

**CIVIL AVIATION AUTHORITY**  
**MINUTES OF THE 538<sup>th</sup> BOARD MEETING HELD ON**  
**WEDNESDAY 19 FEBRUARY 2020, AVIATION HOUSE**

**Present:**

Dame Deirdre Hutton            Chair  
Richard Moriarty  
Katherine Corich  
AVM Ian Gale  
David King  
Anne Lambert  
Graham Ward  
Paul Smith  
Kate Staples                    Secretary and General Counsel  
Chris Tingle

**Apologies:**

Marykay Fuller  
Rob Bishton  
Richard Stephenson

**In Attendance:**

Peter Drissell  
Tim Johnson  
Richard Stephenson  
Stephanie Shaw                for Rob Bishton  
Philip Clarke                   Minute taker  
Alison Harris                   Minute taker  
Helen Zambuni                for item 5  
James Eales                    for item 5  
Rachel Gardner-Poole        for item 7B

**I. APOLOGIES AND INTRODUCTIONS**

1. Apologies were received from Marykay Fuller, who had recently had an operation; Rob Bishton, who was overseas; and Richard Stephenson, who was unwell.

**II. CONFLICTS OF INTEREST, PREVIOUS MINUTES AND MATTERS ARISING**

2. No new conflicts of interest were declared.
3. The minutes for both the December 2019 and January 2020 meetings were approved, with minor corrections and would be published on the CAA website in due course.

4. The matters arising from previous meetings were noted without comment.

### III. CHAIR'S UPDATE

5. The Chair gave an update of recent meetings and events that she had attended since the January Board meeting. These included welcoming Paul Maynard MP, formerly the Government's Aviation Minister, to Westferry House, when he came to thank CAA colleagues for their hard work on the Thomas Cook repatriation exercise and more recently on settling Thomas Cook claims. The Chair and the Chief Executive also met US Federal Aviation Authority (FAA) colleagues in early February to discuss the return to service of the Boeing Max 8. Finally, the Chair said that she was in the process of commissioning Flint Global to carry out an independent review of how the Board receives and processes safety information, and subsequently makes decisions. The review would be concluded in time for the May 2020 Board meeting.
6. The Board noted the update.

### IV. CHIEF EXECUTIVE REPORT (DOC 2020-12) BY RICHARD MORIARTY

#### **Approvals: CAA Pension Scheme (CAAPS) – CAAPS trustees' reappointment**

7. Richard Moriarty asked the Board to reappoint Mike Nicholson and Reiner Krammer as CAAPS trustee directors.
8. The Board agreed the two reappointments.

#### **Update on live issues**

9. **FAA meeting:** Richard Moriarty provided more details of the meeting that he and the Chair, along with other CAA colleagues, had held with Steve Dixon, the recently appointed Administrator for the US FAA. Mr Moriarty said that most of the conversation had focused on the Boeing MAX 8. CAA and FAA had agreed that the return to service was still some time off and that a staggered return to service across the globe was possible, though not desirable, with any dislocation between the European and US aviation authorities likely to last only a few weeks. Mr Moriarty confirmed that the CAA continued to participate in the European-led meetings and calls about the Boeing MAX 8 return to service. A fuller update would be provided at the March Board meeting.
10. Mr Moriarty reported the FAA also had an Innovation Hub, like the CAA. He and Mr Dixon had discussed how the two Hubs could work more closely together on issues such as drones and airspace changes.

11. Finally, Mr Moriarty said that he and Mr Dixon had discussed airspace change in general, including the benefits and risks associated with the US's more centralised model and the UK's more decentralised model.
12. **Heathrow expansion:** Richard Moriarty provided a general update on the CAA's work on the Heathrow expansion and discussions with companies with an interest in expansion.
13. Paul Smith added that he and his team would come back to the Board in due course about Category C costs. The team would also attend the Board in March to present its assessment of the viability of Heathrow West's expansion proposals.
14. Finally, Kate Staples said that the outcome of the judicial review into Heathrow expansion was due by the end of the week.
15. **Coronavirus:** Richard Moriarty said that he and his team were monitoring the situation carefully for adverse impacts on the aviation industry, the CAA and our staff. He said that the CAA was following Public Health England's advice on how to prevent the virus from spreading.
16. **EU Exit:** Richard Moriarty reported that, according to the Government's most recent statements about the UK's future relationship with the EU, the UK was likely to become a rule maker than a rule taker. Mr Moriarty said that the UK would import the entire European rule book from 1 January 2020 and would then gradually be able to diverge if it wished. This would mean a different future relationship between the CAA and EASA. He said that the CAA had prepared previously for this potential outcome and that the plans would be stepped up, in particular standing up the State of Design team.
17. **NATS Competition and Markets Authority (CMA) referral:** At Richard Moriarty's request, Paul Smith provided an update on the CMA referral hearing, where CAA had given evidence. He added that the CMA was keeping to its original timetable and the CAA should receive the initial findings report in mid-March. These would be brought to the Board in due course.
18. **Thomas Cook claims:** Richard Moriarty reported that to date, 340,000 claims had been settled, and some £335 million paid out. Approximately 11,500 claims were still outstanding, due to being particularly complex to resolve. New claims were still being made but encouragingly these were being turned around quickly. Mr Moriarty confirmed that an internal "lessons learnt" exercise would start soon, considering a number of aspects, including whether any technological changes were needed to assist with any future airline failure claims handling.

19. **CAAPS:** Before concluding his report to the Board Richard Moriarty said that there were indications that the CAA Pension Scheme trustees had accepted the CAA's proposals for changing the CAA pension scheme.
20. **Ministerial appointments:** Tim Johnson informed the Board that Kelly Tolhurst MP had been appointed as the new Aviation Minister, to replace Paul Maynard MP. He said that Ms Tolhurst had been a founder member of the All Party Parliamentary Group on General Aviation. She would be the CAA's primary Ministerial contact at the Department for Transport.
21. The Board noted Richard Moriarty's report.

**V. CAA's ROLE IN UK SPACE REGULATION (DOC 2020-15) BY TIM JOHNSON**

22. The Chair welcomed Helen Zambuni and James Eales to the Board meeting. Tim Johnson introduced the paper, which was a follow-up to the Board's discussion in December 2019, where the Board had agreed in principle that the CAA should take a wider role in space regulation, subject to a number of conditions being met to enable the CAA to undertake this function successfully. Mr Johnson was pleased to report that good progress had been made on meeting these conditions and that, to date, no deal-breakers had been identified.
23. Mr Johnson asked the Board to delegate to a sub-group final approval of whether the conditions had been met. This would enable the CAA to align the timing of its decision and announcement with that of central Government.
24. The Chair asked about the pensions position of UK Space Agency staff transferring to the CAA. Mr Johnson said that no assumptions had been made on costs and Chris Tingle confirmed that he was content with that situation given the stage at which the negotiations were. On overall funding Mr Johnson said that the costings had a contingency built in and that the costs would initially be higher than they were currently as this would be a new function for the CAA and would have a learning curve attached to it. Mr Johnson confirmed that central Government funding would be available until 2025. After that, the split between Government and user-pays funding would be reviewed annually.
25. In discussion the Board agreed that good progress had been made on meeting the conditions and that, to date, no show-stoppers had been identified that would prevent the CAA from taking on this role.
26. The Board agreed that the final decision should be delegated to a sub-group of the Board, comprising of the Chair, Richard Moriarty, Chris Tingle, Katherine Corich and Dave King. The Chair said that other Board members were welcome to join the discussion if they wished.

Mr Johnson would convene a meeting of the Board sub-group, at a time to be decided, when a final decision on the CAA's role in space regulation was needed.

**ACTION:** Mr Johnson

27. The Board also agreed that the new Head of Space Regulation should be invited to attend a Board meeting once appointed.

**ACTION:** Mr Johnson

## **VI. OFFICE OF THE GENERAL COUNSEL ANNUAL REVIEW 2019 (DOC 2020-18) BY KATE STAPLES**

28. Kate Staples introduced her paper. She said it had been approximately twelve months since her last update to the Board and that much had happened in that time that had impacted on her team. Ms Staples highlighted a few examples, including the UK leaving the EU; the Farnborough airspace change; and the Jet2 appeal, the decision on which would have far reaching implications on how the CAA operated in future. Ms Staples also highlighted how the team were now using relatively novel legal mechanisms to tackle illegal behaviour. For example, the team had secured a prevention of harassment order for the first time. Ms Staples also noted that the team had successfully defended two employment tribunal cases.
29. In response to a question from Anne Lambert about embedding lawyers within teams, Ms Staples said that where she had previously been somewhat sceptical she was now less so, as closer working would build better working relationships.
30. Looking forward, Ms Staples said that she had started to think about future regulatory structures and how they might be designed to suit oncoming challenges. In the past, the legislative framework had grown without enough care, with too many new laws added to existing requirements. This had made the rules complex and difficult both to follow and enforce. Ms Staples said that her thinking was to improve what we already had, with a focus on innovation domestically and, potentially, internationally. The Board supported this approach.
31. Commenting on the Internal Audit team, Graham Ward said that, as Chair of the Audit Committee, he was very pleased with the new approach the Head of Internal Audit was taking. In particular, making sure that audit findings were put into Pentana meant that progress with implementing them was tracked better.
32. Ms Staples said that she was interested in modernising certain process designs and that the CAA should be more open to early discussions with stakeholders to generate ideas and more porous at welcoming others' input. The Board said it would welcome diversity of thought in this way. The Chair suggested that it might

be good to start with one case study and that in doing so the CAA should look for expertise beyond itself and to tease out all the barriers and obstacles.

**ACTION: Kate Staples**

33. Finally, in response to a question about the high number of allegations about low flying which had seemed to result in relatively few legal cases, Ms Staples agreed that although the number of reports was high, the quality of evidence required to support and secure a prosecution needed to be high. Ms Staples added that the data did, however, help to identify low flying hot spots. She agreed to take away the challenge.

**ACTION: Kate Staples**

34. The Board thanked Ms Staples for her report and noted it.

## **VII. (A) SARG MONTHLY SAFETY ISSUES REPORT (DOC 2020-16) BY STEPHANIE SHAW**

35. Stephanie Shaw introduced the paper to the Board and highlighted a number of key points within it. Ms Shaw said that with the UK now definitely leaving the EU, CAA staff would no longer attend EASA meetings, apart from those dealing with the Boeing MAX 8 return to service. Ms Shaw said that, internally, the SARG Leadership Team was focused on how it should structure itself in a post-EASA environment, and how it should work across the CAA and with external stakeholders. On EU Exit, Ms Shaw said that the current focus was on airworthiness and the State of Design function that the CAA would have to carry out. Longer term attention would likely turn to the structure of the Flight Operations team within SARG.
36. On drones Ms Shaw told the Board that the police had successfully prosecuted a drone operator who had flown their drone inside of the Leeds/Bradford Airport restricted zone in December last year. The drone pilot had been a holder of the Permit for Commercial Operations but had had his licence removed following the incident. Ms Shaw agreed to get more details on the prosecution as it could be used in a publicity campaign to highlight safe drone flying.
37. On the Drone and Model Aircraft Registration Scheme, Ms Shaw confirmed that to date some 98,000 drones had been registered, but commented that registrations needed to increase to 160,000 by the 18 months since the launch of the scheme date to break even on CAA costs.

38. Ms Shaw updated the Board on progress with Dr Evans's work on cognitive impairment. She said that the work should be concluded by July 2020 and would then be peer reviewed, in time for the Shoreham accident inquest in the autumn.
39. In response to a question from the Board about the fatal helicopter crash in California on 26 January 2020, Ms Shaw commented that the UK had very strict rules about low-visibility flying and that, unlike in the US, in the UK the helicopter would have been fitted with anti-collision equipment.
40. Tim Johnson updated the Board on the Standardised European Rule of the Air exemption and confirmed that the UK would now implement the rule from 26 March 2020. External stakeholders had been informed. Air Vice Marshall (AVM) Gale commended how clear the recent Skywise announcement had been on the issue.
41. The Board noted the report.

**VII. (B) SARG CAPABILITY FOCUS: GENERAL AVIATION (DOC 2020-16) BY RACHEL GARDNER-POOLE**

42. The Board welcomed Rachel Gardner-Poole to the meeting. In introducing her paper to the Board Ms Gardner-Poole highlighted three issues. Ms Gardner-Poole said that a great deal of progress had been made since the Shoreham accident. At the post-display season symposium last year, they had discussed a Flying Display Director (FDD) making a "stop" call. This was a good example of FDDs sharing information which they would not have done so readily in the past. On Just Culture Ms Gardner-Poole accepted that more could be done within the General Aviation (GA) community. Finally, Ms Gardner-Poole said that over the coming year human factors would be the focus of GA safety campaigns.
43. On key GA risks. Ms Gardner-Poole said that pilot continuation training should be added as a risk. Katherine Corich agreed and observed that, unlike commercial pilots, GA pilots were not subject to continuing oversight and training after they had received their licence. Ms Corich also said that she would share with the team guidance that the New Zealand Aviation Authority had published on mountain flying.  
**ACTION: Katherine Corich**
44. On the GA Unit (GAU) as a whole Ms Gardner-Poole said that there were now 48 people in the team, with more working on GA issues outside of the GAU. This had introduced more fresh thinking and more connections with colleagues outside the team. Graham Ward observed that having a larger team also helped mitigate the risk of regulatory capture.
45. In her presentation Ms Gardner-Poole had included a slide on the work she led for the CAA on STEM – Science, Technology, Engineering and Mathematics –

outreach work. She said that over 2000 young people had attended STEM events organised by the CAA. In the coming year Ms Gardner-Poole said that she would be developing targets and outcomes for this important work.

46. Looking at the accident and other data that Ms Gardner-Poole had prepared for the Board, the Board asked for more trend analysis. Ms Gardner-Poole agreed to prepare this in future.

**ACTION: Rachel Gardner-Poole**

47. Ms Gardner-Poole asked the Board whether it had a view on whether, in the GA area, the UK should diverge from current EASA rules. In discussion the Board agreed that much depended on the definition of general aviation. If restricted to sports and recreational flying, considering some divergence may be sensible, provided there was a valid reason and it did not increase the risk to third parties in the air or on the ground. The Board highlighted that any divergence from European rules in the UK would mean that UK pilots would not be able to fly in Europe unless they complied with the European rules too. AVM Gale suggested focusing on those rules that may prevent pilots moving from sports and recreational flying to commercial flying.
48. Ms Staples suggested that a different approach might be to consider different means of achieving the desired outcome that may not rely on regulation. Richard Moriarty agreed and said that much could be achieved through education and peer support. He added that it would also be important to ensure that the UK had the right institutional and safety accountability structures in place to support this work. Tim Johnson observed that this discussion should also involve colleagues at the Department for Transport. Katherine Corich suggested that an approach might be to define the problem to be solved first and then question if regulation was the most sensible approach. The Board agreed that the GA community could take more responsibility for their own activities. The Chair stressed that the overriding principle in the area had to be the protection of third parties. The Board agreed that this would be a good topic to discuss at a future Strategy Day.

**ACTION: Mr Johnson**

49. Ms Gardner-Poole also asked the Board if it had any suggestions on how the CAA could engage better with the GA community. The Chair said that the Consumer Panel had had a positive impact and suggested that something similar might help with general aviation. She suggested that members could be interviewed and appointed, and the Panel chaired by a CAA Non-executive Director.
50. The Board noted the report.



51. The Chair left the meeting at this point for another engagement and Dave King took over chairing the meeting.

#### **VIII. AUDIT COMMITTEE REPORT (DOC 2020-19) BY GRAHAM WARD**

52. Graham Ward introduced his paper. Mr Ward said that the Audit Committee had met on 28 January 2020, for the third of its quarterly meetings covering the 2019/20 financial year. All three members of the Committee had attended the session, along with others and that the report being presented to the Board was an accurate record of the meeting.
53. The Board noted the report.

#### **IX. FINANCIAL REPORT FOR NINE MONTHS TO 31 DECEMBER (DOC 2020-20) BY CHRIS TINGLE**

54. Mr Tingle presented the financial report for the nine months to 31 December 2019. Mr Tingle noted that the predicted outturn figures for the 2019/20 financial year showed a positive variance. He said that credit for Matterhorn employment costs had been received from central Government, and that accommodation costs had reduced since the CAA had vacated CAA House. Mr Tingle added that headcount remained under control.
55. The Board approved the report.
56. On the CAA's scheme of charges consultation, Mr Tingle said that the consultation had closed on 6 February 2020, with 37 responses received. He added that this number was in line with previous years and that, while there had been challenges from a number of stakeholders, none of these required any changes to the proposals. This had been discussed at the Finance Advisory Committee Where the CAA had pointed out that the proposed increases in fees and charges were conservative compared to others.
57. Tim Johnson said that the CAA would now formally consult the Secretary of State for Transport. He added that if the SoS suggested any significant financial or policy changes the team would come back to the Board, by correspondence if necessary.
58. The Board agreed this approach.

#### **X. FORWARD AGENDA AND ANY OTHER BUSINESS**

59. Mr Johnson ran through the Forward Agenda, which the Board noted.
60. Under Any Other Business, AVM Gale suggested that the CAA should look at whether some of the language used in aviation was still appropriate, for example

NOTAM – Notice for Airmen. Tim Johnson agreed to take this suggestion away and consider.

**ACTION: Tim Johnson.**

61. Katherine Corich asked whether safety questions were included in the Consumer Tracker Survey. Richard Moriarty said that safety questions would be included in the Britain Thinks survey, on which Richard Stephenson would provide a fuller update at the March Board meeting.

**ACTION: Richard Stephenson (already logged as action no. 54)**

62. Katherine Corich asked whether the legitimacy of the current cabin safety brief should be considered and said that she would be happy to help develop a risk statement.

**ACTION: Katherine Corich and Rob Bishton**

**Date and Time of Next Board Meeting:**

**18 March 2020, 09:30 hours, Airbus HQ, Filton, Bristol**