

**CIVIL AVIATION AUTHORITY**  
**MINUTES OF THE 529<sup>th</sup> BOARD MEETING HELD ON**  
**WEDNESDAY 17 APRIL 2019, AVIATION HOUSE**

**Present:**

Dame Deirdre Hutton                      Chair  
Mr Richard Moriarty  
Mr Peter Drissell  
Ms Marykay Fuller  
Mr David King  
AVM Ian Gale  
Mr David Gray  
Ms Anne Lambert  
Mr Michael Medlicott  
Mr Paul Smith  
Ms Kate Staples                      Secretary & General Counsel  
Mr Mark Swan  
Mr Chris Tingle  
Mr Graham Ward

**Apologies:**

Mr Richard Stephenson

**In Attendance:**

Mr Tim Johnson			
Ms Angela Lynch	minute taker	Mr Tony Rapson	XIII
Mr Ben Alcott	XII	Ms Louise Stone	XI
Ms Julie Bryer	XI	Mr Rob Toal	VII
Ms Maggie Summers	XVI	Mr Ed Weston	
Mr Sean Parker	VIII	Mr Tim Williams	VI
Mr Troy Preston	XIII		

**I. APOLOGIES AND INTRODUCTIONS**

1. There were apologies from Mr Stephenson.
2. Board members welcomed new Non-Executive Director AVM Ian Gale to his first meeting.

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

2. There were no new conflicts of interest declared.
3. The previous minutes were agreed.
4. Under matters arising, the Board agreed that action 13 had been completed.

## **III. CHAIR'S UPDATE**

5. The Chair gave an update on recent meetings and events attended, including the latest meeting of the cross-sector industry Safety Steering Group and a meeting with Permanent Secretary Bernadette Kelly (Department for Transport (DfT)).
6. The Chair confirmed that the Care Quality Commission had agreed to take over the Chair of the Safety Regulatory Chairs Group, leading the next session on the topic of regulating innovation and new technology.
7. The Board noted the update.

## **IV. CHIEF EXECUTIVE REPORT (DOC 2019-024) BY RICHARD MORIARTY**

8. Mr Moriarty updated the Board on key meetings and live issues.
9. The Board noted Mr Moriarty's update on recent engagement with EASA to discuss ongoing and future collaborative working, as well as current safety matters.
10. Mr Swan gave a further update on Boeing and related safety team activity. Mr Swan said he would send a non-technical summary with further details on this to the Board.

**Action: Mr Swan**

11. The Board discussed longer term work in relation to safety certification processes. Mr Swan confirmed recent CAA actions in this area, including a review of Mandatory Occurrence Reports.
12. Ms Staples gave an update on the investigation of the Piper Malibu incident, following previous discussions.
13. The Chair noted the recent letter she had received from the Transport Select Committee, which had asked the CAA to provide a response to several detailed questions.
14. Mr Moriarty informed the Board of the latest discussion on ADR processes, including with Ryanair in relation to denied boarding complaints.
15. The Board noted ongoing work with the Government and other relevant stakeholders, including the UK Space Agency, on developing space policy. It was recognised that although the CAA's existing role in relation to airspace and oversight was clear, further consideration was needed in terms of the CAA's role

- more broadly. It was agreed a Policy and Innovation Exchange session should be scheduled to discuss this in more detail and more robustly agree the CAA's stance.
16. The Board expressed its thanks to the work undertaken by the SSC and related teams to process all of the Brexit related applications that could be processed.
  17. Mr Moriarty confirmed that the most recent Gender Pay gap report has shown a small improvement but there was still much more to do to address the issue over the long term. Exco would be reviewing the progress made with the CAA's first D&I action plan in July and Mr Moriarty said an update would be made at this time.
  18. Mr Moriarty and Mr Smith briefed the board on an update on Project Matterhorn.
  19. The Board noted the report.

#### **V. BREXIT UPDATE (DOC 2019-025) BY TIM JOHNSON**

20. Mr Johnson gave an update on the completion of CAA contingency planning activities and general developments under the Brexit programme since the last Board meeting. Following political developments, the post-Brexit teams assigned to deal with urgent developments had been stood down.
21. Mr Johnson confirmed that plans in the event of a no Brexit had also been considered and factored into the overall decision-making process.
22. Mr Johnson gave an update on the Government's position on international engagement, which remains consistent with its previous public statements. The Board discussed the CAA's current commitments and level of engagement, which includes providing a significant amount of technical advice to recognised fora, such as EASA Working Groups on safety matters. It was agreed this work would be discussed in further detail at the Board's June awayday, in the context of the CAA's strategic priorities. The Board reconfirmed it supports the team's current engagement approach. It was recognised that a key part of successful international engagement comes from the way relationships are built and maintained, particularly during uncertain political times and periods of change.
23. The Board noted the report.

#### **VI. HEALTH AND SAFETY ANNUAL REPORT (DOC 2019-026) BY CHRIS TINGLE**

24. The Board welcomed Mr Williams to the meeting who gave an overview of key Health and Safety (HSE) findings over the past 12 months.
25. The Board noted the mitigations implemented to address issues raised in this area and continued efforts to prevent further incidents by encouraging more reporting of 'near misses' in future. Mr Moriarty agreed that the Executive would give more

thought to how to encourage a cultural shift towards this, as part of its overall commitment to promote HSE practices.

**Action: Executive Committee (ExCo)**

26. Mr Williams confirmed that the Internal Audit report on HSE had been reviewed with no significant issues raised.
27. The Board agreed the focus areas for next year. These included changes to facilities management contracts, the embedding of HSE-related training courses across the CAA and ensuring any risks relating to smart working practices were fully considered and mitigated.
28. In response to a question from the Board, Mr Williams agreed to provide clarity on the HSE responsibilities of both the CAA and the individual under home working.

**Action: Mr Williams**

29. For next year's report, the Chair asked that consideration be given to including HSE target outcomes and incorporating relevant findings from existing KPIs. It was agreed the CAA's performance would be assessed against available rates for similar organisations and the current form of commitment statement (signed by the Executive annually) would also be reviewed.

**Action: Mr Williams / Mr Tingle**

30. The Board noted the report.

**VII. HEATHROW EXPANSION PLANNING UPDATE (DOC 2019-027) BY PAUL SMITH**

31. The Board welcomed Mr Toal to the meeting.
32. Mr Smith introduced the update by providing information on recent Heathrow expansion planning activities, project timelines, and stakeholder engagement.
33. The Board discussed key issues relating to early planning costs (Category B costs). Members endorsed the team's position on allowances for Category B costs incurred by HAL in 2016 and 2017. The details of this position will be consulted on in May.
34. A discussion was had on early construction costs (Category C costs), including stakeholder views and the recognition that the level of cost that could be incurred was beginning to rise significantly. The CAA's proposals would reflect these points. The Chair asked that as part of the team's further work in this area all options be considered. This should be done in the context of identified risks of project overrun and overspend. The Board noted the key issues relating to the CAA's consideration of Category C costs and endorsed the continuation of the team's work to propose a strategic approach to this.
35. The Board noted the report.

## **VIII. ANNUAL WHISTLEBLOWING REPORT (DOC 2019-028) BY MARK SWAN**

36. The Board welcomed Mr Parker to the meeting. He gave an overview of the key whistleblowing trends and processes relating to the aviation industry and the CAA's internal whistleblowing reports over the past year.
37. The Board noted that there was further work to be done on how whistleblowing and customer complaints were separated under ATOL reporting. Mr Smith confirmed a process was in place to address this, which included prioritisation needs.
38. It was noted that cultural attitudes are key to creating effective whistleblowing systems. This point is being considered in relation to the General Aviation (GA) community, as part of the CAA's ongoing engagement. It was agreed that given the diverse nature of the GA community future whistleblowing reporting will separate out commercial and non-commercial activities.

**Action: Mr Parker**

39. The Board welcomed the feedback that Aviation Security had found whistleblowing reports useful as part of its overall oversight duties and noted that the industry had also become much more adept at addressing its own reports and taking appropriate action where necessary.
40. The Board noted that allegations relating to drones had started to be logged in the whistleblowing system since the end of 2018 (rather than being managed separately). This is due to increased CAA resourcing through the Unmanned Aerial Systems (UAS or 'drones') Unit, recognising the continued development of the sector and regulation in this area.
41. The Board noted Internal Audit had also completed its report on the CAA's whistleblowing process. In response, Mr Parker confirmed that work would be done to make the CAA's own whistleblowing guidance more visible on the CAA's website.

**Action: Mr Parker**

42. The Board noted the report.

## **IX. DRONE REGISTRATION SCHEME CHARGE CONSULTATION (DOC 2019-029) BY TIM JOHNSON**

43. The Board noted the draft consultation document that, once finalised, would be released to consult on the CAA's charge proposal for the Government-mandated Drone Registration Scheme. Mr Johnson highlighted key considerations behind the proposals.

44. The Board asked that the proposed charge reflect its strong view that the CAA needs to avoid financial risk in relation to the registration scheme, given that it will receive no funding for maintaining the scheme and that the estimated registration numbers are uncertain. The board discussed the purpose and scope of inclusion within the scheme and Mr Johnson commended that the requirement was set by the DfT in addition to the type of user who should be covered. The consultation therefore focused on the practical question of how to set the charge consistent with the policy if user pays given there is no continuing funds from Government to support the scheme after its initial development.
45. The Board agreed the proposals and delegated sign-off of the final consultation to Mr Johnson and Mr Tingle. The consultation will be published by 26 April and will run for 6 weeks.

#### **X. AVIATION SECURITY ANNUAL REPORT (DOC 2019-030) BY PETER DRISSELL**

46. Mr Drissell presented the annual report from Aviation Security (AvSec), including recent industry performance data.
47. The Board recognised that there had been strong improvement over the year in several areas. This had been supported by significant progress in key AvSec regulatory change programmes, such as the training programme launched on 1 April to provide enhanced assurance in security across all airports.
48. The Board noted activities to support further development of security measures in the In-Flight Suppliers sector, including the work AvSec is doing with the supplier Do&Co as previously highlighted. It was noted that this topic is being considered at a number of other relevant fora and Mr Drissell confirmed he would keep the Board informed of progress.
49. The Board noted the report.

#### **XI. FINANCE REPORT (DOC 2019-031) BY CHRIS TINGLE**

50. The Board welcomed Ms Bryer and Ms Stone to the meeting. They gave an overview of the budget results for the financial year 2018/19 to date and noted the key areas affecting current profit levels. The Board noted the draft year-end estimates.
51. The final proposals for the Budget 2019/20 were reviewed, including in relation to headcount and recruitment considerations. The Board noted the key challenges highlighted for the year and the opportunities through existing projects and potential new income streams.

52. Mr Tingle highlighted the 3-year budget assumptions included in the report for the Board's information.
53. The Board approved the 2019/20 budget proposals on the basis of this discussion.
54. The Board noted the report.

## **XII. PROFESSIONAL AVIATION REGULATION – PROPOSAL FOR PHASE 1 (DOC 2019-032)**

55. *The Chair and Mr King recused themselves from this agenda item due to declared professional interests.*
56. The Board welcomed Mr Alcott to the meeting.
57. Mr Swan introduced the proposal to establish one or more accredited courses as part of the wider aim to 'professionalise' regulation. The course would be open to CAA colleagues as well as external parties and would build on existing standards in safety risk management, aviation culture and safety leadership. The International Group had also identified an opportunity for potential income generation by developing the course through CAA International for external audiences.
58. The Board agreed to pursue the concept and agreed that further detailed work should be carried out. A final decision would be taken once the Board had considered a detailed business case.
59. It was agreed that the business case would clearly articulate the process for choosing a partner institute to manage the course, and an explanation of the relevant regulatory landscape (including market demand) as a basis for confirming the business need.
60. Mr Gray suggested the sequencing of different products be detailed in the business case and it was agreed that the team would provide more details on the proposed course structure and how it would meet required accreditation standards. The Board asked that ownership matters (e.g. course content) and the responsibilities for each party involved be clearly defined. Ms Fuller noted that development of the business case should present costings for all available options and Mr Moriarty asked that resource and wider CAA risks be laid out.

**Action: Mr Swan/ Mr Alcott**

61. The Board noted the report and above detailed next steps.

## **XIII. SARG MONTHLY REPORT (DOC 2019-033) BY MARK SWAN**

62. The Board welcomed Mr Preston and Mr Rapson to the meeting.
63. Mr Swan briefed the Board on recent safety events and oversight activities since the last meeting. This included updates on engagement with a company that

wished to launch a large rocket; and completion of the CAA's activities in relation to a helicopter incident, as previously reported to the Board.

64. Mr Swan highlighted the Future Airspace team had launched its Call for Evidence on 'Electronic Conspicuity, which would run until the 25 May, following the Board's agreement in March. The document would be circulated to members for information.

**Action: Chair's Office**

65. Mr Preston briefed the Board on regulation of Air Displays, including a number of enhanced controls and barriers introduced in response to safety reviews over the past three years. The Board noted these measures had been assured using the CAA's 'bowtie' risk management tool, which enables the team to monitor the dependencies and wider regulatory links alongside individual risk ratings. In response to a question, Mr Preston confirm that no gaps in the process had been identified during its latest review, which had been carried out following the Shoreham accident criminal trial.
66. Mr Preston updated the Board on the supervisory, training and ongoing compliance activities in relation to air displays. He confirmed that the recommendations from the Government's independent review were all complete except for one ongoing action, which was due for completion next week.
67. The Board endorsed the decision for the CAA to commission an extensive review of potential cognitive effects of positive G forces. Further information on this process would be provided in due course and its findings would be made publicly available.
68. Mr Rapson briefed the Board on recent and ongoing work under the GA Unit. He highlighted oversight challenges and reporting mechanisms, which were continuing to be progressed, alongside continued dialogue with a variety of GA stakeholders.
69. The Board noted the view that airspace was the biggest single issue for the GA community at present. This linked into the CAA's wider work under the Airspace Modernisation Strategy. Mr Rapson's successor as Head of the GA Unit (due to take over this month), Rachel Gardner-Poole, is well-versed on this and once in post would identify further work and strategic direction for the team to address this.
70. The Board discussed the CAA's approach to regulating GA, maintaining stringent safety standards and balancing those with a reduction in unnecessary processes. It was agreed that the totality of the regulations as they applied needed to be understood and that it was the CAA's responsibility to continue to work with industry to clearly articulate this.



71. The Chair formally recognised the excellent job that Mr Rapson had done throughout his service at the CAA and wished him well for his future work beyond the organisation.

72. The Board noted the reports.

#### **XIV. AUDIT COMMITTEE REPORT (DOC 2019-034) BY GRAHAM WARD**

73. Mr Ward briefed the Board on the latest report from the Committee.

74. The Board approved the Audit Committee Activity and Performance report. It noted that Andrew Broadhead would be taking over (from Andrew Alsop) as the Interim Head of Internal Audit. A recruitment competition for the permanent role would take place after May. The Board asked that its thanks be extended to Andrew Alsop for his service to the CAA and wished him well for the future.

75. Under GDPR matters, Mr Ward confirmed that the Information Commissioner's Office (ICO) response in relation to the previously reported data breach would be circulated to the Board after the meeting for information. There were no matters arising from it to be escalated beyond the activity already underway.

**Action: Chair's Office**

76. The Board noted the report.

#### **XV. BOARD EFFECTIVENESS REVIEW 2019 – FINDINGS (DOC 2019-035) BY TIM JOHNSON**

77. The Board noted the findings of the annual evaluation of the CAA Board and its Committees for 2018/19.

78. The Board agreed the actions to enhance existing mechanisms and effectiveness of the Board as a whole over the next 12 months. These would be reviewed and monitored as indicated in the report.

79. The Chair asked that next year's review include a survey question to assess the quality of meeting papers against this year's standards (to record progress).

**Action: secretariat**

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

80. The Board welcomed Ms Summers to the meeting.

81. **Staffing change:** The Chair noted the excellent service of Executive Assistant to the CEO and Chair, Maggie Summers and thanked her for her support throughout her time at the CAA. The Board added its thanks to her and best wishes for the future.

**Date and Time of Next Board Meeting:  
15 May 2019, CAA House**