



1. No apologies were received.
2. The Board was advised that Dave King had been appointed as Independent Safety Advisor to the Board and would join Board meetings for relevant agenda items.

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

3. No conflicts of interest were declared.
4. It was requested that the section on the Board Effectiveness Review be expanded. This was so that further detail on the safety and consumer issues could be included.

**ACTION:** Katherine Corich to circulate a note to Board members with the additional text on safety and consumer issues.

5. Subject to the amendments requested regarding the Board Effectiveness Review, the minutes of the March 2022 Board meeting were approved.
6. Work had been undertaken to identify suitable dates for Board meetings in 2023 and 2024. It was confirmed that there would be nine meetings in 2023, going down to eight in 2024. Calendar invites for these meetings would be issued shortly.
7. It was hoped that the Board meeting and awayday in July would take place at the Farnborough Air Show. However, it was noted that it would not be possible to have a second overnight awayday in September.
8. Although there would be less time spent in formal meetings, it was reiterated that there would still be demands put on the Board's time, due to the need to engage with stakeholders.

## **III CHAIR'S REPORT (DOC 2022-24) BY SIR STEPHEN HILLIER**

9. The Board was advised that the Chair's Report outlined the approach that would be taken in considering each of the agenda items at the meeting.
10. The Board noted the report.

## **IV CHIEF EXECUTIVE'S REPORT (DOC 2022-25) BY RICHARD MORIARTY**

11. Dave King joined the meeting. It was confirmed that there were no conflicts of interest to declare.
12. The Board also welcomed Alex Sudbury to the meeting.
13. *Industry Resilience* – The Board was updated on the disruption that had occurred at airports over the Easter period. Although consumers had experienced queues and delays, there had been some alleviation of the issues compared to the early stages of the Easter holiday period.
14. The disruption was largely attributed to airports and airlines increasing their schedules, but not having sufficient staffing levels in place to support this activity. With the events of Easter, there was a desire to ensure that steps were taken to avoid similar disruption in the summer.
15. It was emphasised that the CAA needed to support industry as it recovered from the Covid shutdown, but it was imperative that standards on security, safety and consumer rights were maintained.
16. The Board was advised that 'vetting' had been cited as a reason for the delays in recruiting staff to work at airports. It was highlighted that the time to undertake security clearance checks was the same as it had been pre-Covid. Accreditation checks were also being turned around within five days. Many of the delays in appointing staff was due to the background checks that airports themselves were required to undertake. However, some measures to alleviate these delays, were being taken forward which would permit staff to be trained 'landside' and then only being permitted 'airside' once checks had been successfully completed.

17. It was noted that across Europe, operations were now at 80-85% of 2019 levels. Similar issues were also occurring with staff absences and recruitment.
18. The CAA was currently revising its approach to the oversight of ground handling operations. Work was also ongoing to analyse where whistleblowing reports were arising from as operations picked up.
19. Due to the pressures on staff within airports and working for airlines, a strong focus was being placed on the people element within safety management systems.
20. From a consumer perspective, the CAA was gathering data from airlines on cancellations and the assistance provided to passengers. It was noted that a complaint had been received by the CAA regarding assistance provided in instances where passengers needed to be rerouted.
21. The CAA's current understanding was that the number of passengers who had missed flights due to queues at airports was relatively low.
22. In discussion, it was reiterated that the CAA would work with industry in the lead up to the summer months. It was also suggested that the CAA undertake an awareness campaign to remind consumers, many of whom would not have flown for prolonged period, of the steps they could take to help minimise delays at security.
23. *Space* – The Board was updated on progress regarding the process for issuing launch and satellite licences. The Board was reminded that the Government had an ambition for a launch to take place from the UK in 2022. The CAA was working with Government and operators to ensure that the correct processes and safeguards were in place before licences were issued.
24. A more detailed update on this work would be provided in May. It was also likely that a decision would need to be made on granting licences in the summer, therefore it was possible that an extraordinary Board meeting would need to be convened to give the Board the opportunity to assure itself of the CAA's processes. Ahead of these discussions, Board members were invited to contact the Space team with any questions or points of clarification that they had.
25. Ahead of the discussion in May, the Board requested further information on the critical paths associated with assessing licence applications and the intended timelines for a launch. This would also need to indicate which organisations had accountability for specific activities.

**ACTION:** Tim Johnson to provide critical path document as part of the Space paper for discussion at the May Board meeting.

26. *Inquests* – The Board was given an update on the Inquest into the death of Emiliano Sala and the work undertaken by OGC and SARG colleagues.
27. The Coroner had not made any formal recommendations to the CAA, but the organisation had committed to undertaking certain activities in its statements. Colleagues in OGC would work with SARG to ensure that these commitments were taken forward.
28. It was also confirmed that it was standard practice to review safety related findings from inquests and from Air Accident Investigation Branch reports, even when these were not directed at the CAA, and processes were in place to monitor whether findings were taken forward.
29. The Inquest had raised concerns over the practice of cost sharing for flights.
30. *Pay Award* – The Board was provided with an update on pay discussions with the Trade Unions.
31. The Board noted the report.

## **V MONTHLY FINANCE REPORT FOR THE ELEVEN MONTHS TO 28 FEBRUARY 2022 (DOC 2022-26) BY CHRIS TINGLE**

32. The Board welcomed Julie Bryer and Louise Stone to the meeting.

33. The Board was provided with an update of the CAA's financial position at the end of February 2022.
34. The Board was also advised that the ledger for March had just been closed. It was noted that some work had been undertaken in March to re-life some intangible assets and this impacted on March's figures. However, the Board was advised that the CAA's auditors were comfortable with the approach that had been taken.
35. The Board noted the report.

## **VI 22/23 BUDGET APPROVAL (DOC 2022-27) BY CHRIS TINGLE**

36. In finalising the budget, the Board was advised that significant work had been undertaken to determine the headcount required to deliver the CAA's responsibilities for the new financial year. The headcount proposals of c.250 new FTE was significant, but was lower than earlier estimates. The increased headcount represented the broader range of activities that the CAA had taken on.
37. It was also noted that for much of the 2021/22 financial year, the organisation was operating at 100FTE under budget.
38. An overview was provided of the breakdown of new FTEs and where these would be required within the organisation.
39. In discussion, it was recognised that recruiting 250 new FTEs would be a challenge. The process of recruiting a talent acquisition manager to oversee strategic recruitment campaigns was underway. Although this represented a different approach to recruitment, it was highlighted that the current recruitment processes had successfully filled over 300 vacancies in the 2021/22 financial year.
40. It was recognised that pressures from higher inflation rates could impact the pace at which recruitment took place, particularly towards the end of the financial year.
41. In compiling the budget, the Board was advised that the passenger forecasts used were more optimistic than the ones provided several months ago by DfT. The forecasts used had been developed by the CAA, as there had been no recent ones received from DfT.
42. In discussion, the Board acknowledged that additional responsibilities had been passed to the CAA, and that it was possible that further ones might be passed over in future. However, it was requested that additional information be included in the pack to outline why the number of roles that had been budgeted for were required and how these aligned with the organisation's strategy. In the longer term, it was also requested that a review of the organisation's shape and structure take place to ensure that it was set up to deliver its responsibilities.
43. The Board also requested that information be included on areas where efficiencies could be made, and where improvements in productivity could be achieved.
44. It was noted that the CAA would be subject to an arms-length body review by the Cabinet Office in the coming year. Therefore, it would be necessary to clearly demonstrate efficiency and productivity improvements.
45. It was agreed that a further discussion on the budget would take place at the May Board. The updated pack for the meeting would need to address the Board's challenge on why and where roles were needed, how these supported the CAA's Strategy, and a clearer demonstration of where efficiencies and improvements in productivity could be achieved. It was agreed that a discussion on the organisation's structure could take place later in the year.
  - ACTION:** Chris Tingle to update the budget pack with the additionally requested information.
  - ACTION:** Chris Tingle and Jane Cosgrove to undertake work to review the organisation's profile.
46. The Board noted the report.
47. Dave King left the meeting.

## **VII HEATHROW H7 PRICE REVIEW – DIRECTION OF TRAVEL FOR THE FINAL PROPOSALS (DOC 2022-28) BY PAUL SMITH**

48. The Board welcomed Beth Corbould, Rob Toal and Andrew Walker to the meeting.
49. The Board was reminded that a final decision on the price control would not be made until May. However, the Board was invited to review the documentation that had been provided and confirm it provided the necessary level of detail to enable a decision on the H7 Final Proposals to be made. The paper submitted in May would reflect the Board's comments and feedback.
50. The Chair reiterated that if any other queries or points arose, then these should be communicated back to the team.
51. The Board noted the report.

## **VIII CORPORATE SUSTAINABILITY STRATEGY (DOC 2022-29) BY CHRIS TINGLE**

52. The Board welcomed Gia Kroeff to the meeting
53. The Board was advised that the CAA had a plan for meeting net zero targets by 2050. However, direction was sought on whether the organisation should be more ambitious and aim to achieve net zero by either 2030 or 2035.
54. It was outlined that the plan for 2050 aligned with existing UK Government targets.
55. It was highlighted that a significant source of the CAA's emissions came from Aviation House, and refurbishment to support net zero ambitions could be expensive. Although it was noted that some of the proposed costs would be spent on ongoing maintenance of the building.
56. It was likely that a decision on whether to substantially invest in Aviation House or to seek alternative office accommodation would need to be made within the next three to five years.
57. Discussions had taken place with other regulators and the Government Property Agency about leasing areas of Aviation House. This was with a view to recouping money to invest in the building and help reduce the CAA's own office and carbon footprints. At present however, there had been no expressions of interest from other organisations about using some of the office space.
58. In discussion, the Board expressed that reaching net zero as soon as possible was preferable, but recognised that trying to reach this by 2030 would require significant trade-offs. It was therefore recommended that the CAA aim to reach net zero by 2035.
59. In committing to the 2035 target date, the Board emphasised the importance of achieving this as a minimum. It was also highlighted that with the upcoming publication of the Environmental Sustainability Strategy, it was important that the CAA was taking steps to improve its own environmental performance.  
**DECISION:** The Board approved the proposal for the CAA to be net zero by 2035.
60. It was understood that work would need to be undertaken on Aviation House to meet the 2035 target, but further data on the costs associated with seeking alternative accommodation would be needed. The Board requested that further analysis of these costs be undertaken and that options on the future shape of the CAA's estate be presented to the Board later in the financial year.  
**ACTION:** Chris Tingle and Gia Kroeff to consider costs of alternative accommodation and present options at another Board meeting within the 2022/23 financial year.
61. The Board noted the report.

## **IX SARG MONTHLY REPORT (DOC 2022-30) BY ROB BISHTON**

62. Dave King re-joined the meeting.
63. The Board welcomed Rick Newson, Rob Olney and Cara Ruzicka to the meeting.
64. The Board was advised that the CAA was facing a challenging operating environment, but was in a good place to deliver safety-related priorities for the new financial year.
65. It was noted that there had been a number of fatal accidents in March, including the loss of a Boeing 737 in China, a fatal accident associated with a search and rescue helicopter operating in Devon and a number of general aviation incidents.
66. Work was taking place to evolve the regulatory safety management system (RSMS). Among other areas, there would be an additional focus on remotely piloted air systems (RPAS) and on the carriage of dangerous goods, including lithium batteries. It was noted that a paper on lithium batteries risk would come to the Board in June.
67. As part of the RSMS evolution, there was also a desire to be more proactive in anticipating issues that might affect safety, this could include new technologies, the people element and geopolitical matters.
68. Recognising that safety was a whole aviation system issue, it was critical that further engagement took place with other national aviation authorities and with industry. To support this, analysis work was being undertaken to better understand how the international aviation system might operate more effectively together.
69. The Board noted the report.
70. Dave King left the meeting.

## **X CAA INTERNATIONAL STRATEGY (DOC 2022-31) BY BEN ALCOTT**

71. The Board welcomed Sarah Hill to the meeting.
72. The Board was advised that although the strategy was led by the International Group, it was the strategy for the CAA as a whole.
73. It was aligned to the CAA's wider corporate strategy and the key priority areas were safety, sustainability and innovation. However, it was noted that the document was not static, and would evolve as circumstances and priorities changed.
74. The strategy was focused on helping the UK prepare for the ICAO General Assembly and for the ICAO audit that were scheduled for later in 2022. There was also a recognition that the political relationship between the UK and EU was complex, so there was a need to try and maintain effective relationships with EASA and individual Member States.
75. Although the UK had been heavily involved in EASA's work, the UK's departure had opened up opportunities to work with a wider range of international stakeholders and the strategy helped support this.
76. In discussion, it was queried whether the CAA was undertaking more international work now that the UK was outside of EASA. It was advised that the level of engagement was broadly similar, but instead of focusing on EASA work, colleagues were now involved in space and innovation activities.
77. The Board recognised that there would be colleagues for whom international work was a standard part of their role. However, there would be many others who would engage in internationally focused work on a less frequent basis.
78. Ahead of the May meeting, it was requested that steps be taken to try and quantify the amount of time spent on international work presently, compared to previous years.  
**ACTION:** Ben Alcott to provide analysis of time spent on international work and include in the May CEO report.
79. The Board noted the report.

## **XI DRAFT AGENDA FOR MAY BOARD AND FORWARD AGENDA**

80. The Board was advised that there were three high-profile topics to be discussed in May, including the final proposals for the Heathrow price control.
81. The Chair requested that if any Board members had specific questions or concerns on agenda items, that they discuss these with the relevant teams in advance.

## **XII    AOB**

82. No other business was raised.

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

**Wednesday 18 May 2022, 11:00 hours, Westferry House, Teams**