

**CIVIL AVIATION AUTHORITY**  
**MINUTES OF THE 546<sup>th</sup> BOARD MEETING HELD ON**  
**WEDNESDAY 21 OCTOBER 2020, 10:00, on Microsoft Teams**

**Present:**

Sir Stephen Hillier  
Richard Moriarty  
Rob Bishton  
Katherine Corich  
Marykay Fuller  
AVM Ian Gale  
David King  
Anne Lambert  
Paul Smith  
Chris Tingle  
Graham Ward  
Kate Staples

Chair

Secretary and General Counsel

**Apologies:**

None

**In Attendance:**

Peter Drissell  
Tim Johnson  
Richard Stephenson  
Ben Alcott  
Jane Cosgrove  
Philip Clarke  
Barbara Perata-Smith

Minute-taker

Ella Payne for item 5 (b)  
Nic Stevenson for item 6  
Briar Mulholland for item 6  
Laura Milton for item 6  
Alison Naylor for item 6  
Sean Parker for item 7  
Tim Williams for item 9  
Jim Frampton for item 10  
Jon Sharratt for item 10  
Neil Winbolt for item 10

## **I. APOLOGIES AND INTRODUCTIONS**

1. No apologies were received.
2. The Chair noted that Ben Alcott and Jane Cosgrove would join the entire meeting.

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

3. No new conflicts of interest were declared.
4. The minutes for the 16 September 2020 meeting were approved with a minor change and would be published online in due course.
5. The matters arising from previous meetings had been reviewed and were noted.

## **III. CHAIR'S REPORT**

6. The Chair provided an update on the meeting he and the CEO had had recently with the Secretary of State. The Secretary of State had been complimentary about the CAA's work during the Covid crisis and its ability to carry out this work in addition to its regular functions. He had urged CAA to ensure that high profile issues, such as refunds and GA, were communicated clearly given their importance to stakeholders. He had also asked CAA continuously to challenge whether the way we approached our Covid response and recovery was sufficiently strategic and joined up.
7. The Chair highlighted the key topics for today's meeting, included CAA's new values, health and safety and wellbeing, our approach to regulating GA post EASA, electronic conspicuity, CAA's own preparations for the end of the transition period, and, finally, CAA's finances, which needed to be monitored carefully.
8. The Board noted the update.

## **IV. CHIEF EXECUTIVE REPORT (DOC 2020-63) BY RICHARD MORIARTY**

9. Richard Moriarty requested one approval from the Board and provided an update on a number of live issues.

### **Approval**

10. NERL licence: Mr Moriarty asked the Board to approve the recommendation to delegate oversight of the final NERL licence modifications to Paul Smith and Andrew Walker, working with colleagues in the Office of the General Counsel. The Board endorsed the request.

### **Live issues**

11. Travel corridors: Mr Moriarty said that the Prime Minister had announced a Global Testing Taskforce to be led by the Secretaries of State for Transport and Health,

aiming to report back in November. The Taskforce was looking at whether quarantine could be replaced by a test and release for passengers a specified number of days after returning to the UK, and to establish this process as a new operating normal until a vaccine was introduced. The current operating climate remained challenging for the sector. Paul Smith and his team were monitoring closely.

12. Brexit: Mr Moriarty noted that the dashboard of CAA preparedness showed good progress but that communication with industry would be a challenging in the Autumn, particularly with those entities that were focusing all resources on the Covid pandemic rather than Brexit. Most of the required changes to CAA's charging scheme mechanisms, particularly in the area of design and production approvals, had already been made.
13. Graham Ward enquired about data transfer arrangements between the EU and the UK post-Brexit. Tim Johnson replied that in the event the UK is unable to secure continued access to EASA/EU databases, we had contingency arrangements in place. CAA already held data on EASA licences issued to UK registered personnel so there would be no change in these arrangements. Kate Staples added that GDPR regulations related to personal, not organisational, data and as such it would be less of a concern. The UK Government had recently published its own data strategy, but would need to achieve equivalence with GDPR standards to enable a seamless transition.
14. Mr Moriarty reassured the Board that the organisation had focus and resource dedicated to preparing for the end of the transition period, ExCo was reviewing the plans regularly and would update the Board monthly on the state of our preparedness.
15. Dave King commented that the presentation of the dashboard should be reviewed for clarity, particularly to reduce the amount of information on one page. The Chair suggested that only the title of the green items should show, rather than the full narrative, to improve legibility.
16. Mr Moriarty explained that the green status indicated we were comfortable with the direction of travel and with the plans in place; amber showed a risk or a dependency from another party which could affect delivery.
17. Mr Moriarty confirmed that the team would reflect on the format of the document.  
**ACTION:** Tim Johnson
18. Space regulation: Mr Moriarty noted that the government consultation on the secondary legislation for UK space flight was underway, and which included the proposal that the CAA should become the UK space regulator. CAA had

appointed a Head of Space and had scheduled a PIE in January to provide a briefing to the Board on this topic.

19. Electronic conspicuity (EC): Mr Moriarty commented that it had become apparent that there wasn't sufficient stakeholder support for mandating electronic conspicuity. We had agreed an approach with Government that would start with achieving incremental safety benefits through the recently launched EC device rebate scheme, which the CAA was running with Government financial support. There has been good early interest in the scheme. As part of the communication material accompanying the scheme, we had included information about the level of inter-operability between the different devices on the market. At present, not all devices available on the market can reliably see each other and so see and avoid remained the primary safety barrier. This was the first time we had put such comparative information into the public domain and would improve awareness within the pilot community more generally about the benefits and limitations of using such devices. The Board agreed this was a positive development and AVM Ian Gale confirmed the scheme had been well received by those he had spoken to.
20. The Board noted the report.

**V. (a) SUMMARY FINANCIAL REPORT FOR THE FIVE MONTHS TO 31 AUGUST 2020 (DOC 2020-75) BY CHRIS TINGLE**

21. Chris Tingle provided an overview of the financial report for the period to 31 August and an update on progress with CAA's proposal to the Government's Spending Review.
22. The financial report showed a positive variance on the Covid budget. Mr Tingle noted that the trend seen earlier in the year continued in September which would mean the government funding draw-down may be lower than expected if our volume forecasts were broadly accurate. He noted that the Covid budget was based on assumptions agreed with DfT. We would need to monitor closely traffic volumes over the next few months.
23. The Chair enquired whether the new UK/EU trade arrangements for aviation could present a risk to CAA's finances. Mr Tingle confirmed that certain organisations would likely have some additional regulatory charges to pay, particularly in situations where organisations needed approvals from both EASA and the CAA. Most of CAA's new charging mechanisms were already in place.
24. Mr Tingle noted that we were continuing to push forward a range of projects across the organisation, mindful of the ever present need to be wise with resources and

that many colleagues already had significant commitments such as preparing for the end of the transition period.

25. On the Spending Review, Government had recently announced that the settlement across government would be for one year, as opposed to the original three. We continued to discuss the different components of our application with DfT and provide supporting analyses. Our main focus remained on securing funding that would enable us to continue to deliver our core regulatory functions and have the agility and flexibility during the Covid recovery period. Any request would also need to be reviewed in light of the evolving aviation market scenarios, given that a significant proportion of our revenue continues to depend on passenger and cargo volumes.
26. The Board noted the report.

**(b) BUSINESS PLANNING ASSURANCE REPORT FOR Q2 (DOC 2020-76) BY CHRIS TINGLE**

27. The Board welcomed Ella Payne to the meeting.
28. Ms Payne commented that the business plan that had been set in March had been revised due to the Covid crisis and shared with the Board in June. Since then all Directors had operated in an agile way to respond to the challenging environment. Today's report showed a balanced view, covering both achievements and those areas where we had reprioritised.
29. In response to a question from Graham Ward, Paul Smith explained that a project in his area was designed to explore options to improve the financial framework of ATOL, to both lower the risk and consider the way it was priced. A small team had been assembled and it had provided some initial indication to stakeholders this work would be taking place.
30. Marykay Fuller pointed out that there seemed to be discrepancy between the RAG status of certain projects and Ms Payne explained that would be the case when the RAG status referred to different elements of the same project. Ms Fuller requested better visibility of the direction of travel, the financial challenges and cyber security reporting. Katherine Corich commented that all projects should be viewed through the risk lens to ensure the organisation was aware of its top risks.
31. Richard Moriarty agreed with both points and the Chair requested an offline conversation with the business planning team to understand the process.

**ACTION:** Chris Tingle, Ella Payne

32. The Board noted the report.

## **VI. PROJECT HORIZON: STRATEGIC FRAMEWORK, VALUES AND REGULATORY APPROACH (DOC 2020-77) BY TIM JOHNSON**

33. The Board welcomed Nic Stevenson, Briar Mullholland, Laura Milton and Alison Naylor to the meeting.
34. The Chair commented that today's paper had been informed by a productive PIE session and Tim Johnson added that the team would be looking for endorsement of the document as a beta version of the strategic themes and the regulatory approach. If approved, these would then be tested, and the team would return to the Board next year for final sign off. We were seeking Board agreement to the new CAA Values.
35. The Board strongly supported the strategic framework and regulatory approach and thanked the team for having been able to distil the concepts into concise terms. Board members offered a number of further changes to improve its precision and clarity. The Board agreed that "enabling" or "creating the conditions for" innovation and growth more accurately reflected the appropriate role of the regulator and was therefore more accurate than "supporting". The Board also discussed the reference to CAA's independence, and agreed that it was important to emphasise that CAA operated within the legal and policy framework established by Parliament and Government, but was independent of those we regulate.
36. Mr Johnson noted that the team had planned to test the proposals with a selection of industry, trade bodies and trusted stakeholders, in a low-key way, as well as government and internal colleagues. The team would return to the Board in February 2021 for final sign off.
37. The Chair asked the Board to endorse the proposed CAA Values proposed. Jane Cosgrove commented that these had been long in the making and it would be positive to communicate them to the organisation as soon as possible as they were key to our Diversity and Inclusion strategy. These were values that would be lived through the leadership and embedded in all organisational aspects, such as recruitment and inductions.
38. The Board endorsed the Values.
39. The Chair asked the Board to approve the regulatory approach and strategic themes as a beta version, subject to the comments provided in this meeting being addressed and returning to the Board in February 2021 following stakeholder engagement for final sign off.
40. The Board approved the beta version and the next steps.

## **VII. WHISTLEBLOWING ANNUAL REPORT (DOC 2020-78) BY KATE STAPLES**

41. The Board welcomed Sean Parker to the meeting.
42. Kate Staples introduced the report and said that whistleblowing was part of the evidence we used to inform regulatory activities and that the process and procedures were regularly audited by the Internal Audit department, which, this time, had requested an approval of the process by the Board.
43. Mr Parker highlighted two points from the report. First, the fact that Internal Audit had recommended the whistleblowing process should be approved by the Board, as it had not been reviewed by the Board for a period of time. Graham Ward added that he had discussed the matter with Andrew Broadhead, the Head of Internal Audit, who had confirmed the process was sound.
44. Mr Parker noted that the procedure for whistleblowing was routinely reviewed and evolved: rather than requesting Board approval at every step, it would be more efficient to only require approval for substantive changes and use internal oversight for the minor ones. Richard Moriarty summarised the types of changes as follows: administrative ones, which Mr Parker would address; more significant ones, which could be reviewed Ms Staples and ExCo; and the substantive ones to be approved by the Board and the Audit Committee.
45. Katherine Corich commented that she was very supportive of having a whistleblowing process in place, but that the response time, which was currently five days, could be improved. Mr Parker explained that, in reality, all enquiries received an automated message to acknowledge the submission and most of those would have a reply in 24 hours. He had trained colleagues to handle the work in his absence, but he would review the response time to reduce it.

**ACTION:** Kate Staples, Sean Parker

46. Mr Parker commented on the consistency of submissions and noted that this was similar to previous years, despite the pandemic, although the number coming from the commercial sector had slightly reduced. Peter Drissell said that the process was valid, beneficial and trusted and that it made an important difference to the work of AvSec. It was as good as having some additional inspectors on the ground.
47. The Chair enquired whether more should be done to encourage whistleblowing. Mr Parker replied that the CAA's primary source of intelligence was the Mandatory Occurrence Reports (MORs) and, although we could promote whistleblowing alongside the MORs, the latter were the ones that we would prefer were used, being a more widely and recognised route of complaint.
48. Mr Moriarty asked whether the whistleblowing process was appropriate to meet the needs of the General Aviation (GA) community, as engagement with GA was

an issue the Board wanted to focus on. Mr Parker replied that the number of MORs we received from GA was not commensurate with the size of the sector and that the whistleblowing submission often came from ex-employees, which could be reflective of a poor culture. There was more we could do to improve the engagement with GA and the GA Unit were developing a range of activities to address this.

49. The Board approved the whistleblowing procedure and noted the report.

#### **VIII. AUDIT COMMITTEE REPORT (DOC 2020-82) BY GRAHAM WARD**

50. Graham Ward brought the Board's attention to the section of the report outlining the fees for the external auditors. He explained that, for the past three years, the fees had been fixed, however, the auditors had now proposed an increase due to additional requirements from the Financial Reporting Council and having originally underestimated the work necessary for the past three years. Mr Ward confirmed the increase in fees was in line with the market.
51. The Chair asked the Board to approve the quote provided by BDO and the Board agreed.
52. The Board noted the report.

#### **IX. HEALTH AND SAFETY ANNUAL REPORT, INCLUDING WELLBEING (DOC 2020-83) BY CHRIS TINGLE**

53. The Board welcomed Tim Williams to the meeting.

##### **Health & Safety**

54. Chris Tingle introduced the paper and said that the results of the health and safety performance in the last year were satisfactory, despite a number of changes taking place, such as the office move to Westferry. However, since February, working from home had presented a different risk profile for the organisation which required a number of measures and process to be implemented.
55. Tim Williams explained that the report covered 18 months and included pre and post-Covid data. Pre-Covid, the rate of injuries, accidents and driving incidents was in line with previous years. The Internal Audit Committee had identified a number of areas that required attention which we were in the process of addressing, including resourcing for H&S and an effective H&S Committee. The office relocation to Westferry went well, although we would continue to monitor contractors' performance.



56. Post-Covid we have had a shift in our risk profile and implemented a number of new measures. As working from home became standard practice, we made equipment available for colleagues to use at home; risk assessments were in place but have been continually reviewed in line with government advice; we had kept both offices Covid-secure, as more information on how the disease travelled became available; we had put measures in place to offer exams in person and for limited international travel. We would continue to focus on these priorities in the oncoming months, ensuring we support staff working from home and on site. We would also need to consider new risks, such as PPE masks, and stay alert to existing risks, such as driving, as not all the risks were Covid-related.
57. David King enquired to what extent our H&S duties carried through individuals working at home. Mr Williams explained that the organisation had some responsibility, as stated in the H&S Act, but that there were a few grey areas which were being addressed. Mr Tingle added that the practice was to still encourage staff to report any trips, slips and falls that occurred when they were working at home.
58. Mr Williams commented that the H&S Statement had been refreshed and that ExCo now had new commitments which would need to be delivered in the next year. Furthermore, there was work being carried out to boost the resource to the H&S area. Mr Tingle noted that, going forward, Mr William's role would be separated into two posts, covering H&S and crisis management respectively to ensure enough manpower was available to manage both aspects effectively.

### **Wellbeing**

59. Ben Alcott provided an overview of the work the Wellbeing Board had been undertaking, including a new wellbeing survey, preparing a '5 steps to wellbeing' campaign to be launched shortly, ExCo agreement to act as role models in promoting wellbeing, a physical movement campaign and preparation of a new wellbeing strategy.
60. AVM Ian Gale commented that both H&S and wellbeing were linked to organisational effectiveness. A similar approach had been taken by the Ministry of Defence to support wellbeing, including emphasising to employees the importance of breaks and recognising that the spectrum of needs was wide, for example, that certain colleagues actually benefitted from being in an office environment.
61. Katherine Corich enquired about the CAA's liability if an accident were to happen in the home and added that it would be beneficial to remind people to do their eye exercises and take breaks from the screen, normalise the fact that some members

of staff maybe under stress from job losses in the household or increased childcare duties.

62. Mr King noted his support for wellbeing and physical health but commented that some colleagues might find the term mental health quite challenging. Ms Staples replied that, when you qualified as a Mental Health First Aider (MHFA) you were taught that we all had mental health and that it came in a wide spectrum across the extremes of being well and being poorly. However, wellbeing captured both the physical and the mental health and was a well-understood term. Marykay Fuller enquired how the MHFAs had been used during the crisis and Mr Alcott replied that it was an active network that had made contact with the UK Regulators Network and the other regulators' own wellbeing networks to share best practice.
63. Both Paul Smith and Mr Alcott related examples of how their own teams were benefitting from coming to the office and underlined the important to promote these benefits to colleagues, in line with government guidance.
64. Richard Moriarty commented that he had talked with Mr Tingle with regard to addressing the resource gap in the area of H&S as a vehicle to understand people's views in a balanced way. He also urged Board members to bring to the table information on how other organisations were doing as it would all be helpful to build a picture.
65. The Chair then asked the Board to confirm whether the H&S Report provided enough evidence for the Board to discharge its corporate governance responsibility.
66. The Board endorsed the report and noted its content.
67. The Chair mentioned that Mr Williams had celebrated his 60<sup>th</sup> birthday the previous week and that he would be retiring from the CAA on 31 December 2020. The Chair extended his thanks and that of the Board to Mr Williams for the many years of excellent service.

**X. GA REFORM AND POST-BREXIT CHALLENGE (DOC 2020-79) BY ROB BISHTON AND TIM JOHNSON**

68. The Board welcomed Jim Frampton, Jon Sharratt and Neil Winbolt to the meeting.
69. Rob Bishton introduced the paper and commented that the GA programme had a number of elements the Government was keen for the CAA to progress, including quality of our engagement with the sector and maintaining the momentum on reducing red tape, as well as other positive aspects of the work, such as the electronic conspicuity rebate scheme and the reclassification of airspace.

70. Jim Frampton added that the consultation referred to the sports and recreational branch of GA and would focus on two points: first, how we could play a role in enabling GA to flourish in a post-Covid, post-Brexit world; and second, what we could do to improve engagement and encourage broader representation in GA. The work would include identifying threats and opportunities, removing gold-plating and deciding which elements of the legislation CAA would recommend to Government could be changed or retain post-EASA.
71. Following receipt of consultation responses, the CAA would evaluate the ideas carefully, assessing benefits, risks and appropriate implementation timeframes. The team had proposed establishing a GA Challenge Panel, with representation from a broad spectrum of stakeholders, to assist with this task.
72. Richard Moriarty commented that teasing out the risk appetite would be helpful to properly frame the conversation. The Chair added that in order to do so, the Board would require much broader evidence on, for example, the benefit-to-risk equation on technological innovation, which would firm up the framework. Katherine Corich observed that although the Podger Report on GA safety had concluded that safety was adequate in GA at present, it had not taken into account future changes in airspace users, particularly the expected growth of drones and integration of operations in Class G airspace. Given that drone registrations were increasing, a refresh to the risk appetite would be beneficial. Graham Ward suggested that the Board should refer to it as risk threshold or risk tolerance.
73. Anne Lambert commented that the consultation should revisit the reasons why CAA regulated GA in the first place, to better articulate the risk threshold and manage expectations: we regulated GA to keep everybody safe, with tolerance for those who are competent flyers and don't impinge on others. AVM Ian Gale agreed with this perspective and added that CAA should tap into the opportunities that would come from Brexit to reconsider the UK's regulatory framework for aviation and where change would create benefits without changing safety or security outcomes
74. Mr Bishton commented that realising the Government's objective of making the UK the best place for GA still meant ensuring high safety standards and striving to improve safety. GA was part of our system which gave us responsibility to educate GA on safety and raise awareness on the aspects that can make a difference, such as electronic conspicuity.
75. The Chair summarised the discussion and advised the team that the consultation needed to capture the breadth of the GA sector, consider the risk to the overflow and a backdrop of emerging technologies.

76. David King enquired how the team would capture representation across a sector and how it intended to set up the GA Challenge Panel. Mr Frampton explained that in relation to the consultation audience, the team had carried out extensive work with the Communications Department to reach peripheral organisations, as well as mainstream GA groups, with whom we already were in contact through, for example, STEM activities. On the Panel, the team could consider getting in touch with the General Aviation Ambassadors government had set up, organisations such as International Aviation Women's Association and Women Glide UK, as well as local authorities to capture the public's views.
77. Mr Moriarty raised the matter of finance and said that ExCo had agreed not to include the issue of user-pay in the consultation as it was not timely. The document would need to manage the audience's expectations and make clear that the ideas provided might require to be funded, for example, digitalisation.
78. The Chair asked the Board to endorse the consultation and the Board approved it, subject to the comments provided being addressed.
79. The Chair asked the team to provide feedback on the consultation's responses in due course.
80. The Board noted the report.

**XI. SARG MONTHLY SAFETY ISSUES REPORT (DOC 2020-80) BY ROB BISHTON**

81. Rob Bishton highlighted a few points from his report. First, he commented that industry would continue to focus on surviving the crisis. In order to achieve this, airlines had started to plan how to encourage the public to fly
  82. Second, the report included another iteration of the safety information for the Board to consider.
  83. Third, he reported that his team was working on an update to the drones programme, which would come to the Board early next year. Finally, he reported that colleagues had been working with the Department for Transport on royal flights.
  84. The Chair commented that the Board would benefit from a monthly report that contained the headline safety risks, rather than a six-monthly summary, to get a better view of aviation's safety position. This would be complemented by a six-monthly deep dive on one of the risks (for example lithium batteries). The Board agreed with the Chair's suggestion.
- ACTION:** Rob Bishton
85. David King reflected whether the organisation was doing enough to cut reduce the amount of time devoted to lower priority activities, in order to focus on higher

priority ones. Industry was in transition, the pandemic was likely to continue, which might bring failures that required a CAA response: this work would be additional to the BAU and the nice to have, and in relation to the previous conversation on wellbeing and on encouraging colleagues to look after themselves, it could be a perfect storm.

86. Richard Moriarty acknowledged Mr King's point and explained that ExCo had started to review the business plan in an agile way and were continuously re-prioritising. Mr King enquired whether this should be a standing item on the agenda and the Chair suggested it was included as part of the CEO's Report.

**ACTION:** Richard Moriarty, Jane Cosgrove

87. Mr Bishton mentioned that there was always an open invitation to the non-Executive Directors to join one of SARG's team meetings and hear their discussions first-hand. Industry had indicated productivity was still good as the workforce that had remained was fully committed to the cause. Paul Smith added that his team worked harder if staff could see the utility of the tools we employed and policies we designed, rather than these being only an additional burden. The Chair concluded by encouraging recruitment for budgeted roles that were currently vacant.
88. The Board noted the report.

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

89. Richard Moriarty commented that the PIE on 4 November included two important topics: first, an overview of the lessons learnt on the Max 8, and second, a discussion with Heathrow Airport and airlines on price control. Mr Moriarty said that biographies of the attendees would be provided in due course.
90. No other comments were provided on the Forward Agenda.
91. There was no other business to discuss.
92. The Chair noted that this would be the last Board for Richard Stephenson and expressed his and the Board's thanks for the enormous contribution provided to the organisation in the past five years. The Board wishes Mr Stephenson well in his future endeavours.

### **Date and Time of Next Meetings:**

**Wednesday 18 November 2020, 10:00 hours, on Microsoft Teams**