

**CIVIL AVIATION AUTHORITY  
MINUTES OF THE 560<sup>th</sup> BOARD MEETING HELD ON  
WEDNESDAY 19 JANUARY 2022, 11:00, TEAMS**

**Present:**

Sir Stephen Hillier  
Richard Moriarty  
Rob Bishton  
Garry Copeland  
Katherine Corich  
AVM Simon Edwards  
Marykay Fuller  
Jane Hanson  
Anne Lambert  
Manny Lewis  
Paul Smith  
Jonathan Spence  
Chris Tingle

Chair

**Apologies:**

Secretary & General Counsel

**In Attendance:**

Ben Alcott  
Jane Cosgrove  
Peter Drissell  
Tim Johnson  
Alex Kaufman

Philip Clarke  
Graeme Paterson

Secretariat

Sarah Gannaway  
Neil Seaford

Observer (Flint Global)  
Observer (Flint Global)

Ella Payne	for item 6
Nic Stevenson	for item 6 and 7
Barbara Perata-Smith	for item 7
Lizzie Morgan	for item 8
David Tait	for item 8 and 9
Frederic Laugere	for item 9
Maria Rueda	for item 9
Rick Newson	for item 10
Sophie O'Sullivan	for item 10
Phil Dykins	for item 11 and 12
Roisin Edington	for item 11
Peter Fiddy	for item 11 and 12
Kirsty Richardson	for item 12

## **I APOLOGIES AND INTRODUCTIONS**

1. No apologies were received.
2. The Chair welcomed Jonathan Spence to his first Board meeting as Secretary & General Counsel.
3. Sarah Gannaway and Neil Seaford from Flint Global were also welcomed to the meeting as part of their continuing review of Board effectiveness.

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

4. No conflicts of interest were declared.
5. The minutes of the December 2021 Board meeting were approved.
6. The Board agreed to a request to combine actions 161 and 171.
7. In respect of action 166, the Board was advised that a more holistic review of the pre-submission checklist and guidance for producing Board papers was underway. An update on this would be provided at a future meeting.
8. It was confirmed that action 175 could be closed.

## **III CHAIR'S REPORT (DOC 2022-01) BY SIR STEPHEN HILLIER**

9. The Chair noted that since the report had been drafted, the volume of Omicron cases had dropped significantly and, in combination with some easing of travel restrictions, there was renewed hope that the sector could start to recover from the effects of the pandemic.
10. It was also noted that there had recently been a great deal of media interest in the potential impact of 5G on aviation. An update would be provided under agenda item 10.
11. The Board noted the report.

## **IV CHIEF EXECUTIVE REPORT (DOC 2022-02) BY RICHARD MORIARTY**

12. *Ethics Policy* – Approval was sought from the Board on the adoption and publication of the updated Ethics Policy. If approved, this would be published alongside the Register of Interests. Feedback on the policy had been provided since the December Board meeting and it had been subject to further review by OGC.

**DECISION:** The Board approved the adoption and publication of the Ethics Policy and Register of Interests.

13. *Personnel Licensing* – Further to the discussion on licensing in December, the Board was advised that plans to recruit additional colleagues had progressed well. A communications campaign to pilots and engineers on post-EASA licensing had also been launched, but as yet there had not been the hoped-for volume of applications.
14. The CAA estimated that as many as 10,000 pilot applications would be received by the end of 2022 (c.200 applications a week). However, the current rate of applications was in the region of 40-50 per week. It was expected that volumes would increase if confidence in the UK aviation sector picked up over the coming months.
15. Although the CAA was working hard to put staff and processes in place to support a high-volume of applications, it was noted that some other national aviation authorities on which we depend for information made extensive use of paper-based

- systems. In addition, they were understandably focused on meeting their own national requirements, and their capacity might be an issue. There was therefore some concern that delays could be incurred that were outside of the CAA's control.
16. Further to previous Board discussions, Management Information on the processing of applications would be provided to the Board from February onwards. Following a recent discussion with the Aviation Minister, he would also receive regular updates.
  17. *Space* - The CEO reminded the Board that Space regulation was a key priority area for 2022, noting in particular the Government's commitment to launches from the UK this year.
  18. The CAA was receiving reviewing launch applications, and working to ensure that industry fully understood what was required for licensing process. At present, there was a particular focus on Safety Cases and Environmental Assessments. Ministers were taking a keen interest in progress and were being updated regularly.
  19. The timing and initial quality of applications meant that timelines for 2022 were now tight. Whilst the Board noted that neither it, nor the Executive team was responsible for final decisions in relation to licensing, there was a responsibility for assuring the CAA's decision-making processes and governance. If necessary, an Extraordinary meeting of the Board would be convened, to ensure that this assurance role was conducted expeditiously.
  20. Given the need for a high level of assurance, the Board was advised that independent consultants had been appointed to support technical assessments and that the CAA also had a secondee from the Federal Aviation Administration (FAA) in place to support the licensing team. It was also noted that the SARG Director was not involving himself directly in the current pre-licensing discussions, to ensure that he could review conclusions and recommendations impartially.
  21. *Engagement with EASA* – It was advised that dialogue with EASA was ongoing. Workstreams on two subjects had been co-sponsored by both organisations.
  22. It was also noted that the UK continued to have good and productive bilateral relationships with the NAAs of EU Member States and other EASA members.
  23. *Security Maturity* – Clarification was sought on the progress of the corrective action plan. It was advised that some issues could be resolved in a matter of weeks, whereas others could take longer. Weekly governance meetings were taking place and ExCo received regular updates on progress.
  24. The Board noted the report.

**V MONTHLY FINANCE REPORT FOR THE EIGHT MONTHS TO 31 OCTOBER (DOC 2022-03) BY CHRIS TINGLE**

25. The Board was provided with an update of the CAA's current financial position.
26. It was advised that an update on passenger forecasts had been requested from DfT. However, due to the uncertainty caused by the Omicron variant over the last few months, one had not yet been received.
27. The Board was advised that the Scheme of Charges consultation was due to close shortly. Six responses had been received so far, but it was anticipated that more would be submitted closer to the deadline.
28. The Board noted the report.

**VI DRAFT 2022/23 BOARD & DIRECTORS PRIORITIES (DOC 2022-04) BY TIM JOHNSON**

29. The Board welcomed Ella Payne and Nic Stevenson to the meeting.

30. It was noted that the Board Priorities for FY22/23 needed to remain consistent with the CAA Strategy, and that the Priorities would not encompass all activities undertaken by the organisation.
31. The Board was not being asked to approve the Priorities at this stage, but was asked to assure the process being used to determine what the Priorities would be. It was acknowledged that this would only be the second time that Board priorities had been set, therefore the process for defining them was still maturing. Nevertheless, the Priorities had proved useful in guiding effort during the current FY.
32. The process for determining the Priorities involved discussions with the Board, as well as with ExCo and business areas, and also needed to take into account external sources such as the Secretary of State's Priorities Letter to the CAA and other requirements from the DfT. The content of these various sources would be reconciled and ordered to identify the final set of Priorities.
33. In discussion, Board members were broadly content with the process that was being followed, and with the draft Priorities that had been put forward in the accompanying paper. It was noted that some of the Priorities had a short-term focus, whereas the CAA and the broader aviation sector, also faced a number of longer-term challenges.
34. The Board was reminded of the difference between the CAA Strategy, which set the longer-term focus, and the Board Priorities, which focused on In-Year deliverables. There was therefore a balance to be struck between short- and longer-term issues, noting that addressing shorter-term priorities such as Aviation Recovery set the foundation for delivery of the longer-term CAA strategy.
35. The Board requested that updates on the development of the Priorities be included within the CEO's report in February and March, ahead of a discussion on final priorities in April.  
**ACTION:** Richard Moriarty to include updates on Priority development in CEO report.
36. The Board noted the report.

## **VII THE ENVIRONMENTAL SUSTAINABILITY STRATEGY – KEY POSITIONS AND DRAFT STRUCTURE (DOC 2022-05) BY TIM JOHNSON**

37. The Board welcomed Barbara Perata-Smith to the meeting.
38. Direction was sought from the Board on the themes and direction put forward in the draft framework. It was recognised that it would be an evolving, multi-year strategy. A final iteration of the Environmental Sustainability Strategy was due to be considered by the Board in March.
39. In discussion, the Board welcomed the broad themes of the framework. The Board gave a reminder of its intention for the CAA to be ambitious in improving aviation sustainability. It was suggested that there was a need to focus more on areas where the most difference could be made by the CAA, and that more detail should be given on external engagement as it was believed that some proposals were too inward-looking.
40. Ensuring strong external engagement was in place would help to position the CAA in a leading role in this area, consistent with sustainability being a whole aviation system challenge. It was highlighted that the ICAO Assembly in October 2022 could be a key moment for international cooperation on the sustainability challenge, and that the CAA needed to be ready to contribute and support fully.
41. The Board understood that trade-offs might need to be made in terms of the pace of delivery. The Board requested that barriers to delivery of elements of the strategy be identified.
42. It was recognised that industry would be central to improvements in environmental sustainability, including through the development of new fuels and technologies.

- The CAA and Government would have a critical role in ensuring that the correct regulatory frameworks and expertise were in place to support this innovation.
43. It was queried whether there were any external stakeholders that were specifically waiting for the sustainability strategy to be published. It was not believed that there were any specific groups. However, it was noted that communities that had previously engaged with ICCAN would likely have a special interest in the work, underlining that both sustainability and noise needed to be appropriately reflected in the CAA's approach to environmental issues.
  44. The Chair summed up the discussion noting the Board's support for the broad themes of the draft framework, but emphasised a desire for the CAA to be ambitious in taking the work forward and the need for the CAA to actively engage with external stakeholders.
  45. The Board noted the report.

## **VIII SIX MONTHLY INNOVATION TRENDS UPDATE (DOC 2022-07) BY TIM JOHNSON**

46. The Board welcomed Lizzie Morgan and David Tait to the meeting
47. The Board was provided with a reminder of how the CAA undertook horizon scanning activities to identify signals and trends within the aviation and related sectors. The intelligence gathered through this work was then used to direct time and resources in responding to the challenges that could be posed by new technologies. The output of this work was also shared with several government departments.
48. It was highlighted that this horizon scanning work had picked up two particular areas of innovation (Advanced Air Mobility (AAM) and Beyond Visual Line of Sight drone operations (BVLOS)) that the CAA needed to focus on and develop a regulatory response.
49. A campaign to recruit colleagues to new roles in 'challenge teams' had been launched. A key focus of the new roles was to help the CAA in continuing to build and develop an effective regulatory regime as new technologies came on to the market.
50. It was recognised that there could be challenges in finding people from outside the organisation to fill these roles. There was also a challenge that existing colleagues with relevant regulatory knowledge would also be highly sought after by industry, but equally it was acknowledged that having greater regulatory knowledge within the industry was a positive for the future aviation system as a whole.
51. The Board queried whether the trends identified by the CAA were the same as ones picked up in other countries. It was advised that some trends were consistent across several jurisdictions, but there were other areas of innovation that were specific to either the UK or other countries individually.
52. It was noted that as new technologies or practices emerged, advice from the CAA was being sought from all levels of government on the potential risk or impact that these could present.
53. The Board noted the report.

## **IX INNOVATION ADVISORY SERVICES (DOC 2022-08) BY BEN ALCOTT**

54. The Board welcomed Frederic Laugere and Maria Rueda to the meeting.
55. The Board was reminded that the decision to launch a pre-application paid-for advisory service had been taken at its June 2021 meeting. Given the significance of some of the matters discussed, the Board had asked then for an update in 6 months' time, outlining the initial market response and the steps that had been taken to develop the service. A further full internal review of the service would be undertaken in September, and an external review would follow in due course.

56. It was noted that the industry had responded well to the provision of paid-for advice. Some pushback to charging had been anticipated, but as yet none had been forthcoming.
57. The pipeline of projects was increasing, and the CAA was close to entering formal agreements with a number of organisations.
58. All paid-for services were overseen by the International Group and an intra-company contract between the CAA and CAAi would be discussed by the Board in March.
59. The Board was advised that that the Innovation Steering Board provided oversight and governance of paid-for services. This included overseeing matters related to conflict of interest and intellectual property.
60. It was advised that policies were in place to ensure that advice that fell within the scope of the paid-for service was not provided freely by colleagues 'trying to be helpful'. It was acknowledged that this had occurred previously, but corrective action had been taken. However, it was believed that further communication to the organisation on the scope of paid-for services might be necessary, ensuring that any in-scope advice was governed appropriately.
61. In line with previous Board direction, advisory functions and regulatory activities were kept separate and colleagues providing advice on particular projects were not involved in granting regulatory approval for the same project. Customers were also reminded that the provision of paid-for advice was not a guarantee of regulatory approval.
62. The Board requested further information on the pricing structure that had been implemented so that it could be compared with commercial consultancy prices.  
**ACTION:** Ben Alcott to discuss pricing model with Jane Hanson.
63. The Chair noted the good work that had been done to establish the paid-for advisory service and that the Board was content with progress.
64. The Board noted the report.

## **X SARG MONTHLY REPORT (DOC 2022-11) BY ROB BISHTON**

65. The Board welcomed Rick Newson and Sophie O'Sullivan to the meeting.
66. The Board was provided with an overview of the top ten safety risks. It was noted that a number of the risks were still Covid-related. However, it was hoped that 2022 would bring about recovery in the sector and the increase in activity would see some of these risks reduce.
67. It was noted that the carriage of lithium batteries remained an area of high risk. The CAA continued to work on addressing this long-standing issue and had further proposals to discuss with the DfT. It was acknowledged that this was a whole-system risk and continued to need a global response.
68. There was discussion on some of the risk scores and RAG ratings, with the suggestion that some of the RAG ratings might give the impression that the likelihood was higher than in reality.
69. It was agreed that a separate discussion on risk scoring and RAG ratings would take place with Jane Hanson.  
**ACTION:** Rob Bishton to discuss risk scoring with Jane Hanson
70. *New Class of Activity* - Guidance from the Board was sought on the timing of an announcement regarding the creation of a new class of activity under SSAC. The Chair requested that further background information be provided out of committee. A decision was therefore deferred until a future meeting.  
**ACTION:** Rob Bishton to provide the Chair and CEO with further background information on the new class of activity.
71. *5G* – The Board was advised that there was positive engagement with Ofcom regarding the roll out of 5G in the UK. Information received through this

- engagement would assist aerodromes with undertaking their own safeguarding assessments.
72. The Board was reminded that 5G transmitters in the US tended to be more powerful and operated at a different frequency range than in the UK or Europe. It was also noted that there were steps that could be taken to mitigate any issues experienced with 5G.
  73. In response to the media coverage in the US, the CAA had issued a statement, confirming that there have been no reported incidents of aircraft systems being affected by 5G transmissions in UK airspace and that we were working to ensure that the deployment of 5G in the UK did not cause any technical problems for aircraft. We had also issued safety advice to airlines on the 5G status in other countries, including the USA.
  74. The Board noted the report.

## **XI AVIATION SECURITY UPDATE (DOC 2022-10) BY PETER DRISSELL**

75. The Board welcomed Phil Dykins, Roisin Edington and Peter Fiddy to the meeting.
76. The Board was advised that the conduct of the CAA's oversight activity had by necessity changed in response to the pandemic, with more desktop and fewer on-site visits. Some aviation sectors had seen a reduction in activity, whereas areas such as cargo operations had seen a significant increase.
77. With the relaxation of travel and wider pandemic restrictions, it was hoped that business as usual audit activities could recommence. Some small-scale activities had already started and we were helping entities in preparing for the return of full-scale audits.
78. Given the reduction in activity in large parts of the industry over the past couple of years, it was not believed that year on year comparisons on compliance would be useful. It was also expected that some issues could arise as the industry restarts, but there was ongoing engagement with regulated entities.
79. It was confirmed that the CAA only had direct responsibility for ensuring the security of outbound traffic. The Board was advised that, with CAA support, it was DfT's responsibility to ensure inbound systems were secure.
80. The CAA had supported fully the recent ICAO Security Audit. This had been an extensive piece of work and there were inevitably a number of findings, but only one identified as being potentially serious, which had rapidly been addressed to ICAO's satisfaction. A corrective action plan to address the remaining actions was being developed with DfT and would be submitted to ICAO shortly.
81. The Board noted the report.

## **XII CYBER SECURITY OVERSIGHT ANNUAL UPDATE (DOC 2022-09) BY PETER DRISSELL**

82. The Board welcomed Kirsty Richardson to the meeting.
83. The Board was advised that up until three years ago, there was no framework in place to assess the risks posed by cyber threats. Since then, CAP1753 had been developed and new regulations introduced, noting that CAP1753 had also now been adopted by several other countries.
84. The oversight process still needed to be matured further, with attention focused on ensuring that oversight was proportionate to the risk presented by the various regulated entities.
85. It was noted that EASA had recently published Opinion 03/2021 on the Management of Information Security Risks and the team was trying to establish what impact this might have on their activities.

86. The Board queried how the CAA would keep abreast of evolving cyber threats. It was advised that the CAA routinely gathered information on cyber threats and also looked at evolving issues in related sectors.
87. It was confirmed that the CAA was undertaking its own security maturity project to ensure that it also complied fully with CAP1753, noting that this was a Board Priority for the current FY.
88. The Board noted the report.

### **XIII PEOPLE COMMITTEE UPDATE (DOC 2022-11) BY MANNY LEWIS**

89. The Board was advised that the first meeting of the People Committee had been convened. The Committee had undertaken a mid-year review of the performance of the CEO and Executive Directors.
90. Discussions had also taken place with regards to succession planning for ExCo members and other key roles within the organisation.
91. The Board noted the report.

### **XIV DRAFT AGENDA FOR FEBRUARY BOARD AND FORWARD AGENDA**

92. The proposed discussion on the Heathrow price control would no longer take place at the February Board meeting. This was due to the volume of material that had been received from stakeholders. Instead, it was intended that further Board involvement would be sought in March and April.
93. Noting the importance of the price control decision, the Chair advised that extraordinary Board meetings would be convened if necessary, to ensure that the Board had sufficient time to discuss the topic and could respond in a timely manner.

### **XV AOB**

94. *Horizon* – The CEO had advised that certain aspects of Horizon had been delivered and become part of business-as-usual activity. It was also noted that other substantive workstreams had their own governance structures within the CAA business plan. With this in mind, and the other priorities being faced by the CAA, the CEO wished to review how best to proceed with any new activity. The Board noted that Horizon was a significant programme for the future of the CAA and had not been running for long. ExCo should review progress with the project and report back to the Board with proposals for next steps at a future meeting.

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

**Wednesday 16 February 2022, 11:00 hours, Teams**