Responsibility for regulating flying training in the UK rests with the Civil Aviation Authority (CAA). The CAA's approval of a flying school or training establishment as an Approved Training Organisation (ATO) are designed to provide confidence that they are able to perform their operations safely. However, as the CAA does not regulate the ongoing financial viability of flying schools or clubs, approval to conduct flight training does not imply any certification of financial stability. I have asked my officials to engage with the CAA to consider this in more detail.

Aviation: Coronavirus

8 April 2020 | UIN HL2928

Asked by: Lord Davies of Glower

To ask Her Majesty's Government what support they plan to give to flying schools and clubs whose operations have been disrupted by measures to prevent the spread of COVID-19.

Answering member: Baroness Vere of Norbiton | Department: Transport

The aviation industry, including General Aviation, is in an increasingly difficult financial position with significantly reduced demand.

A number of measures to support the industry have already been announced, including Time to Pay support with taxes, financial support for employees, and the Bank of England's Covid Corporate Financing Facility (CCFF). The Government is working urgently to develop further measures, as necessary

HMRC is ready to provide guidance and support as appropriate to all businesses and self-employed individuals who are experiencing temporary financial difficulties due to Coronavirus.

Aviation: Training

6 June 2018 | UIN 148711

Asked by: Grant Shapps

To ask Mr Chancellor of the Exchequer, with reference to Strategic Review of General Aviation, published by the Civil Aviation Authority in July 2006, whether his Department has conducted a review of whether the current VAT treatment applied to flight training places UK flying schools at a competitive disadvantage to those based in other countries; and if he will make a statement...

Answering member: Mel Stride | Department: Treasury

The government does not hold information on tax revenues that can be broken down to assess the impact of tax on flight training...

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Press Articles

[UK government boost for flight training](#)

Flyer

3 July 2023

[Trainee pilots lose tens of thousands after flying schools collapse](#)

BBC News

1 July 2023

[Pilots demand Government protect trainee pilots from losing tens of thousands of pounds from flight school collapses](#)

BALPA (British Airline Pilots' Association)

22 June 2023

[Tayside Aviation: Investigation into financial moves by Tony Banks before collapse](#)

The Courier

25 May 2023

[Tayside Aviation goes into administration with loss of 22 jobs](#)

BBC News

21 April 2023

[Wings Alliance and BGS support stranded Tayside students](#)

Flyer

21 April 2023

[Bournemouth Commercial Flight Training ceases trading](#)

Bournemouth Echo

8 November 2022

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Press Releases

[Summer 2023 – BALPA Position on Flight Training](#)

BALPA

21 August 2023

[Open letter to the Transport Secretary Mark Harper](#)

BALPA

14 June 2023

[Generation Aviation: Reach for the Sky Challenge Fund](#)

UK Civil Aviation Authority | Department for Transport

1 February 2023

[Government launches new campaign to boost aviation recruitment](#)

Department for Transport

31 October 2022

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Further Reading

Websites

[Training for a pilot licence](#)

[Aviation Skills Recruitment Platform](#)

[Information for pilot training organisations](#)

[Finding a flight school or examiner](#)

Reports

[Addressing the cost of pilot school training](#)

Department for Transport

31 May 2023

Petitions

[The UK Government should provide financial aid solutions for future pilots](#)

19 August 2018

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