News story: Airline Insolvency Review to examine protection for air passengers

Repatriation and refund protection will be considered as part of an independent review into the levels of protection that are available for passengers who find themselves impacted by the failure of an airline.

The Airline Insolvency Review will also examine how the market could be reformed to ensure that passengers are better protected. This will include looking at ways of allowing airlines to wind down while at the same time carrying out and financing the repatriation of passengers.

Following the collapse of Monarch Airlines in October 2017, 110,000 passengers were left without transport home, leading the government to successfully carry out the <u>biggest ever peacetime repatriation programme</u>. This review will consider if there are alternative models that can provide protection ensuring consumers can travel with peace of mind, knowing that they are never without safeguards.

Today (30 March 2018) the Department for Transport has published the <u>terms of reference for the review</u>, outlining the next steps for progress in this area.

The review independently chaired by Peter Bucks will provide an interim report to the Secretary of State for Transport by summer 2018. It will outline the potential options that could be put in place to repatriate passengers of a collapsed airline. It will be supported by a team of professional advisers.

A final report will be produced by the end of 2018 which will offer recommendations on repatriation, refunds and the current financial protection arrangements for air-travel holidays.

Aviation Minister Baroness Sugg said:

It is hugely distressing for British holidaymakers to find themselves stranded abroad due to the failure of an airline or travel company.

We are determined to put passengers at the heart of transport which is why we have announced the Airline Insolvency Review and appointed an independent chair to consider how best to protect passengers.

I have asked Peter to look at all the possible options including new legislation to ensure that passengers are able to get home if their airline collapses. Airline Insolvency Review chair, Peter Bucks said:

Given the scale of changes in the air travel market over the past decade it is high time to take a fresh look at how well consumers are protected in the event of an airline insolvency.

Recently we have seen first-hand the very real consequences of an airline failure and the distress that this can cause for passengers.

This review will engage with stakeholders to establish what could be done in the event that travellers need to be repatriated and how best this is achieved.