



Civil Aviation Bill: Committee Stage **Report**

Bill 319 2010-12

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This is a report on the Public Bill Committee Stage of the *Civil Aviation Bill*. It is designed to complement Research Paper RP 12/07, which covers in more detail the background to the Bill. The provisions that were subject to the most debate were: the passenger versus the airline interest; security changes and associated costs; environmental duties for airports and the aviation industry more generally; financial oversight of the Civil Aviation Authority by the National Audit Office; inter-terminal competition; and general costs and charges. No substantive amendments were made. The Bill is scheduled to receive Report stage in the Commons on 25 April. It will be carried over into the next session of Parliament.

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Research Paper 12/19

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Summary

This is a report on the Public Bill Committee Stage of the *Civil Aviation Bill*. It is designed to complement [Research Paper RP 12/07](#), which covers in more detail the background to the Bill.

The provisions that were subject to the most debate during Second Reading and Committee stage were: the passenger versus the airline interest; security changes and associated costs; environmental duties for airports and the aviation industry more generally; financial oversight of the Civil Aviation Authority (CAA) by the National Audit Office (NAO); inter-terminal competition; general costs and charges; and the Air Travel Organisers' Licensing scheme (ATOL).

No substantive amendments were made.

1 Introduction

The *Civil Aviation Bill* proposes measures intended to modernise the regulatory framework for civil aviation. The main areas where reforms are proposed are the legislative framework for the economic regulation of airports; the legislative framework of the Civil Aviation Authority (CAA); the transfer of certain aviation security functions from the Secretary of State for Transport to the CAA; and to widen the Secretary of State's powers so that holidays sold by airlines or arranged on an 'agent for the consumer' basis could be included in the ATOL scheme in the future.

The Bill has broad cross-party support and passed Public Bill Committee with only one technical amendment.

After the publication of the Transport Committee's report on the draft Civil Aviation Bill in January 2012, the Committee held a short inquiry into the proposed ATOL reforms which were published after the draft Bill. The Committee invited written evidence; it also took oral evidence from various stakeholders on 31 January 2012 and from Theresa Villiers MP, Minister for State, and Kate Jennings, Head of Aviation Policy, Department for Transport, on 22 February 2012. The Committee's report on ATOL is expected to be published by the end of the month.¹

2 Second Reading debate

The Commons Second Reading debate of the *Civil Aviation Bill* took place on 30 January 2012. A number of issues raised were subject to more detailed scrutiny at Committee Stage. These were the passenger versus the airline interest; security changes and associated costs; environmental duties for airports and the aviation industry more generally; financial oversight of the Civil Aviation Authority (CAA) by the National Audit Office (NAO); inter-terminal competition; and general costs and charges.

The Secretary of State for Transport, Justine Greening, introduced the Bill by explaining its benefits. She praised the CAA as a "world-class expert regulator with a first-class track record on safety" and said that the central aim of the Bill was to:

... give more responsibility to the CAA and to provide a better regulatory framework that would enable it to introduce more flexible and proportionate regulation and to take timely action on the issues that matter to passengers.²

The Bill would devolve more responsibility to the CAA and remove regulatory functions and unnecessary intervention by government. It would also ensure that the CAA operates "in a transparent and accountable manner, so that when appropriate it can carefully weigh up the costs and benefits of regulation as an integral part of the decision-making process". As a result:

... future regulatory intervention will be directed only at areas in which it is strictly necessary. For the first time, the regulator will be allowed to give the public reliable information about the sector's performance and its environmental impacts, and about measures taken to address them. Moreover—this will be important as we work to reduce the deficit—the Bill will substantially reduce taxpayer funding for the regulation of aviation. It surely makes sense for the costs of regulation to be met by the sector itself.³

¹ further information on the ATOL scheme can be found in HC Library note [SN6040](#)

² [HC Deb 30 January 2012, c566](#)

³ *ibid.*, c566

The Bill focuses on three key areas: reform of the economic regulation of airports; giving the CAA a role in aviation security and in the reform of its regulatory framework; and reform of the air travel organisers' licensing scheme (ATOL) to improve the protection of passengers.

Maria Eagle, the Shadow Secretary of State for Transport, raised concerns that the move of security functions from the Department for Transport (DfT) to CAA would create a division of responsibilities that "will create new interfaces that might cause delay and problems in the swift implementation of policy".⁴ She also indicated her support for some of the recommendations made by the Transport Select Committee in its scrutiny of the draft Bill, particularly in relation to passengers' welfare and the sector's environmental obligations, where the Opposition would seek to improve the Bill in Committee.⁵

Ms Eagle also raised the question of winter resilience. Following the impact of extreme weather conditions on the transport network in 2010 and 2011, the Government had indicated that it would look at introducing powers for the regulator to ensure that airports were better prepared for winter weather. She expressed scepticism that the provisions in the Bill achieved this end.⁶ Finally, she called on the Government to amend the Bill to introduce oversight of the CAA by the NAO, as recommended by the Transport Committee.⁷

In respect of the ATOL provisions of the Bill, Justine Greening explained that their purpose was to widen the Secretary of State's powers so that holidays sold by airlines or arranged on an 'agent for the consumer' basis could be included in the ATOL scheme, but confirmed that such a step would only be taken following full consultation with stakeholders. Ms Eagle recognised that there was a strong case for reforming the ATOL scheme in order to broaden consumer protection and to better reflect today's holiday market. However, questions were asked by other Members about why the Government was not going further, by giving ATOL protection to all people on all flights.⁸ In response, Justine Greening said that the Government's proposals were measured; would increase the number of customers that were ATOL protected; and would make the ATOL scheme more financially sustainable in the long term.⁹ Questions were also raised about the timing and level of scrutiny of the Bill, and the fact that the ATOL clauses were only introduced after the Transport Committee had considered the Bill in draft form.¹⁰

Following the Second Reading debate, the House passed a carry-over motion which would enable scrutiny of the Bill to continue into the next session of Parliament.¹¹

3 Public Bill Committee stage

The Committee received nine written memoranda and took oral evidence from seventeen witnesses representing the aviation industry, environmental, freight and consumer interests, including the Minister for Transport, Theresa Villiers MP.¹²

The examination of witnesses by the Committee reflected those concerns which arose during subsequent scrutiny of the Bill. These were: the new licensing regime; market power; the competing interests of passengers, the public and airlines; environmental duties and objectives; inter-terminal competition; NAO oversight of the CAA; security transfer and costs;

⁴ *ibid.*, c570

⁵ *ibid.*, c572

⁶ *ibid.*, c574

⁷ *ibid.*, c578

⁸ *ibid.*, c571

⁹ *ibid.*, c571

¹⁰ *ibid.*, c586

¹¹ [HC Deb 30 January 2012, c647](#)

¹² memoranda available to view on the [Parliament website](#) [accessed 5 April 2012]

the collection and dissemination of information; information on the performance of the UK Border Agency (UKBA); and ATOL.¹³

The Opposition tabled a number of amendments and New Clauses to the Bill. A number were pressed to a vote, all of which were defeated. The only amendment to the Bill was a minor technical amendment from the Government to correct an error in clause 107. This was agreed and added to the Bill without a vote.

The Members sitting on the Committee were: Fiona Bruce; Nic Dakin; Jim Fitzpatrick (Opposition Spokesman); Mike Freer; Pat Glass; Tom Harris; Chris Heaton-Harris; Julie Hilling; Dr Julian Huppert; Kwasi Kwarteng; Seema Malhotra; Nigel Mills; Fiona O'Donnell; Priti Patel; Mark Reckless; Jim Shannon; Alec Shelbrooke; Gavin Shuker; Henry Smith; Iain Stewart; Graham Stringer; Theresa Villiers (Minister); Bill Wiggin; John Woodcock (Opposition Spokesman); and Simon Wright.

All the proceedings of the Committee can be found on the Parliament website, [here](#).

The table below gives a commentary on proceedings at Committee stage.

¹³ [PBC 21-23 February 2012, cc1-88](#)

Clause and subject/number of amendments	Debate and outcome	Column reference
<p>Clause 1 – CAA’s general duty</p> <p>Protecting the interests of all air transport users</p> <p><i>Labour amdt. 8 (taken with amdt. 13 and 15)</i></p>	<p>Amendment to implement one of the Transport Committee’s recommendations in its report on the draft Bill to clarify the applicability of the CAA’s general duty to ‘air passengers and shippers of cargo both present and future’ to ensure that the interests of all consumers were protected.</p> <p>The Minister stated that these concerns were protected in Clause 69 and that there was nothing to be gained from adding them to this clause of the Bill.</p> <p><i>Amendment withdrawn.</i></p>	cc91-97
<p>Clause 1</p> <p>Secondary duty to further the interests of airlines</p> <p><i>Labour amdt. 9</i></p>	<p>Amendment to implement one of the Transport Committee’s recommendations to introduce a secondary duty on the CAA to further the interests of air transport providers (i.e. airlines). The Shadow Minister, Jim Fitzpatrick MP, read into evidence an opinion from British Airways supporting the measure.</p> <p>The Minister stated that introducing such a duty would weaken the CAA’s primary duty to passengers and compromise it in some areas where there are inherent conflicts between the passenger and the airline interest (e.g. catering outlets at airports). The Minister also said that the insertion of the amendment in this place would make it a primary, rather than a secondary duty.</p> <p><i>Amendment withdrawn.</i></p>	cc97-107
<p>Clause 1</p> <p>Requirement for airports to abide by planning law and have regard to surface transport links</p> <p><i>Labour amdt. 12 (taken with amdt. 14)</i></p>	<p>Amendment to ensure that licence holders (i.e. airports) abide by planning law and to include surface transport links in any licence agreement, as per the framework document published by the DfT under the Labour Government.</p> <p>The Minister argued that the amendments were unnecessary as these matters were already covered in the Bill, requiring the CAA to have regard to both planning law and surface access.</p> <p><i>Amendment defeated on the vote 13-10.</i></p>	cc107-111
<p>Clause 1</p> <p>Environmental duty</p> <p><i>Labour amdt. 10 (taken with amdt. 11 and 14)</i></p>	<p>Amendment to introduce requirement for CAA and air industry to work towards meeting the UK’s carbon reduction commitments and linked amendments on environmental obligations.</p> <p>The Minister stated that the amendments were not required as power to authorise appropriate investments to meet environmental obligations is already in the Bill.</p> <p><i>Amendments all defeated on the vote 12-10.</i></p>	cc112-139
<p>Clause 2 – SofS general duty</p> <p>Environmental duty</p> <p><i>Labour amdt. 16</i></p>	<p>No debate. Vote on amendment linked to 10, 11 and 14 above on introduction of environmental duty.</p> <p><i>Amendment defeated on the vote 12-8.</i></p>	c142

Clause and subject/number of amendments	Debate and outcome	Column reference
<p>Clause 6 – Market power test</p> <p>Regulatory evaluation period</p> <p><i>Graham Stringer amdt. 7</i></p>	<p>Amendment to provide a 24 month window for the CAA in which to assess airports for regulatory purposes. In effect, the clause provides that airports that are dominant in their market should be regulated; the amendment legislates for such a decision to be taken only after a 24 month period of assessment. The Minister argued that the amendment would leave passengers and airlines vulnerable to market abuse by airports for the duration of the proposed evaluation period and should be resisted.</p> <p><i>Amendment withdrawn.</i></p>	cc147-158
<p>Clause 9 – Operators of areas</p>	<p>Clause stand part debate only.</p> <p>The Opposition was particularly concerned that this clause could be used to break up airports and to, in effect, have terminals within larger airports competing against one another for business (the main international comparator for this type of arrangement is New York's JFK Airport).</p> <p><i>On the vote the clause passed 14-8.</i></p>	cc160-176
<p>Clause 15 – Granting licences</p> <p>Impact of licence conditions</p> <p><i>Labour amdt. 17</i></p>	<p>Amendment to implement one of the Transport Committee's recommendations to require the CAA to publish an Impact Assessment as to how any licence conditions imposed on an airport would impact on its operations.</p> <p>The Minister stated that this was unnecessary as this kind of analysis was already required by the Bill.</p> <p><i>Amendment withdrawn.</i></p>	cc179-187
<p>Clause 18 – Licence conditions</p> <p>Passenger support and satisfaction</p> <p><i>Labour amdt. 18 (taken with amdt. 19 and 20)</i></p>	<p>Amendments to require airports to: publish annual surveys of passenger satisfaction on border control services, baggage handling and delays caused by adverse weather; to develop passenger welfare plans; and to provide support for stranded passengers at airports.</p> <p>The Minister argued that the amendments would unbalance the licensing system, prioritising some passenger concerns over others (e.g. security); and would not meet the particular concerns of travellers at individual airports. It would also undermine the flexibility of the CAA to address individual airport issues. Border control (UKBA) could not be included in any case as it was outside the scope of the Bill.</p> <p><i>Amendments all defeated on the vote 14-10.</i></p>	cc187-208
<p>Clause 21 – Content and effect of licence conditions</p> <p>Compensation for noise pollution</p> <p><i>Seema Malhotra amdt. 21</i></p>	<p>Amendment to include a requirement in the licence to provide a compensation scheme for those affected by airport-related noise pollution.</p> <p>The Minister stated that the amendment was flawed in that it would only apply to regulated airports, thus excluding other airports and airlines entirely.</p> <p><i>Amendment withdrawn.</i></p>	cc213-217

Clause and subject/number of amendments	Debate and outcome	Column reference
<p>Clause 24 – Appeal to Competition Commission: conditions of new licences</p> <p>Threshold for appeal</p> <p><i>Labour amdt. 21</i></p>	<p>Amendment to raise the threshold under which appeals may be made to the Competition Commission (CC) against the licence conditions made by the CAA, so that they would only be allowable if financial interests are ‘substantially adversely affected’.</p> <p>The Minister rejected the amendment on the grounds that the wording in the Bill (that financial interests must be ‘materially affected’ in order to appeal) was legally correct and had been used in similar circumstances in other legislation. It would also dilute the right of airlines to appeal.</p> <p><i>Amendment withdrawn.</i></p>	cc218-222
<p>Clause 24</p> <p>Grounds for appeal</p> <p><i>Graham Stringer amdt. 5 (taken with amdt. 22)</i></p>	<p>Amendment to disallow any appeal that was inconsistent with the duties defined in Clause 1 (i.e. the passenger and the freight user interest).</p> <p>The Minister argued that the amendment was unnecessary as Clause 30 already provides that the CC is subject to the Clause 1 duty to passengers when deciding permission to appeal.</p> <p><i>Amendment withdrawn.</i></p>	cc222-225
<p>Clause 26 – When appeals may be allowed</p> <p>Use of discretion</p> <p><i>Labour amdt. 36 (taken with amdt. 48, 49, 50 and 51)</i></p>	<p>Amendment to disallow appeals in cases where the CC bases its decision on the wrong exercise of discretion (i.e. it used its discretion to make a judgement rather than basing it on an error of fact or something being wrong in law).</p> <p>The Minister argued that the amendment would damage the appeals process and undermine effective redress for airlines. The grounds given in the Bill were all widely used in appeals procedures throughout the English legal system.</p> <p><i>Amendment withdrawn.</i></p>	cc225-227
<p>Clause 27 – Determination of appeal</p> <p>Directions and enforcement</p> <p><i>Labour amdt. 37 (taken with amdt. 38)</i></p>	<p>Amendments to clarify the content of directions that the CC can give to the CAA and to include the CAA as subject to any enforcement action permitted under the clause.</p> <p>The Minister stated that it would be wrong to restrict the directions that the CC could give the CAA or to be prescriptive in the Bill about what those directions might be. On the second point, of making the CAA subject to court action for any enforcement of CC determinations, the Minister argued that the Bill was drafted in line with legislation in other industries and that remedy against the CAA was available via Judicial Review.</p> <p><i>Amendment withdrawn.</i></p>	cc227-230
<p>Clause 28 – Determination of appeal: time limits</p> <p>Reduction in time limits</p> <p>Labour amdt. 39 (taken with amdt. 40)</p>	<p>Amendment to reduce the time limit for the CC to determine an appeal from 24 to 12 weeks, to probe why the limits of 24 weeks was written into the Bill.</p> <p>The Minister stated that the appeals process was based on legislation in other industries and that 24 weeks was an appropriate period.</p> <p><i>Amendment withdrawn.</i></p>	cc230-232

Clause and subject/number of amendments	Debate and outcome	Column reference
<p>Clause 29 – Determination of appeal: publication etc</p> <p>Commercial information</p> <p><i>Labour amdt. 42</i></p>	<p>Amendment to probe why the Bill provides that the CC may not publish commercial information that would be detrimental to business interest by changing the provision to ‘must not’.</p> <p>The Minister stated that there may be cases where there was an overwhelming public interest in publishing this type of information, so absolute prohibition should not be included in the Bill.</p> <p><i>Amendment withdrawn.</i></p>	cc232-233
<p>Schedule 2 – Appeals under sections 24 and 25</p> <p>Reasons for excluding appeal</p> <p><i>Labour amdt. 42 (taken with amdt. 43)</i></p>	<p>Amendment to give CC right to exclude an appeal only if the matter had been raised in a previous appeal and to probe the meaning in the Bill of ‘relevant connected person’ as relates to appeals.</p> <p>The Minister stated that the first amendment would in effect give people ‘two bites of the appeals cherry’ and would remove any incentive for appellants to make their best possible case at a first appeal. However, on the second point, she conceded that the definition of ‘connected persons’ might have to be looked at again in order to ensure clarity.</p> <p><i>Amendment withdrawn.</i></p>	cc233-235
<p>Schedule 2</p> <p>CC Appeals Board</p> <p><i>Labour amdt. 44</i></p>	<p>Amendment to query why the CC Appeals Board would not reconsider a decision where a Board Member had been replaced.</p> <p>The Minister stated that a change in the make-up of the Board would not affect past decisions and that the amendment could mean that any change to the Board would require an inquiry to be restarted.</p> <p><i>Amendment withdrawn.</i></p>	cc235-236
<p>Clause 43 – Amount of penalty</p> <p>Aggravating factors</p> <p><i>Labour amdt. 45</i></p>	<p>Amendment to permit CAA to increase the amount of any penalty given for breach of a licensing condition where the person who broke a licensing condition took actions that increased its negative impact. The Opposition argued that the opposite was permitted in the Bill (i.e. to reduce a penalty where mitigating actions had been taken), so the reverse should be available too.</p> <p>The Minister stated that the amendment was unnecessary as the CAA could already make such a judgement under the provisions of the Bill.</p> <p><i>Amendment withdrawn.</i></p>	cc236-237
<p>Clause 44 – Amount of penalty: fixed amount</p> <p>Penalty increase</p> <p><i>Labour amdt. 46 (taken with amdt. 47)</i></p>	<p>Amendment to increase the maximum available penalty for a breach of a licence from ten to 15 per cent of turnover and the daily penalty from 0.1 to 0.15 per cent of turnover. This was to probe why the Government had set the penalties in the Bill at the present level.</p> <p>The Minister stated that the levels in the Bill are in accordance with those in other areas of competition law, both nationally and at European level.</p> <p><i>Amendment withdrawn.</i></p>	cc238-240

Clause and subject/number of amendments	Debate and outcome	Column reference
<p>Clause 51 – Enforcement of information notice</p> <p>Penalties</p> <p><i>Labour amdt. 52 (taken with amdt. 53 and 54)</i></p>	<p>Amendment to increase the penalties for those who fail to comply with a CAA request, by notice, to provide information or documentation from £2 million to £3 million and the daily penalty from £100,000 to £150,000. This was to probe why the Government had set the penalties in the Bill at the present level.</p> <p>The Minister stated that the penalties in the Bill were broadly in line with those of other regulators in other systems of economic regulation (e.g. Ofcom).</p> <p><i>Amendment withdrawn.</i></p>	cc240-242
<p>Clause 58 – Statement of policy on penalties</p> <p>Third parties to be consulted</p> <p><i>Labour amdt. 55</i></p>	<p>Amendment to include additional third parties to list of those that the CAA must consult on the appropriate level of penalties.</p> <p>The Minister stated that the wording in the Bill reflects that in other legislation (e.g. <i>Enterprise Act 2002</i>); that most of those named in the amendment would likely be consulted anyway and there was a lack of clarity with one of the groups that could leave the CAA open to consulting ‘more or less everyone’.</p> <p><i>Amendment withdrawn.</i></p>	cc245-247
<p>Clause 66 – Airports</p> <p>Definition of ‘airport’</p> <p><i>Labour amdt. 56 (taken with amdt. 57 and 58)</i></p>	<p>Amendment to remove the ability of the Secretary of State to change the definition of ‘airport’ in the Bill by secondary legislation.</p> <p>The Minister argued that the provision was necessary to enable the CAA to restrict its regulatory functions to core airport areas and that it was this distinction – between core and non-core airport areas – that might change over time and would require a definitional change. Any secondary legislation would be subject to the affirmative procedure.</p> <p><i>Amendment withdrawn.</i></p>	cc249-251
<p>Clause 73 – Regulations</p> <p>Procedure</p> <p><i>Labour amdt. 60 (taken with amdt. 61)</i></p>	<p>Amendment to make all secondary legislation made under this Bill subject to the affirmative procedure (i.e. requiring a vote in both Houses of Parliament).</p> <p>The Minister argued that the negative procedure would provide adequate parliamentary scrutiny for any secondary legislation made under Part 1 of the Bill.</p> <p><i>Amendment withdrawn.</i></p>	cc253-255
<p>Clause 77 – Crown application</p> <p>Clarification of Crown role</p> <p><i>Labour amdt. 62</i></p>	<p>Amendment to clarify the position of the Crown in relation to the Bill.</p> <p>The Minister stated that the clause, as per convention, binds the Crown, but that there is a distinction between the monarch, acting in a personal capacity, and that of ‘the Crown’. It therefore excludes the monarch, in her personal capacity, from the requirements of the Bill (i.e. there is no prospect of Her Majesty operating a civil airport on her own account – essentially as a sole trader).</p> <p><i>Amendment withdrawn.</i></p>	cc259-260

Clause and subject/number of amendments	Debate and outcome	Column reference
<p>Clause 78 – Aviation security directions etc</p> <p>Information</p> <p><i>Graham Stringer amdt. 34 (taken with amdt. 33 and Labour amdt. 76)</i></p>	<p>Amendments 33 and 34 would require the CAA to make an annual report to Parliament on the exercise of its aviation security duties. Amendment 76 reflects the Opposition’s concerns about the planned shift in aviation security policy. It would require greater parliamentary scrutiny in the event of a shift in aviation security policy from ‘direct and inspect’ to an ‘outcomes-focused, risk-based approach’. The difference between the two is that at present Ministers direct specific measures that airports must undertake to maintain security; under a risk-based approach Ministers would specify a number of key risks that need to be mitigated and airports would then be responsible for undertaking their own risk assessment and analysis of their local vulnerabilities, and then designing and implementing appropriate mitigating measures. The Minister sought to reassure Members that security remains paramount and that the Government would not be proposing the security changes if they believed that they would “in any way jeopardise the current high levels of security” in the UK.</p> <p><i>Amendment withdrawn.</i></p>	cc260-287
<p>Clause 80 – Advice and assistance in connection with aviation security</p> <p>Assistance to disabled passengers</p> <p><i>Nic Dakin amdt. 32</i></p>	<p>Amendment to give CAA power to provide advice and assistance to people in connection with maintaining the dignity of disabled users of civil aviation services who are subject to security checks. In effect, for security staff to question or examine those with sensitive medical conditions in private. The Minister stated that under existing legislation the CAA could already provide this type of advice to airports and that, in any case, disabled passengers are already protected by European legislation.</p> <p><i>Amendment withdrawn.</i></p>	cc288-290
<p>Clause 82 – Transfer schemes</p> <p>Consultation</p> <p><i>Labour amdt. 66</i></p>	<p>Amendment to require the Secretary of State to consult anyone subject to an employee transfer scheme and relevant trade unions before such a scheme is made. This reflects the Opposition’s concerns about loss of expertise from transfers (in connection with aviation security) and queries as to why secondments were not considered a better option than transfers. The Minister stated that employees and the representatives were already being consulted, so the amendment was not necessary. In addition, the Bill provides for transfers so secondments would not be suitable.</p> <p><i>Amendment withdrawn.</i></p>	cc290-293
<p>Schedule 12 – Aviation security: further provision about transfer schemes</p> <p>Objections and contracts</p> <p><i>Labour amdt. 67 (taken with amdt. 68)</i></p>	<p>Amendments to query what would happen if an employee subject to a transfer scheme objected to that transfer and to clarify the wording whereby someone subject to a transfer does not have a contract of employment. The Minister replied that no employee would be forced to move to the CAA, and that as the transfer would not occur until 2014 there would be time to fill any gaps left by those wishing to leave rather than to transfer. On contracts of employment, the measure was included in the Bill to permit anyone not under an employment contract to transfer in the same way as someone who was.</p> <p><i>Amendment withdrawn.</i></p>	cc293-294

Clause and subject/number of amendments	Debate and outcome	Column reference
<p>Clause 83 – Information for benefit of users of air transport services</p> <p>UKBA performance</p> <p><i>Nigel Mills amdt. 29 (taken with amdt. 27, 28 and 30)</i></p>	<p>Amendments to include performance information about UKBA as one of the current requirements to publish information for passengers.</p> <p>The Minister said that the amendments were outside the scope of the Bill and, in any case, the clause was designed to deal with market failure. As there was no market in immigration services, it would therefore be irrelevant.</p> <p>The Opposition indicated their support for the amendment and pressed it to the vote, despite Mr Mills attempting to withdraw it.</p> <p><i>Amendment defeated on the vote 14-8.</i></p>	cc297-311
<p>Clause 83</p> <p>Carbon emissions</p> <p><i>Labour amdt. 69 (taken with amdt. 70)</i></p>	<p>Amendment to require publication of information on carbon emissions of air transport and surface transport to enable passengers to take informed decisions about how to travel.</p> <p>The Minister said that the amendment was to the wrong part of the Bill and that she had reservations about the CAA publishing information relating to modes of transport other than aviation.</p> <p><i>Amendments both defeated on the vote 14-8.</i></p>	cc311-317
<p>Clause 86 – Enforcement of information notice</p> <p>Penalty amount</p> <p><i>Labour amdt. 77 (taken with amdt. 78 and 79)</i></p>	<p>Amendment to increase the amount of penalty for failing to comply with an information request from £50,000 to £60,000 and to increase the daily amount from £5,000 to £6,000. This was to probe why the Government had set the penalties in the Bill at the present level.</p> <p>The Minister replied that she was confident that the penalties set out in the Bill supplied a sufficient deterrent and that the amendments were unnecessary.</p> <p><i>Amendment withdrawn.</i></p>	cc317-318
<p>Clause 94 – Regulation of provision of flight accommodation</p> <p>Flight-only sales into ATOL</p> <p><i>Labour amdt. 83 (taken with amdt. 71 and 72)</i></p>	<p>Amendment to bring all flight-only sales into the ATOL scheme without the need to wait for secondary legislation. This was also to probe when secondary legislation might be brought in so that airlines are incorporated into the ATOL scheme, and to probe if new regulations to extend the ATOL scheme to 'flight-plus' were still scheduled to be introduced in April 2012.</p> <p>The Minister rejected the amendment and said that the issue needed to be fully considered. She confirmed that should clause 94 become law, she would expect to consult in 2013 on new draft regulations to bring airlines into the scope of the ATOL scheme.</p> <p>The Minister confirmed that the Government expects to bring secondary legislation into force on 30 April 2012 to bring 'flight-plus' holidays sold by travel agents into ATOL. From 1 October 2012, consumers will also get a standardised ATOL certificate when they buy a protected holiday or flight. In the interim period (30 April and 1 October 2012) consumers should still be informed where they are ATOL protected.</p> <p><i>Amendment withdrawn.</i></p>	cc319-327

Clause and subject/number of amendments	Debate and outcome	Column reference
<p>Clause 96 – Non-executive members of CAA</p> <p>Remuneration</p> <p><i>Labour amdt. 73 (taken with amdt. 74 and 75)</i></p>	<p>Amendment to require Treasury oversight of executive remuneration. This was to probe why the Bill specifically omitted Treasury oversight of this matter.</p> <p>The Minister argued that the removal of Treasury oversight was in accord with the recommendation of Sir Joseph Pilling’s conclusion on the matter [in a 2008 report for the Labour Government] and that it would remove unnecessary government interference in the independent regulator.</p> <p><i>Amendment withdrawn.</i></p>	cc327-328
<p>Clause 100 – CAA charges</p> <p>CAA information</p> <p><i>Graham Stringer amdt. 6 (taken with Labour amdt. 80, 81 and 82)</i></p>	<p>Amendment 6 would enable the CAA to directly charge airlines for breaches of consumer-related service requirements. Amendments 80-82 would require the CAA to show the Secretary of State the result of the consultation carried out on charging schemes; and to increase the amount of time between the publication of a charging scheme and its coming into force from 14 to 30 days.</p> <p>The Minister replied that the current arrangements whereby the CAA charged the airports and that they recovered the relevant amount from airlines, was well understood, practical and legal and that there was no need to change them. On the CAA providing information to the Secretary of State about the outcome of consultations about charging schemes; it had done so every year previously, so a requirement in the Bill was not necessary. Finally, 14 days was thought to be an adequate period due to the 12 week consultation period preceding the publication of the scheme.</p> <p><i>Amendment withdrawn.</i></p>	cc328-332
<p>Clause 107 – Power to make consequential and transitional provision</p> <p>Technical amendment</p> <p><i>Govt. amdt. 35</i></p>	<p>A technical amendment to correct a drafting omission.</p> <p><i>Amendment agreed.</i></p>	c332
<p>New Clause 1 – Accounts and audits</p> <p><i>Labour</i></p>	<p>New Clause to implement one of the Transport Committee’s recommendations to introduce NAO oversight of the CAA’s accounts.</p> <p>The Minister indicated that the Government would reflect on the proposal but that, at this stage, she could not support it. She stated that there was no guarantee that NAO oversight would be an improvement on present arrangements and that the role of the NAO was to examine how taxpayers’ money was being spent whereas the money concerned in the case of airports belonged to airlines.</p> <p><i>New Clause defeated on the vote 14-9.</i></p>	cc337-342

Clause and subject/number of amendments	Debate and outcome	Column reference
<p>New Clause 2 – CAA general financial duties</p> <p><i>Labour</i></p>	<p>New Clause to implement one of the Transport Committee’s recommendations to introduce an efficiency duty for the CAA.</p> <p>The Minister stated that the Bill already provided a framework that would require the CAA to operate efficiently and to keep its costs down. The New Clause was therefore unnecessary.</p> <p><i>New Clause defeated on the vote 14-8.</i></p>	cc342-345
<p>New Clause 3 – Obligation to operate an air transport service serving a specified route</p> <p><i>Tom Harris</i></p>	<p>New Clause to enable the Secretary of State to require the CAA to impose a licence condition to serve a specified route. This would in effect allow the Secretary of State, via the CAA to ensure that certain routes continued to be serviced from certain airports (e.g. remote rural areas and London Heathrow).</p> <p>The Minister stated that this would be an intervention in slot allocation which would be against EU roles; it might also fall foul or rules on public service obligations (PSOs)</p> <p><i>New Clause withdrawn.</i></p>	cc345-354