



CAA Scheme of Charges	No:	316
(Operating Licences, Air Transport Licences, Foreign Registered Aircraft Operating Permits, Alternative Dispute Resolution Scheme and Scarce Capacity Allocation Certificates)	Publication Date:	17 May 2016
	Commencement Date:	01 June 2016

The Civil Aviation Authority (the CAA), pursuant to Section 11 of the Civil Aviation Act 1982 and after consulting with persons likely, in its opinion, to be affected by the charges and with the Secretary of State, hereby makes a Scheme for charges to be paid in connection with the grant of Operating Licences, Air Transport Licences, Foreign Registered Aircraft Operating Permits, Alternative Dispute Resolution Scheme Provider and Scarce Capacity Allocation Certificates.

1 REVOCATION

- 1.1 The Scheme of Charges for Operating Licences, Air Transport Licences and Scarce Capacity Allocation Certificates published by the CAA on 14 March 2014 is hereby revoked.
- 1.2 Section 16(1) of the Interpretation Act 1978 (which relates to the effect of repeals) shall apply to this Scheme as if it were an Act of Parliament and as if the Scheme of 14 March 2014 revoked by sub-paragraph 1.1 above was an Act of Parliament thereby repealed.

2 CHARGES

- 2.1 On making application to the CAA for an Operating Licence or an Air Transport Licence, the applicant shall pay to the CAA the relevant charge as specified in Table 1:

Table 1

Fixed Charges	Charge
Application for, or a licence resubmitted for, approval of a Type A Operating Licence/Air Transport Licence (Note 1)	£15,000
Application for, or a licence resubmitted for, approval of a Type B Operating Licence (Note 2)	£1,800
Exemption to allow the use of UK registered aircraft in the UK by non-UK carriers	£105
Air Travel Organisers' Exemption	£105

NOTE 1: Provided that where the cost of the approval process exceeds the fee paid, the applicant shall pay a charge of such an amount as may be decided by the CAA having regard to the amount of the new information in the business plan to be analysed.

NOTE 2: In the case of Type B applicants or licence holders, where complex financial or ownership and control analysis is required, the CAA reserves the right to charge an additional assessment fee of up to £15,000. The CAA will consult with the applicant or licence holder before an additional fee is charged.

- 2.2 Except as set out in paragraph 2.3 below, variable charges are payable by the holder of the licence to the CAA in respect of each month during which an Operating Licence or an Air Transport Licence is in force. These are calculated on the basis of passenger and tonne kilometres flown pursuant to the licence during that period, multiplied by the rate applicable to each category. The charge for each month will be the sum of the two amounts based on the rates as specified in Table 2:

Table 2

Variable Charges	
(1) per 1000 passenger-kilometres flown pursuant to the licence	(2) per 1000 cargo tonne-kilometres flown pursuant to the licence
Applicable rate: 0.53p	Applicable rate: 2.65p

- 2.3 No variable charge is payable:
- in respect of any flight of a description specified in an Instrument made under Section 64(2)(a) of the Civil Aviation Act 1982 and in force in accordance with Section 64(3) of that Act, except where the flight is between points both of which are within the area consisting of the European Economic Area, the Channel Islands and the Isle of Man; or
 - in respect of any flight on which no passengers or cargo are carried for remuneration.
- 2.4 Where the holder of an Air Transport Licence or an Operating Licence (hereinafter referred to as the "contracting carrier") enters into an agreement with another aircraft operator (hereinafter referred to as the "actual carrier") under which the actual carrier provides substitute flights for the contracting carrier, passengers and tonne-kilometres flown by the actual carrier in the course of operating such substitute flights shall, for purposes of this Scheme, be deemed to be flown pursuant to the contracting carrier's licence.

- 2.5 Where the holder of an Air Transport Licence or an Operating Licence operates aircraft registered outside the United Kingdom under the authority of a permit granted under Article 223 of the Order which includes a condition that the holder shall comply with some or all of the terms of the licence, passenger and tone-kilometres flown pursuant to that permit shall, for purposes of this Scheme, be deemed to be passenger and tonne kilometres flown pursuant to the licence.
- 2.6 Charges under paragraphs 2.1 and 2.2 above are payable upon demand being made by the CAA. The CAA may require the holder of a licence to pay a deposit against charges due and payable on the last day of each month which will be calculated:
- by reference to the number of passenger and tonne-kilometres flown pursuant to the licence during the corresponding month of the previous year;
 - where no passenger and tonne kilometres were flown pursuant to the licence during the corresponding month of the previous year, an amount based on the passenger and tonne -kilometres estimated by the CAA to have been flown by the licence holder during the month; or
 - where, in the opinion of the CAA, the number of passenger and tonne-kilometres flown pursuant to the licence will be significantly different from the corresponding month of the previous year, an amount based on the passenger and tone-kilometres estimated by the CAA to have been flown by the licence holder during the month.
- 2.7 A charge of £105 is payable on making an application for an Instrument pursuant to Section 64(2)(b) (including Section 64(2)(b) as applied in relation to Route Licences by Section 69(1) of the Civil Aviation Act 1982.
- 2.8 **Alternative Dispute Resolution (ADR) Scheme**
- A charge of £5,600 is payable on making an application to be approved by the CAA to operate under the ADR Scheme.
- The ADR approved entity shall pay to the CAA an annual continuation charge of £13,440 on 1 June 2016 and on 1 April in subsequent years. The CAA will raise an invoice in respect of the annual continuation charge which shall be payable by the approval holder on demand.
- 2.9 **Handling of airline passenger complaints outside of the ADR Scheme**
- For airlines that have not joined a private ADR Scheme, any complaints from their customers may be made to the CAA. On submission of the complaint to the CAA, the CAA will invoice the airline for the airline to pay to the CAA a charge of £150 per passenger complaint.
- 2.10 **Foreign Registered Aircraft Operating Permits**
- A charge of £75 is payable on making an application for a Foreign Registered Aircraft Operating Permit under Article 223 or 225 of the Order.
- 2.11 **Scarce Capacity Allocation Certificates**
- A charge of £15,000 is payable on making an application for the grant or variation of a Scarce Capacity Allocation Certificate pursuant to Regulation 10 of The Civil Aviation (Allocation of Scarce Capacity) Regulations 2007.¹

¹ Where the costs incurred by the CAA in relation to an application are significantly less than the application charge, the CAA would normally, in accordance with its discretion under Section 11(5) of the Civil Aviation Act 1982, refund the difference. This would be assessed on a case-by-case basis. Such a refund may be appropriate where, for example, there is no need for the CAA to programme a public hearing relating to the application.

3 COPIES OF DOCUMENTS

Upon application being made for the issue by the CAA of a copy or replacement of a document referred to in this Scheme, the applicant shall pay a charge of £20.

4 DEFINITIONS

In this Scheme of Charges:

- a) "ADR Scheme" means a scheme operated under the Alternative Dispute Resolution (ADR) Directive – 2013/11/EU of the European Parliament and of the Council dated 21 May 2013 as implemented by the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015 (SI 2015/542).
- b) "Air Transport Licence" means a licence granted by the CAA under section 65 of the Civil Aviation Act 1982 (as amended);
- c) "Operating Licence" means a licence granted by the CAA under Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules for the operation of air services in the Community;
- d) "Passenger kilometre" means the product obtained by multiplying the number of passengers carried by the distance flown in kilometres;
- e) "Tonne-kilometre" means the product obtained by multiplying the number of tonnes of cargo carried by the distance flown in kilometres.
- f) 'The Order' means the Air Navigation Order 2009 and any reference to an Article or Part of that Order shall, if that Order be amended or revoked, be taken to be a reference to the corresponding provisions of the Air Navigation Order for the time being in force;

5 COMMENCEMENT

This Scheme will come into operation on 1 June 2016.

(This note is not part of the Scheme.)

Reference to the CAA Refund Policy may be made at www.caa.co.uk/ors5

The latest version of this document is available in electronic format at www.caa.co.uk/ors5, where you may also register for e-mail notification of amendments. Details for purchasing paper copy can be found at the same web address.