

Civil Aviation Authority
CAA House
45-59 Kingsway
London, WC2B 6TE
www.caa.co.uk

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Advisory Letter on the provision of surface access at UK airports
To airport operators and surface access operators

Introduction

1. The CAA recently conducted a review of surface access at UK airports (the journey that passengers make to get to and from the airport).¹
2. The objective of the surface access sector review was to review market conditions in this sector and to understand how it operates and how that affects consumers, focussing primarily on road-based access to airports, including transport-providers' access to the airport forecourt.²
3. The two main topics we reviewed were:
 - the market structure for surface access; and
 - the information available to ensure consumers are well informed about the options and charges they face to access UK airports.
4. From the wide range of evidence gathered, the review found that overall the sector appears to have a variety of businesses active in providing surface access services of different types to passengers.

¹ We published a final report of this review, which summarises what we heard and our conclusions in December 2016. This report is available at www.caa.co.uk/CAP1473.

² We conducted this review under section 64 of the Civil Aviation Act 2012, which requires us to keep under review the provision of airport operation services.

5. The review also concluded that the range of choice available to passengers varies considerably by airport. Passengers travelling to and from large urban airports generally benefit from greater choice compared with those using smaller airports or airports with poorer transport links.
6. In addition, the review identified a number of areas regarding business practices that may have the potential to infringe the competition law prohibitions against anti-competitive agreements and abuse of dominance³ and/or certain aspects of consumer law.⁴ Further details on these are set out in our report. The relevant section of the report is noted as a footnote in each section of this letter.
7. This Advisory Letter to UK airport operators, surface access operators and relevant trade associations sets out these areas of concern. We encourage all market participants to review their practices and ensure they are compliant with competition and consumer law now and in the future.
8. Most of our competition and consumer powers are held concurrently with the Competition and Markets Authority (CMA).⁵ Concurrence means that either the CAA or the CMA may take action on a particular issue. Further details on concurrence and our powers can be found in the relevant competition and consumer law guidance.⁶ Details on our competition and consumer law powers are set out in Chapter 3 and Appendix A of the review's Report.

³ The CAA, concurrently with the CMA, has the power to apply and enforce the competition prohibitions – that is Chapters I and II of the Competition Act 1998 (CA98) and the equivalent EU law prohibitions in Articles 101 and 102 of the Treaty on the Functioning of the EU (the EU competition prohibitions).

⁴ The CAA, concurrently with the Competition and Markets Authority (CMA), has the power to enforce: access to air travel for disabled and reduced mobility passengers; informing passengers of the identity of their airline; rights to compensation and assistance for denied boarding, cancellation and long delays; transparent pricing; and consumer protection from unfair trading terms.

⁵ The arrangements for cooperation between the CMA and the CAA are set out in our memorandums of understanding with respect to [competition law](#) and [consumer law](#) (PDFs).

⁶ CAA Guidance - www.caa.co.uk/Commercial-industry/Airports/Economic-regulation/Competition-policy/Competition-powers/ and www.caa.co.uk/Our-work/About-us/Enforcement-of-consumer-law/.

CMA Guidance - www.gov.uk/topic/competition/competition-act-cartels and www.gov.uk/topic/competition/consumer-protection.

9. The CAA recommended that each airport operator develop a set of principles on how they approach providing access to their surface access facilities that reflects competition and consumer law. We welcome the approach that airport operators have taken so far in developing principles and encourage them to continue the development process following this Advisory Letter.

Status of this Advisory Letter

10. The CAA, as a concurrent competition authority, can issue this Advisory Letters to:
- contact businesses that we're concerned might be breaking competition law; and
 - encourage them to comply with competition law.
11. The CMA prepared some guidance on the nature and status of Advisory Letters focussed on competition issues, including on steps that businesses can take in response.⁷ We consider that airport operators and surface access operators should in particular:
- raise this letter as a critical issue with their senior managers; and
 - consider getting legal advice and/or carry out a self-assessment.

Ensuring compliance with competition law

Dominance test⁸

12. In an investigation of abuse of dominance, the CAA would be required to define the market under investigation and assess the market power of businesses being investigated. As stated in our competition guidance⁹, such an investigation would be carried out from first principles and each assessment would be case specific. The market definition in any future case could therefore be different than the wide bundle of airport operation

⁷ See <https://www.gov.uk/guidance/warning-and-advisory-letters-essential-information-for-businesses>.

⁸ See also section in Chapter 4 on 'Competitive position of airport operators' of the review's [final report](#).

⁹ See paragraph 2.7 of www.caa.co.uk/CAP1235.