

Flybe goes into administration

Earlier today the announcement came that nobody wanted but everyone expected.

Following a short period during which the company was helped to delay making payment of APD, Flybe could cope no longer and the company has today gone into administration with consequences for 2,000 or so staff across the UK and passengers.

Secretary of State for Scotland

The Secretary of State for Scotland was visiting Holyrood to give evidence to the Culture, Tourism, Europe and External Affairs Committee on the Article 50 inquiry: withdrawal agreement and negotiation of the future relationship.

Mr Jack commented outside the committee room that Flybe has been in difficulty for quite a long time now, that the UK Government had tried to rescue it in January this year by giving them a delayed payment structure of the arrears of Air Passenger Duty which they had run up.

This had immediately led to another problem. The owners of British Airways had contested the move on the basis of competition and so the government were in difficulties on that plan.

He continued: "I'm hoping that some other airlines will pick up as many as possible of the flights out of Scotland to other parts of the UK as quickly as possible. I know the Transport Department are working on that today.

First Minister

At First Minister's Questions Gail Ross MSP raised a question as to what the government would do to support the staff of Flybe. The First Minister Nicola Sturgeon replied: "My thoughts are very much with all the employees. We understand that Flybe has around 300 direct employees at its bases in Edinburgh, Glasgow and Aberdeen. However, my thoughts are with everybody who was employed by Flybe."

"The Scottish Government will do everything that we can to support employees. If employees are facing redundancy, we will provide support through our partnership for continuing employment initiative. We hope that other airlines will seek to employ former Flybe staff."

"I want to say a word or two about the broader impact, which Paul Wheelhouse touched on before First Minister's questions. We are hoping that connectivity will be maintained by other airlines. For example, Loganair will move to operate several former Flybe routes, including connections to Manchester, Belfast and Southampton. I know that it plans to start operating those routes as soon as possible. Later this month, easyJet will begin new routes between Edinburgh and Birmingham and between Glasgow and Birmingham."

"It is important to stress that no Scottish island routes are affected, as those routes are operated by Loganair and not by Flybe. The Aberdeen to Wick route has been mentioned. It is operated by Eastern Airways, although it was under a franchise agreement with Flybe. Eastern Airways has confirmed that it intends to continue to operate the route."

"It is a serious situation, particularly for the staff. The Scottish Government will continue to do everything that we can to support them."

Trade Unions

The two trade unions GMB Scotland and Unite Scotland have warned against a knee jerk reaction which could cause thousands at Scottish airports to lose their jobs. In a joint statement they have said: “This is a time for cool heads, not knee jerk cuts, as we try and mitigate the impact of the Flybe collapse on ground operations across Scottish airports. Without a joined-up industrial and political response we could be looking at a jobs catastrophe in aviation.

“That’s why we have written to the Scottish Government’s Transport Secretary this afternoon, seeking urgent discussions about their intended response and next steps, as the situation develops.

“We cannot do anything other than approach this on an hour by hour basis but the fact remains that connectivity for impacted routes will need to be restored – communities and businesses will need this and we will need resources on the ground to support this too. “

“Government must do everything they can to support communities, employers and jobs because make no mistake, this is a test of the country’s economic resilience as we deal with this extraordinary set of circumstances.”

Consumer advice

Marjorie Gibson, head of operations with [consumeradvice.scot](https://www.consumeradvice.scot), offered some timely advice: “The collapse of Flybe will cause huge disruption for thousands of Scots passengers.

“Anyone due to depart from a Scottish airport with the company should not travel to the airport as their plane will not be operating.

“But consumers should remember they have rights in these

unfortunate situations.

“There are a number of options to pursue in order to try and reclaim any money lost.

“Our advisers are ready to help individual consumers in Scotland with free, practical and impartial advice.”

A UK Government spokesperson said: “Following a commercial decision by the company, Flybe has ceased trading.

“We recognise the impact this will have on Flybe’s passengers and staff. Government staff will be on hand at all affected UK airports to help passengers.

“The vast majority of Flybe routes are served by different transport options, and we have asked bus and train operators to accept Flybe tickets and other airlines to offer reduced rescue fares to ensure passengers can make their journeys as smoothly as possible.

“We know this will be a worrying time for Flybe staff and our Jobcentre Plus Rapid Response Service stands ready to help them find a new job as soon as possible.

“We are working closely with industry to minimise any disruption to routes operated by Flybe, including by looking urgently at how routes not already covered by other airlines can be re-established by the industry.

“Through the reviews of regional connectivity and Airport Passenger Duty we have announced, we will bring forward recommendations to help ensure that the whole of the UK has the connections in place that people rely on.

“Flybe’s financial difficulties were longstanding and well documented and pre-date the outbreak of COVID-19. We are well prepared a potential outbreak and this week we have set out an action plan with details of our response.”

[Information page on the UK Government website is here](#)