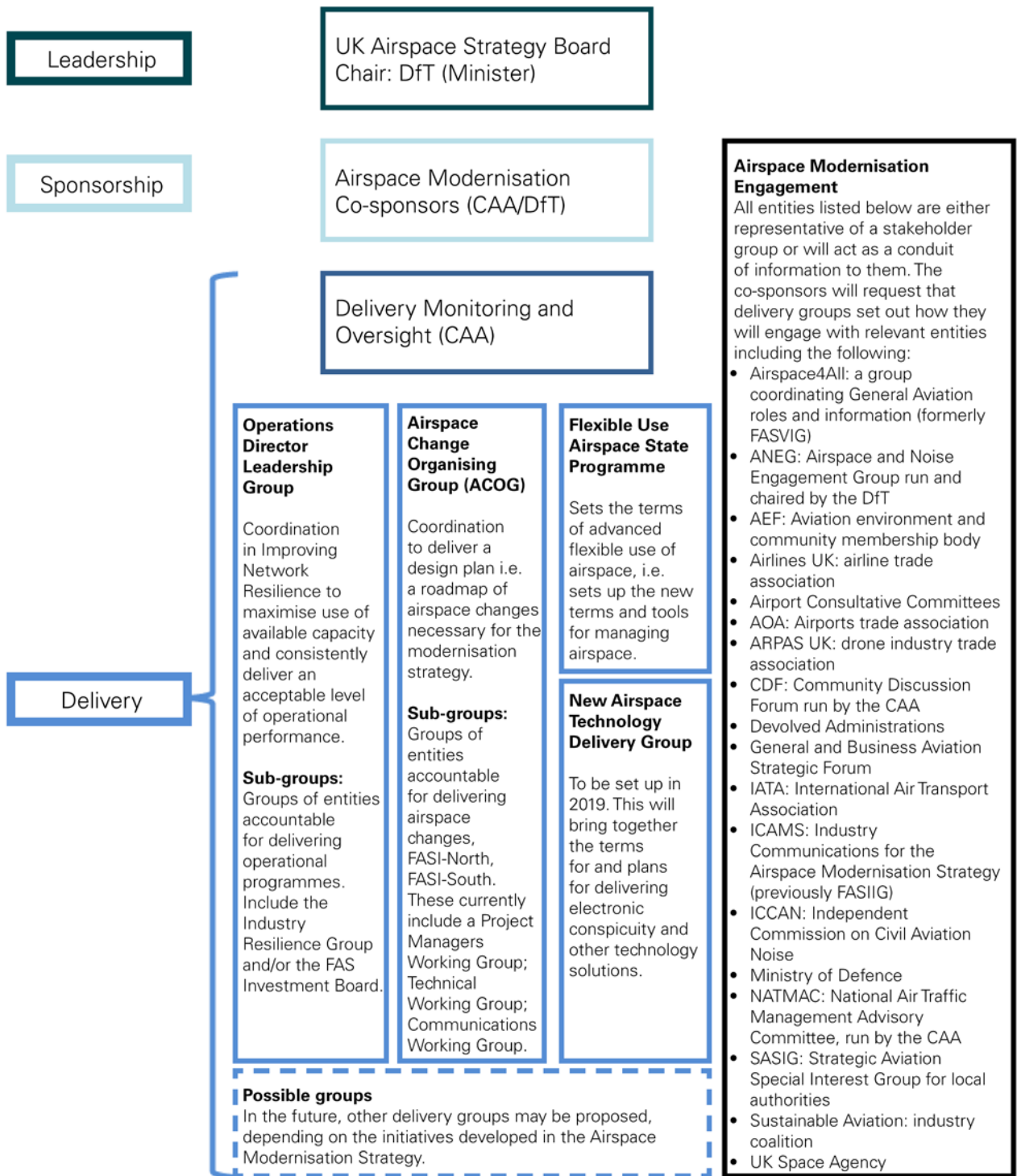# Airspace modernisation governance
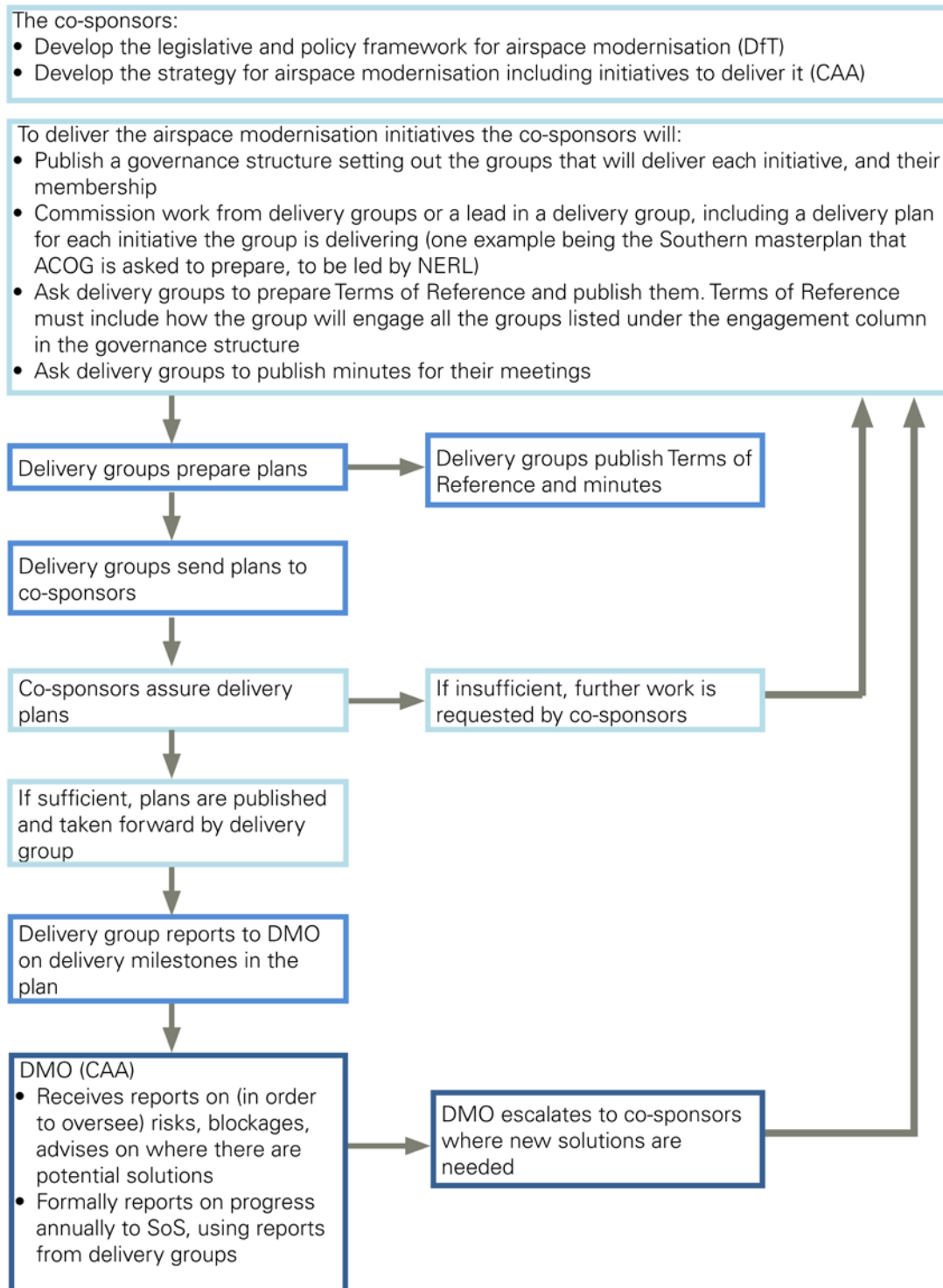
Annex to the Airspace Modernisation Strategy

Introduction

A1.   The Department for Transport (DfT) and the CAA have developed a new governance structure for airspace modernisation, designed to oversee the delivery of the initiatives contained within Chapter 4 of the Airspace Modernisation Strategy.

A2.   This new governance structure replaces the previous Future Airspace Strategy governance.

A3.   A draft of the structure was published in the CAA's draft Airspace Modernisation Strategy in July 2018, and we have taken into account the responses of stakeholders to this when developing the structure. The governance will remain under review and we expect that it will evolve over time.

A4.   A summary of the governance structure is set out in Chapter 2 of the Airspace Modernisation Strategy. This annex, co-authored by the DfT and CAA, contains further detail. It sets out detailed information on the Airspace Strategy Board; the role of the co-sponsors; how the Delivery Monitoring and Oversight (DMO) function will be set up in the CAA; the membership of the working groups and which initiatives they are delivering; and how they will be expected to engage with stakeholders.

A5.   The structure below (at Figure A1) is identical to the governance structure in Chapter 2 of the Airspace Modernisation Strategy as of December 2018. Some of the delivery groups here are proposals only; others already exist. The co-sponsors will update this annex as necessary to reflect relevant changes, for example future developments to the delivery groups and their roles.

A6.   The flow diagram below (at Figure A2) shows how the different groups and entities in the governance structure are to work together, including how the co-sponsors and new DMO function will oversee the work of the delivery groups.

Figure A1: Governance structure for airspace modernisation

Leadership

UK Airspace Strategy Board
Chair: DfT (Minister)

Sponsorship

Airspace Modernisation
Co-sponsors (CAA/DfT)

Delivery Monitoring and
Oversight (CAA)

Delivery

Operations Director Leadership Group

Coordination in Improving Network Resilience to maximise use of available capacity and consistently deliver an acceptable level of operational performance.

Sub-groups: Groups of entities accountable for delivering operational programmes. Include the Industry Resilience Group and/or the FAS Investment Board.

Airspace Change Organising Group (ACOG)

Coordination to deliver a design plan i.e. a roadmap of airspace changes necessary for the modernisation strategy.

Sub-groups: Groups of entities accountable for delivering airspace changes, FASI-North, FASI-South. These currently include a Project Managers Working Group; Technical Working Group; Communications Working Group.

Flexible Use Airspace State Programme

Sets the terms of advanced flexible use of airspace, i.e. sets up the new terms and tools for managing airspace.

New Airspace Technology Delivery Group

To be set up in 2019. This will bring together the terms for and plans for delivering electronic conspicuity and other technology solutions.

Possible groups
In the future, other delivery groups may be proposed, depending on the initiatives developed in the Airspace Modernisation Strategy.

Airspace Modernisation Engagement
All entities listed below are either representative of a stakeholder group or will act as a conduit of information to them. The co-sponsors will request that delivery groups set out how they will engage with relevant entities including the following:

- Airspace4All: a group coordinating General Aviation roles and information (formerly FASVIG)
- ANEG: Airspace and Noise Engagement Group run and chaired by the DfT
- AEF: Aviation environment and community membership body
- Airlines UK: airline trade association
- Airport Consultative Committees
- AOA: Airports trade association
- ARPAS UK: drone industry trade association
- CDF: Community Discussion Forum run by the CAA
- Devolved Administrations
- General and Business Aviation Strategic Forum
- IATA: International Air Transport Association
- ICAMS: Industry Communications for the Airspace Modernisation Strategy (previously FASIIG)
- ICCAN: Independent Commission on Civil Aviation Noise
- Ministry of Defence
- NATMAC: National Air Traffic Management Advisory Committee, run by the CAA
- SASIG: Strategic Aviation Special Interest Group for local authorities
- Sustainable Aviation: industry coalition
- UK Space Agency

Figure A2: Flow diagram showing roles for delivering airspace modernisation initiatives

The co-sponsors:
- Develop the legislative and policy framework for airspace modernisation (DfT)
- Develop the strategy for airspace modernisation including initiatives to deliver it (CAA)

To deliver the airspace modernisation initiatives the co-sponsors will:
- Publish a governance structure setting out the groups that will deliver each initiative, and their membership
- Commission work from delivery groups or a lead in a delivery group, including a delivery plan for each initiative the group is delivering (one example being the Southern masterplan that ACOG is asked to prepare, to be led by NERL)
- Ask delivery groups to prepare Terms of Reference and publish them. Terms of Reference must include how the group will engage all the groups listed under the engagement column in the governance structure
- Ask delivery groups to publish minutes for their meetings

Delivery groups prepare plans → Delivery groups publish Terms of Reference and minutes

Delivery groups send plans to co-sponsors

Co-sponsors assure delivery plans → If insufficient, further work is requested by co-sponsors

If sufficient, plans are published and taken forward by delivery group

Delivery group reports to DMO on delivery milestones in the plan

DMO (CAA)
- Receives reports on (in order to oversee) risks, blockages, advises on where there are potential solutions
- Formally reports on progress annually to SoS, using reports from delivery groups

→ DMO escalates to co-sponsors where new solutions are needed

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Airspace Strategy Board

A7.   The Aviation Minister-chaired Airspace Strategy Board (ASB) is the first tier of the governance structure. The Airspace Strategy Board is not a decision-making board, but will engage stakeholders on the policies that will govern the strategy and will advise DfT on potential changes to the overarching policy, regulatory, legal and funding framework if these are required to address delivery issues.

A8.   Representatives from interested major stakeholders will be invited to attend, including relevant public bodies such as local government, the CAA and Ministry of Defence; NATS; commercial aviation including airports and airlines; General Aviation; the Independent Commission on Civil Aviation Noise (ICCAN); and community and environmental groups. The full Terms of Reference and minutes of this group will be made available on the DfT's website.

Co-sponsor roles: Department for Transport and CAA

A9.   The second tier of the governance structure highlights the role of the DfT and CAA as co-sponsors for airspace modernisation. The DfT and CAA will meet regularly to fulfil this role but there will not be a formal co-sponsor Board. More detail on the role of the co-sponsors is set out below.

Vision, objectives and benefits

- Act as co-sponsors for UK airspace modernisation on a programme basis to implement the published Airspace Modernisation Strategy.
- To work together towards delivering the shared objective for the modernisation of UK airspace.
- Together, to commission specific projects necessary for airspace modernisation, including the delivery of the initiatives set out in the Airspace Modernisation Strategy. Such commissions will require delivery groups or an organisation leading a delivery group to develop a realistic, evidenced and financed plan with any contingencies made explicit.
- Together, to agree deliverables and outcomes and set parameters for delivery groups tasked with planning and delivering modernisation projects and Airspace Modernisation Strategy initiatives.
- The DfT and CAA have additional airspace responsibilities that they carry out as individual organisations, set out in the appendix to this annex. Of these, there are two on which we will liaise as co-sponsors while noting that accountability rests with each organisation separately. These two responsibilities are:
  - The DfT will develop and own the strategic case for airspace modernisation. This is currently the 2017 DfT Strategic Case for Airspace Modernisation.
  - The CAA will develop and maintain an Airspace Modernisation Strategy and report annually on its delivery. The strategy sets out the ends, ways and means of modernising airspace. The ends are derived from UK Government and relevant international policy, and the ways of achieving them include new airspace design, new operational concepts and new technologies.

Communications and stakeholder management

- To attend national airspace modernisation governance groups as appropriate and as defined in the respective Terms of Reference, excluding any groups where airspace design work is discussed which could be subject to a CAA or DfT decision.
- To manage any processes for advising and seeking policy approvals from government, including the Ministry of Defence.

- To lead the management of relationships between the UK and devolved government ministers and their departments and liaise with international and supranational bodies where appropriate.
- To agree common narrative and key messages for airspace modernisation.
- To hold industry to account for securing benefits and mitigating adverse impacts and, considering potential options for, and merits of, interventions.
- To, as co-sponsors, jointly commission work from governance groups within the overall Airspace Modernisation Strategy governance structure. Where work is commissioned the standard approach will be through a joint letter from the DfT Aviation Policy Team Deputy Director and the Civil Aviation Authority Policy Director.

Delivery progress

- Monitor delivery of the initiatives contained within the Airspace Modernisation Strategy through establishing and overseeing a Delivery Monitoring and Oversight (DMO) function to be set up in the CAA (see separate description of this function below). The DMO may make recommendations for the creation of new initiatives for inclusion in the Airspace Modernisation Strategy, which the co-sponsors will consider.
- To work with the DMO and, through the DMO, the ACOG PMO and any other relevant groups that are created, to review a set of high-level metrics and timelines proposed by the relevant groups for commissioned projects, which are reported to the co-sponsors and used to monitor the progress of the programme. The expectation of the co-sponsors is that these metrics and timelines will be signed off at Director-level by the delivery bodies tasked with producing them, with contingency included.
- To be the point of escalation on issues (via the DMO) where progress of delivery is stalled. Will consider when and how to intervene.
- To consider legislative and policy changes or make any other appropriate interventions required to support airspace modernisation where this is necessary and on an ongoing basis. This will include considering policy changes through the DfT Aviation Strategy.
- To, if taken forward, consider utilising the proposed potential new legislative powers to require airports to take forward an airspace change where it is unwilling or unable to do so.

Other

- To support Ministers and the CAA in making effective and legally sound decisions, by acting with integrity and propriety at all times and putting appropriate governance arrangements in place for policy development matters and case-specific decisions.
- To monitor the effective national governance of airspace modernisation including keeping the governance arrangements under review.
- To consider the methods of building and maintaining skills, capabilities and systems which are necessary and appropriate to enable airspace modernisation.

Delivery Monitoring and Oversight

A10. The third tier of governance is the CAA Delivery Monitoring and Oversight (DMO) function. The function will be an active team within the CAA that monitors the progress of all initiatives in the Airspace Modernisation Strategy, and provides oversight of their performance and coordination. It is the route of escalation for delivery groups and acts as a gateway and conduit between the individual initiative delivery groups/PMOs and the co-sponsors (who may in turn escalate to the Minister). The function will monitor risks and delivery so that outputs accord with policy and legislation. While the function will take the form of a team in the CAA, it will need to engage directly with delivery groups/PMOs, for example through regular

meetings with working group chairs and the request for and receipt of regular papers to monitor progress.

A11. It will not have decision making powers nor influence the quality of airspace design (which must happen through the airspace change process) nor make regulatory or policy decisions that should sit with the CAA's regulatory experts or the Government. Our expectation is that the co-sponsors and Airspace Strategy Board will primarily receive updates from the DMO, and that it will be for the DMO to agree with delivery groups what the reporting should look like.

Tasks

- Delivery tracking through challenging and testing the detailed plans of the delivery groups/PMOs and monitoring progress of their implementation, including reporting upwards to the sponsors.
- Risk monitoring.
- Problem solving through policy, legislative and technical analysis and proposing solutions to government, the CAA or other parties (i.e. identifying problems in delivery coordination; identifying where governance, policy and legislation exist to enable the team to make decisions and steer delivery; identifying where strategic policy, technical policy or government policy and/or regulation are needed to enable delivery)

Outputs the function will deliver

- Delivery reports including the annual Secretary of State delivery report as part of the CAA's airspace strategy role.
- Interventions (where policy and legislative framework allow) where delivery is behind schedule or is in conflict between groups or entities (this may take the form of recommendations or formal letters to delivery bodies, or escalations to the co-sponsors and/or Minister, but as the function comes without legal powers it would not take the form of decisions or binding recommendations).
- Recommendations for new strategic, technical or government policy or active intervention that could unblock or assist delivery.
- Secretariat function to manage information and reporting.

Delivery groups

A12. The fourth tier of the governance structure is the delivery groups. Table A1 sets out the different initiatives, the organisations that are leading and involved in their delivery, and how this correlates with the delivery groups.

A13. Some of the delivery groups here are proposals to be taken forward in the future; others already exist.

A14. The delivery groups may change over time as work on the initiatives progresses or new initiatives are introduced. This annex will be updated accordingly.

Operations Director Leadership Group

A15. The Operations Director Leadership Group (ODLG) was set up in 2018, following work the CAA initiated to investigate how the resilience of the aviation network could be improved. For example, the work recommended (amongst other things) developing an integrated network planning process to ensure seasonal schedules are robust and resilient; improved and integrated contingency planning for network disruption causes; and commitments from the government and the CAA to provide clarity and operationally viable processes for alleviation of restrictions in the event of network disruption.

A16.   The group brings together members from industry organisations involved in operations, including airports, airlines and NATS, as well as the DfT and Airport Co-ordination Ltd (ACL). It is currently co-chaired by the CAA and an industry representative.

A17.   The ODLG oversees the work of the *Industry Resilience Group*. The same organisations are members of both groups. The Industry Resilience Group undertakes the detailed work to deliver the ODLG's priorities.

A18.   Following the development of the Airspace Modernisation Strategy, it is proposed that the ODLG evolve to take on the delivery of several of the strategy's initiatives.

A19.   It is proposed that this group:

- coordinates the delivery of initiative 1 (direct route airspace);
- be used to track the effectiveness of airline specific work on initiatives 2 and 3. (The majority of the work for these initiatives rests with other groups, explained below.)

A20.   Table A1 below shows the role ODLG would have on these initiatives, and gives further information about the work entailed. Full details on every initiative can be found in Chapter 4 of the Airspace Modernisation Strategy.

A21.   Terms of Reference for both the ODLG and Industry Resilience Group, and further information about the original report into network resilience, can be found at: https://www.caa.co.uk/Consumers/Guide-to-aviation/Improving-resilience-for-UK-airports-and-airspace/

A22.   New Terms of Reference would need to be developed to take on the additional work on the initiatives.

Flexible Use Airspace State Programme Steering Group

A23.   The Flexible Use Airspace State Programme Steering Group was established in 2016 and is overseen by the Joint Air Navigation Services Council (JANSC). Flexible Use Airspace supports the efficient use of airspace by releasing for civil use airspace when it is not required by the military while ensuring civil and military requirements are accommodated.

A24.   The CAA, NATS and MoD co-sponsor the Flexible Use Airspace State Programme Steering Group, working together as a State-level joint initiative to achieve five high-level goals which include, for example, improving the utilisation performance of UK FUA areas to continually review and improve its use, and establishing a modular and flexible airspace design that meets the future requirements of civil and military airspace users in line with the Flexible Use Airspace Concept of Operations.

A25.   It is proposed that this group:

- continues to set the terms of initiative 3 (advanced flexible use of airspace, i.e. sets up the new terms and tools for managing airspace)

A26.   Airlines and Air Navigation Service Providers will be required to make changes to their operations to introduce it. It is therefore also proposed that the ODLG tracks the effectiveness of the work that the airlines and Air Navigation Service Providers must do on initaitive 3, i.e. whether their operational teams are using it.

A27.   Table A1 below shows the role Flexible Use Airspace State Programme Steering Group would have. Full details on every initiative can be found in Chapter 4 of the Airspace Modernisation Strategy.

A28.   More information on Flexible Use Airspace, including the five high-level goals in full, can be found at: http://futureairspace.aero/project/fua/

Airspace Change Organisation Group

A29. The CAA and DfT have formally requested that NERL establishes and leads the Airspace Change Organisation Group (ACOG). ACOG will be comprised of a Steering Committee chaired by NERL with other members drawn from industry bodies responsible for delivering relevant initiatives and up to two independent members. The Committee will appoint a head of the ACOG Programme Management Office and supprted by a team drawn from NERL, industry stakeholders and new recruits with relevant experience. It will be funded through a ringfenced fund in the RP3 settlement.

A30. The ACOG Programme Management Office (PMO) will:

- Manage and coordinate the delivery of airspace modernisation, one of the Programmes within the UK Airspace Modernisation Strategy, in the South East and Northern England by 2025.
- Create and maintain a single delivery plan for modernising airspace via the NERL and airports' airspace changes in the form of a masterplan for Southern England, as per the letter sent to NERL by the co-sponsors in November 2018.

A31. It is proposed that this group:

- coordinates the delivery of the initiatives that concern changes to airspace design, including 4 and 5 (airspace changes in the south and north of England)
- could also be used by NERL to coordinate with other entities to deliver initiatives on airspace use, including 2 (free route airspace); 6 (queue management solutions); 7 (replicating routes into satellite navigation updates); and 8 (satellite navigation route redesign);
- engages airlines and works with them to align delivery.

A32. Table A1 below shows the role ACOG would have. Full details on every initiative can be found in Chapter 4 of the Airspace Modernisation Strategy.

A33. More information on ACOG will be published by NERL once it is set up.

Airspace Technology Delivery Group

A34. It is proposed that a new formal airspace technology group is needed to co-ordinate supporting infrastructure activities required to deliver initiatives 11 to 15. This is likely to be led by the CAA initially, when it will be focused on writing regulatory guidance. The group would involve a wide range of organisations, all of which would have a role in delivering these initiatives.

A35. More information will be available in 2019 as work on this group commences.

Table A1: Delivery for each of the Airspace Modernisation Strategy initiatives

No.	Initiative	Expected deliverable	Who leads delivery?	Who else is involved in delivery?	Delivery Group	What plan(s) exists for delivery?	How will initiative be funded?
1	Direct Route Airspace (EU requirement)	Deployment of additional waypoints to the existing route network	NERL	Complete Aircraft equipage required to use	Change Implemented. Effectiveness tracking via **ODLG**	NERL capex plan	NERL core costs. Airlines to fund their own equipage costs.
2	Free Route Airspace (EU requirement)	Removal of all fixed routes so aircraft can fly fully optimised routes	NERL within BOREALIS	n/a	**ACOG** for coordination Airline readiness tracking via **ODLG**.	NERL capex plan	NERL core costs
3	Advanced Flexible Use of Airspace	New airspace designs, procedures and technology to increase options for airspace configurations.	NERL	MoD CAA	**Existing FUA State Programme** Effectiveness tracking via **ODLG**	NERL capex plan, in IBP as core	NERL core costs MoD expenditure also required
4	FASI-S (Redesign of SE terminal airspace)	Fundamental redesign of the terminal route network using precise and flexible satellite navigation. FASI-S component of airspace modernisation BY 2024	**Programme management:** NERL (ACOG)	**Upper Airspace ACP:** NERL **Lower airspace ACPs:** Airports: Biggin Hill Birmingham Bournemouth	**ACOG** Airline readiness tracking via ACOG engagement.	**Upper airspace:** NERL capex plan, in IBP as LAMP2 **Lower airspace:** Airports to submit ACPs **Programme management:**	**Upper airspace:** NERL cost base **Lower airspace:** Airports **Programme management (ACOG):**

No.	Initiative	Expected deliverable	Who leads delivery?	Who else is involved in delivery?	Delivery Group	What plan(s) exists for delivery?	How will initiative be funded?
				Bristol Cardiff East Midlands Farnborough Gatwick Heathrow London City Luton Northolt Southampton Southend Stansted		NERL to include proposal in RBP	NERL application made to FFF for remainder of RP2 and thereafter NERL cost base
5	FASI-N (Redesign of terminal network in northern England)	Fundamental redesign of the terminal route network using precise and flexible satellite navigation. FASI-N component of airspace modernisation By 2021	**Programme management:** NERL (ACOG)	**Upper Airspace ACP:** NERL **Lower airspace ACPs:** Airports: Edinburgh Glasgow Prestwick Newcastle Leeds Bradford Liverpool Birmingham Manchester East Midlands Hawarden Doncaster	**ACOG** Airline readiness tracking via ACOG engagement	**Upper airspace:** NERL capex plan, in IBP **Lower airspace:** Airports to submit ACPs **Programme management:** NERL to include proposal in RBP	**Upper airspace:** NERL cost base **Lower airspace:** Airports **Programme management (ACOG):** NERL application made to FFF for remainder of RP2 and thereafter NERL cost base

No.	Initiative	Expected deliverable	Who leads delivery?	Who else is involved in delivery?	Delivery Group	What plan(s) exists for delivery?	How will initiative be funded?
6	Queue Management Solutions	Streaming traffic into and out of the terminal and absorbing delays in the upper airspace	NERL Manchester airport	Airports: Heathrow Gatwick Stansted (Others may be impacted by implementation. Co-ordination with other States required.) Manchester airport	**ACOG** for coordination	NERL capex plan, in IBP	NERL cost base for NERL specific costs. Airports to meet their own costs.
7	Satellite navigation route replications	Replication of existing arrival and departure routes to satellite-based navigation standards	NERL (arrival routes - STARs) Airports (departure routes and Approach Procedures)	Airports: All airports with an instrument runway Airspace users: aircraft equipage for those operating into the above airports.	**ACOG** for coordination Individual airports outside FAS-S/FASI-N propose changes directly to the CAA	FASI-S & N already covers some airports and STARS (arrival routes) by NERL.	NERL cost base Airports for relevant airspace changes Airlines for relevant equipage
8	Satellite navigation route redesign	Redesign of new arrival and departure routes using satellite-based navigation standards	NERL (arrival routes - STARs) Airports (departure routes and Approach Procedures)	Airports Heathrow Gatwick Stansted Manchester	**ACOG** for coordination Individual airports outside FAS-S/FASI-N propose changes		**Upper airspace:** NERL core costs **Lower airspace:** Airports for relevant airspace change

No.	Initiative	Expected deliverable	Who leads delivery?	Who else is involved in delivery?	Delivery Group	What plan(s) exists for delivery?	How will initiative be funded?
				(Others may be impacted by implementation.) Airspace users: aircraft equipage for those operating into the above airports.	directly to the CAA		Airlines for relevant equipage Avionics upgrades will be funded by airlines.
9	Review provision of UK FIS	A review of air traffic services provision in uncontrolled airspace to align with international standards	CAA	MoD NERL All aerodromes with an Air Traffic Service Unit (thus capturing Air Traffic Control (ATC) and Aerodrome Flight Information Service (AFIS) aerodromes, military and civil) and all piloted airspace users.	TBC – CAA Work programme to be developed in 2019.	CAA BAU (implementation plan to be developed)	CAA component of RP3 UK Unit Rate for its own relevant costs. Airports, ANSPs and Airlines to meet their own relevant implementation costs.
10	Airspace classification review	Including a review of air traffic services provision in uncontrolled airspace	CAA	All aerodromes with an Air Traffic Service provider.	TBC – CAA Work programme to be developed in 2019.	CAA BAU (implementation plan to be developed)	CAA component of RP3 UK Unit Rate for its own relevant costs. Airports, ANSPs and airlines to

No.	Initiative	Expected deliverable	Who leads delivery?	Who else is involved in delivery?	Delivery Group	What plan(s) exists for delivery?	How will initiative be funded?
							meet their own relevant implementation costs.
11	Electronic surveillance solutions	Fully interoperable electronic conspicuity solution	CAA	NERL Airports & ANSPs (tbc) aircraft equipage for those operating into the above airports.	New airspace technology delivery group	Some elements to be included in NERL's RBP and RP3 costs	Not yet identified
12	Radio-frequency spectrum	Cross-industry plan for the efficient use of radio-frequency spectrum	CAA	OFCOM MoD All military and regional airfields outside controlled airspace. Aircraft equipage for those operating to above airfields	New airspace technology delivery group	CAA	CAA component of RP3 UK Unit Rate for its own relevant costs. Airports, ANSPs and airlines to meet their own relevant implementation costs.
13	Datalink communications	Cross-industry plan for the full adoption of datalink communications	NERL	ARINC SITA aircraft equipage for those operating in UK FIR above FL285	New airspace technology delivery group		NERL RP3 settlement for its own cost. Other costs to be incurred by airlines as relevant.

No.	Initiative	Expected deliverable	Who leads delivery?	Who else is involved in delivery?	Delivery Group	What plan(s) exists for delivery?	How will initiative be funded?
14	Satellite-navigation implementation plan	Includes the retention of sufficient ground navigation aids, communications and surveillance capability to ensure the continued provision of air services in the event of loss of the global navigation satellite system.	CAA [leads PBN strategy]	The requirement is on airports to have a plan of deployment. NERL [leads / co-ordinates with airports if high level routes required]. Airports: All airports with an instrument runway [lead their own changes / co-ordinate with NERL where required]. Airspace users: aircraft equipage for those operating into the above airports.	New airspace technology delivery group	CAA BAU (implementation plan to be developed) NERL RBP	CAA cost base for its own costs (out of scope for RP3). Airports, ANSPs and airlines to meet their own relevant implementation costs.
15	Air Traffic Management	To modernise systems, tools and procedures as required by the EU ATM Masterplan	NERL and other ANSPs	All ATM and aviation information systems.	New airspace technology delivery group	NERL RBP Individual ATM system providers	NERL cost base

Stakeholder engagement

A36. The governance diagram lists the stakeholders who should be engaged in the modernisation of airspace.

A37. All entities listed are either representative of a stakeholder group or will act as a conduit of information to them.

A38. The DfT and CAA, in the role as co-sponsors, will ask the Chair of each delivery group to write Terms of Reference as to how the group will operate. We will ask that the Terms of Reference also set out how the stakeholders listed in the governance structure will be engaged. We will also ask that minutes are taken in meetings and published online for anyone to view.

A39. The different stakeholder groups listed in the governance structure are summarised below in Table A2.

Table A2: Stakeholder engagement groups

Airspace4All	A group coordinating General Aviation roles and information (formerly FASVIG). This group will act as a conduit of information to a wide range of different General Aviation representatives.
ANEG	The Airspace and Noise Engagement Group is run and chaired by the DfT. It acts as a formal channel of communication between the DfT and airspace and airport noise stakeholders. The ANEG covers all aspects of national airspace and airport noise policy development.
AEF	The Aviation Environment Federation is an organisation campaigning for aviation's impacts on people and the environment to be brought within sustainable limits.
Airlines UK	Airlines UK is the trade body for UK registered airlines, with members representing all sectors of the industry.
Airport Consultative Committees	Airport Consultative Committees are structured forums that provide an opportunity for the exchange of information between aerodromes and interested parties.
AOA	The Airport Operators Association is a trade association representing the interests of UK airports. Its members include over 50 airports and more than 150 Associate Members, made up of companies representing a wide range of suppliers in the aviation industry.
ARPAS UK	The Association of Remotely Piloted Aircraft Systems UK (ARPAS-UK) is a non-profit association, formed in 2013, to represent the small RPAS industry in the UK, and to help promote best practice amongst its members.
Community Discussion Forum	The CAA has created and chairs the community discussion forum, drawing in community representatives from areas impacted by aviation across the UK. Its objective is to inform the CAA's understanding of community perspectives on national, strategic projects in which the CAA is involved. Airport Consultative Committees are represented on this group.
EASA	The European Aviation Safety Agency.
Eurocontrol	The inter-governmental organisation tasked with a number of ATM tasks, including Europe's Network Manager.
GBASF	The General and Business Aviation Strategic Forum.
IATA	The International Air Transport Association is the trade association for the world's airlines, representing hundreds of airlines internationally.
ICAMS	Industry Communications for the Airspace Modernisation Strategy (ICAMS) originates from its predecessor organisation the FASIIG (Future Airspace Strategy Industry Implementation Group) that represented a broad mix of UK aviation industry stakeholders required to invest in airspace

	modernisation projects, including over 100 UK airports, aircraft operators and air navigation service providers. The main purpose of ICAMS is to support the implementation of the airspace modernisation initiatives set out in the AMS by sharing information between relevant industry organisations. It is chaired jointly by NATS and British Airways.
ICCAN	Independent Commission on Civil Aviation Noise
MoD	The Ministry of Defence protect the security, independence and interests of the UK at home and abroad. Their aim is to ensure that the armed forces have the training, equipment and support necessary for their work, and that they keep within budget.
NATMAC	National Air Traffic Management Advisory Committee is a non-statutory advisory body sponsored and chaired by the CAA. NATMAC considers the development of airspace policies, configurations and procedures in order that due attention is given to the various requirements of all users of UK airspace.
SASIG	The Strategic Aviation Special Interest Group is a forum for Local Authorities and other regional representatives to come together to share information and resources on regional aviation issues.
Sustainable Aviation	Sustainable Aviation is an industry coalition with long-term strategy which sets out the collective approach of UK aviation to tackling the challenge of ensuring a cleaner, quieter, smarter future for the industry. It brings together major UK airlines, airports, manufacturers, air navigation service providers and key business partners.
UK Space Agency	The UK Space Agency is an executive agency, sponsored by the Department for Business, Energy & Industrial Strategy. It is responsible for all strategic decisions on the UK civil space programme and providing a clear, single voice for UK space ambitions.

Funding

A40.   The Government has decided that airspace modernisation will not be funded by the taxpayer, but should be paid for by aviation consumers. This is because the main beneficiary of airspace modernisation is the passenger and cargo customer through: additional capacity for flights that will increase both connectivity and choice; fewer delays; and; lower ticket prices as a result of fuel savings by airlines and increased competition. For many of the costs, the most effective mechanism for levying a charge on those using airspace is through the UK En-Route Rate. The En-Route Rate is the only way of passing costs equally and directly to all consumers passing through UK airspace, through the charge on airline users that is in turn reflected in the ticket prices charged to passengers and cargo customers.

A41.   Airports will fund their own costs in making airspace changes. It will be a commercial matter for the airports and airlines to determine whether and how these costs are reflected in airport charges paid by airlines.

A42.   Given this principle, the Government expects that the majority of resource costs incurred in running the groups within the governance structure will be met through the En-Route Rate.

Communications

A43.   The DfT and CAA are working with key stakeholders to consider the most effective means of coordinating airspace communications and how existing groups, such as the Communications Directors Forum, can most effectively operate together.

Appendix: The individual roles of the Department for Transport and the CAA with regard to airspace

In addition to the co-sponsorship role above, the DfT and CAA have individual responsibilities for other functions relating to airspace.

Department for Transport

- The DfT develops national policy and law, and also ensures the UK contributes to and meets its obligations under relevant international policy and law. As part of this policy responsibility the Government will also play a role in making the strategic case for airspace modernisation. The Government is considering whether to develop new policies to support airspace modernisation through the Aviation Strategy. The Government is in the process of setting up an Independent Commission on Civil Aviation Noise (ICCAN) which may also have a role in the future.
- For certain types of airspace change, the Secretary of State may also decide to call-in a particular airspace change proposal in order to make a decision instead of the CAA.
- The Ministry of Defence must have access to airspace in order to train and maintain competency for the UK's defence needs. It acts as an airspace change sponsor where requesting dedicated airspace that is reserved for activities which may be hazardous to other airspace users, such as high-energy manoeuvring and testing munitions.

CAA

- The CAA is the airspace regulator and primary decision-maker. Parliament and the Government are responsible for setting the CAA's objectives, outlining the CAA's functions and responsibilities and providing guidance to the CAA. More specifically, the Air Navigation Directions10 (given by the Secretary of State under sections 66(1) and 68 of the Transport Act 2000) set out several airspace responsibilities for the CAA. In all its responsibilities, the CAA is obliged to consider certain factors set out in section 70 of the Transport Act 200011 which include safety, security, operational impacts and environmental guidance from the Government (covering impacts such as aircraft noise and emissions), and the needs of all users of airspace.
- The Air Navigation Directions set a strategic role for the CAA (Direction 3). The CAA is tasked with developing a strategy to modernise UK airspace and a plan setting out the best approach to a new design, operational concepts and technology. The Directions and supporting government policy provide the framework for the strategy and for the roles and accountabilities of the CAA and other bodies in delivering that strategy. While the CAA must own the strategy and plan, delivery (including the design of any airspace changes) is undertaken by other entities, such as airports, air navigation service providers or airspace users.
- The Directions give the CAA responsibility for deciding whether to approve a proposal for a change to the published design of airspace. Airspace design includes the airspace structure and the instrument flight procedures for the use of that airspace (i.e. procedures which enable aircraft to fly in a more technologically automated manner). The airspace designs approved by the CAA are published in the UK Aeronautical Information Publication (AIP).
- Changes to airspace design may be proposed to the CAA for a number of reasons. For example, to enable UK airspace to maintain or further improve safety, to accommodate more flights, to incorporate new technology, to mitigate the effects of aircraft noise, to allow aircraft to fly more direct routes, to keep aircraft away from particular areas, or to integrate new technologies such as drones.

- The Directions and legal framework are discussed more fully below. The approach the CAA adopts when undertaking its regulatory assessment of airspace change proposals, and how it takes the factors in section 70 into account, is set out in CAP 1616 and on our website.
- In 2017 the CAA reformed the airspace change process to ensure that it meets modern standards for regulatory decision-making, and is fair, transparent, consistent and proportionate. The process must be impartial and evidence-based, and must take account of the needs and interests of all affected stakeholders. To ensure that the needs of all stakeholders are met, the process emphasises the importance of engagement, i.e. developing relationships with stakeholders. While some changes to the UK's airspace design can be contentious with aviation stakeholders and local communities, it is a key requirement that the methods used to reach those decisions are well understood and respected.
- The CAA's process and guidance are set out in CAP 1616 and associated documents, as requirement that the methods used to reach those decisions are well understood and respected.
- The CAA runs an online airspace portal where airspace changes are submitted and monitored, stakeholder comments can be made and viewed, and relevant documentation can be viewed.
- The CAA is not responsible for developing airspace designs or instigating airspace changes, other than in exceptional circumstances.
- The CAA also has additional duties in respect of the regulation of the provision of air traffic services under section 2 of the Transport Act 2000. In carrying out these duties, the CAA is responsible for the economic regulation of NATS' monopoly service provision activities under a licence. The Airspace Modernisation Strategy may lead to changes to the scope of NERL's economic licence.
- The CAA also provides noise advice to the Government and the public, and specific noise analysis to individual airports.