



Department
for Transport

From the Secretary of State
The Rt. Hon. Grant Shapps

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Dear Consultee,

As a result of the impact of the COVID-19 crisis on air travel demand, the 80:20 'use it or lose it' slot usage rule has been waived for the Summer 2020 and Winter 2020/21 slot scheduling seasons, with the current waiver due to expire at the end of the current season on 27 March 2021.

Following the making of a Statutory Instrument, the Secretary of State for Transport now holds the power to grant a further extension to the existing waiver to cover the Summer 2021 slot scheduling season.

The Department has been engaging with stakeholders to gather views and data on the optimal package of measures to support industry, and launched a targeted consultation on 30 December to inform decision-making. While the extent and speed of recovery is highly uncertain, even the more optimistic forecasts indicate that demand will remain severely reduced during the Summer 2021 season. Given these forecasts, many of the risks identified earlier this year, and which led to the initial implementation of the waiver of the slot usage rule, remain.

I have therefore taken the decision to extend the current 80:20 slot usage rule waiver, for the Summer 2021 season, to protect future connectivity, to discourage inefficient slot use, such as the operation of 'ghost flights', and to support the financial resilience of the sector.

Following the stakeholder consultation which closed on 20 January 2021, and to ensure that the waiver is as effective as possible by striking the right balance between encouraging competition, supporting the aviation industry as it moves towards recovery, and protecting connectivity, the following conditions will be attached to this waiver extension:

1. Newly-allocated slots will be excluded from the waiver of the 80:20 slot usage rule.
2. Slots must be handed back at least 3 weeks prior to scheduled operation.

I have also listened to industry's responses on the consultation questionnaire. I can confirm that the waiver of the 80:20 slot usage rule will continue to apply to traded and leased slots, including remedy slots, going forwards.

I hope this provides you with some much-needed certainty as you plan for the season ahead. To support the effectiveness of the waiver, I encourage air carriers to hand back series of slots they do not intend to operate to Airport Coordination Limited as soon as possible, either on or shortly after the Historic Baseline Date.

I am continuing to consider whether a condition relating to the cessation of air services from an airport should be attached to the waiver, and a further statement of intention will be made regarding this at a later date.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Grant Shapps', written in a cursive style.

Rt Hon Grant Shapps MP

SECRETARY OF STATE FOR TRANSPORT