

Dame Deirdre Hutton, DBE  
Chair

**The Right Honourable Grant Shapps MP**

Secretary of State for Transport  
Great Minister House  
33 Horseferry Road  
London  
SW1P 4DR



5 November 2019

*Dear Secretary of State*  
**Secretary of State's priorities for the CAA**

Thank you for your letter of 23<sup>rd</sup> October 2019 setting out your priorities for the CAA.

The CAA shares your vision for a thriving, competitive, innovative and safe UK aviation sector. Commercial industry, recreational flyers, the regulator and the Government each have important roles in securing good outcomes for passengers, airspace users, overflown communities and the wider economy, and in inspiring the next generation of aviators.

The CAA's view on its role in realising this vision is to uphold high standards of safety, security, competition and consumer protection to help maintain confidence in and the success of the sector, both at home and abroad. Our use of risk and performance-based regulation, our drive to be influential with other decision-makers and our energetic support for innovation have yielded benefits for passengers and aviators alike.

Your letter refers to the promotion of aviation. The CAA certainly has an important role to play in the success of aviation though we would not think it appropriate to go as far as being a "cheerleader", champion or having specific growth targets or large scale grant programmes. All of these important activities are, in our view, part of the proper promotion role for Government. On the basis of the activities you have asked us to prioritise, I believe you may share this view and would of course be happy to discuss further.

Regulatory best practice demands that all of our stakeholders are clear exactly what our role is and are confident that, at all times, we are able to discharge our responsibilities effectively and without any conflicts of interest. In that context, we will build on our track record and look to go further where we can by:

- Being proportionate in the exercise of our statutory functions. Your recognition of the progress we've made implementing the GA Red Tape Challenge initiatives was welcome, and we look forward to being more ambitious about longer term reforms for that part of the sector. For example, we will renew how we look at our statutory functions in the context of the Growth Duty and will reinvigorate our efforts in the area of General Aviation (GA) as part of our current GA Programme
- Enabling aviation innovation and regulating innovatively. The industry response to our recently established Innovation Hub has been extremely

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positive and we want to make this a permanent CAA activity. In the next phase, we will look at how the scope of its work can be extended to benefit airspace users of today and tomorrow and will play an active role in Government supported programmes such as Future Flight.

- Exerting influence with other relevant decision-makers. We are already active in influencing third parties, particularly in international fora such as ICAO and EASA. Domestically we seek to influence the practice of other regulators, sharing best practice wherever possible. We are also already engaged in planning matters, carrying out our role as statutory consultee in respect of a number of applications made under the Planning Act 2008. We will engage with your officials to understand if there is a need for more aviation-specific expertise and insight for local planning authorities, for example in their consideration of section 104f of the National Planning Policy Framework, and if so what would need to be in place to enable CAA to contribute to this work.
- Bringing industry and stakeholders together to address sector-wide issues. We will look to do this as we re-energise and broaden our engagement, particularly with the GA community, and build on our existing STEM activities.

The second strategic point related to a more expansive role for CAA in the sector is how CAA's activities are funded. We're grateful for the additional funding you have provided for GNSS approaches and proposed for electronic conspicuity and airfield development. We plan, subject to consultation on our charges, to move our core innovation services onto a permanent footing from 2020/21 onwards. In the longer term, and once the impacts of Brexit are clearer, we aim to review more fundamentally our current user-pays funding model, including to consider how best to fund activities where the benefits accrue to the sector as a whole rather than to an individual organisation, or where the beneficiaries are tomorrow's rather than today's airspace users.

On the specific priorities set out in your letter, we will work towards achieving these and look to strengthen the transparency of performance of our transactional services, for example turnaround times for pilot licences and commercial drone permission applications.

As well as the priorities identified in your letter, there are a range of other important activities on which we will continue to make progress and work closely with the Department. These include Brexit, safety oversight and issues including the Boeing 737 Max, runway expansion at Heathrow and airline insolvency reform. The CAA values the constructive working relationship we continue to have with you and your officials. We will continue to work hard with you to achieve your exciting vision for aviation and would be happy to discuss further the issues in this correspondence in due course.

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*Yours sincerely  
Deirdre*

*lots to do, but  
really welcome your  
enthusiasm for the  
sector. TP*