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Sent: 08 February 2021 11:40
To: economicregulation <economicregulation@caa.co.uk>
Subject: Heathrow Charges

I am writing in response to the consultation. Please forgive me for not following the form of the consultation, but I wish to make a single point. I recognise that there is a framework for calculating charges and that formal discussion will revolve around that framework however:

As a major user of LHR, BA have raised cash from shareholders in order to survive the pandemic. This cash was explicitly for the airline.

LHR wishes to receive significant financial support that will flow through the airlines and be paid by passengers and possibly tax payers. It will also be a burden on airlines as it will increase fares and thence reduce usage.

LHR has shareholders who have received significant dividends. Shareholders hold the risk in the company and must be prepared to accept the consequences in good times and bad. In my opinion LHR should not receive any special Covid support but should revert to its shareholders for additional funds.

I make the same argument for airlines recognising that some will fail. This is a necessary part of reducing capacity and allocating resources efficiently, although I feel for employees who lose their jobs. I note that the EU acknowledges that they have approved funding for airlines in contravention of previous State Funding Rules. That distorts competition but I do not believe that UK Gov should follow suit.

LHR will not fail. I am sure that if shareholders wish to sell there will be plenty of buyers at knock down prices.

With thanks for your attention

Bernard Kinchin