

II CONFLICTS OF INTEREST, PREVIOUS MINUTES AND MATTERS ARISING

2. An interest was noted in relation to agenda item 8.
3. No other conflicts of interest were declared.
4. The minutes of the April Board meeting were approved.
5. It was advised that a number of actions had been closed since the last meeting, and that 161, 171 and 180 could now also be closed.
6. The Board requested that a target date be assigned to action 188.
ACTION: Chris Tingle and Jane Cosgrove to confirm target date.

III CHAIR'S REPORT (DOC 2022-32) BY SIR STEPHEN HILLIER

7. The Chair acknowledged the disruption that had taken place at UK airports and advised that in the discussion under agenda item 4, that the Board would need to assure itself that the CAA was doing everything it could within its remit and powers to assist consumers and support the industry.
8. It was emphasised that the item on H7 would be a significant focus of the meeting and a key decision for the organisation.
9. It was also noted that the discussion on space was not about making a decision. Instead, it was part of the process to help assure the Board that the appropriate steps were being taken, and information provided, to allow the Board to be assured in due course about the basis on which a final decision would be made.
10. The Board noted the report.

IV CHIEF EXECUTIVE'S REPORT (DOC 2022-33) BY RICHARD MORIARTY

11. Dave King joined the meeting and confirmed that there were no conflicts of interest to declare.
12. *Disruption* - The Board was advised that the CAA was continuing to work with industry on reducing current disruption as it sought to minimise the risk of further delays in the summer. As advised at previous Board meetings, many of the challenges being faced by airports and airlines related to recruitment.
13. Where appropriate, the CAA would provide advice on alleviations to industry and ministers. However, industry was being advised that it should aim to recover without relying on alleviations being put in place.
14. It was confirmed that any discussion on security alleviations involved CAA and DfT input.
15. It was also noted that DfT was hosting regular roundtable meetings with industry and other government departments.
16. Although industry staff shortages were presenting challenges, clear industry communication to passengers including on security protocols could also be helpful.
17. Steps were being taken by industry to try and improve messaging for consumers to ensure that they were prepared for travel. It was advised that airlines and airports needed to be the primary source of information for travellers, with additional signage at airports and further messaging from the CAA via our social media and website channels supporting this.
18. Recognising the impact of staff shortages, airlines had started to cancel flights further out from departure. Although this could cause disappointment to passengers, it did mean that fewer people would experience disruption at airports.
19. The Board recognised the work that industry, with some support from the CAA was doing to try and reduce disruption, but highlighted a continuing need for consumers to have access to clear information.
20. *Flight Crew Licensing* - The Board was advised that the flow of EU pilot returners was not as high as anticipated. Efforts would be redoubled to try and get

applications in and processed as soon as possible, so as to avoid a last-minute rush and volume challenges.

21. An extensive communication campaign had been undertaken, including liaison with employers and trade associations. Consideration was also being given to ways in which individuals might be incentivised to apply early.
22. It was noted that 94% of BAU pilot applications were being processed within 10 working days, which was within the CAA's SLA standard.
23. *CAA Pay Offer* – The Board was advised that details of the CAA pay offer had been shared with the trade unions and with colleagues via a town hall meeting. It was recognised that pay was currently one of the most significant issues for CAA colleagues.
24. Although a response to the offer was still awaited from a union, it was hoped that colleagues would receive the extra pay in June. The scope of the pay offer had been broadened so that as many colleagues as possible were able to receive it.
25. An update on the results of the colleague experience survey would be provided to the Board in June.
26. The Board noted the report.
27. Dave King left the meeting.

V FINANCE REPORT FOR THE TWELVE MONTHS TO 31 MARCH 2022 (DOC 2022-34) BY CHRIS TINGLE

28. The Board welcomed Julie Bryer and Louise Stone to the meeting.
29. *Finance Update* - The Board was updated on the CAA's year-end position.
30. It was noted that the audit of the CAA was progressing well. It was also confirmed that the technical review of the audit would have concluded in advance of the discussion on the annual report and accounts by the Audit Committee.
31. The Board queried what stage the organisation was at in modernising its processes. In response, it was noted that full process modernisation would take several years, but significant progress had been made in recent years with the upgrading of several major outward facing regulatory systems as well as our internal facing HR and Finance systems.
32. *Headcount Grown & Efficiency* – Further to the budget approval discussion in April, additional information had been provided on why and where recruitment was taking place within the organisation. Work was also taking place to identify productivity outputs and areas where efficiencies could be achieved.
33. The Board welcomed the additional analysis that had been provided. It was recognised that the growth of regulatory responsibilities arising either from EU Exit, the emergence of new parts of the aviation system or specifically at the request of Government were the main drivers for the creation of new roles. In addition, CAA was also taking action to modernise some of its infrastructure and systems. It was requested that information be provided on areas where responsibilities had increased, but where there had not been a growth in headcount.
34. It was proposed that the work to measure efficiency could develop into a broader efficiency strategy for the organisation. As part of this a set of metrics would need to be identified to measure efficiency.

ACTION: Chris Tingle, with support from Tim Johnson, to continue work on identifying productivity outputs and measuring efficiencies. This would then need to lead to the development of a broader efficiency strategy, with relevant metrics. The Board would be updated on progress at September's meeting.

35. The Board noted the report.

VI THE HEATHROW H7 PRICE CONTROL – FINAL PROPOSAL (DOC 2022-35) BY PAUL SMITH

36. The Board welcomed Beth Corbould, Rob Toal, Andrew Walker and James Wynn-Evans to the meeting.
37. The Chair reminded the Board that the Heathrow price control would be one of the most important decisions made by the CAA this year. It was also re-emphasised that the material and subsequent discussion were highly-commercially sensitive prior to the publication of the Final Proposals (FPs).
38. *Final Decisions* – The Board confirmed that it was satisfied with the material that had been provided in advance of the meeting, and in the meeting discussion. The Board believed that the FPs were in the interests of consumers.
 - DECISION:** The Board approved the FPs for the H7 Price Control.
 - DECISION:** The Board delegated final decisions on the drafting of the main publication and appendices (subject to no material changes) to Paul Smith, Rob Toal and Andrew Walker.
39. A briefing was planned to take place with the Aviation Minister, and a separate one would also take place with the Chair of the Transport Select Committee.
40. In terms of the material that would be published, it was confirmed that the final proposals document, executive summary, licence modification, consultants' reports and the financial model would all be available on the CAA's website.
41. Acknowledging the amount of work that had gone into the development of the FPs, the Board extended its appreciation of the team's efforts.
42. The Board noted the report.

VII SARG MONTHLY REPORT (DOC 2022-37) BY ROB BISHTON

43. Dave King re-joined the meeting.
44. *Appendices* – The Board was updated on work to review the medical corrective action plan.
45. An update was provided on an incident where a light aircraft with two persons on board was lost over the English Channel. It was also noted that some media reports had been published regarding the loss of a 737 in China in March 2022. However, it was emphasised that the formal investigation into this accident had not been published. The CAA was reviewing these, and similar incidents to identify what lessons could be learnt.
46. From a compliance perspective, it was highlighted that a small number of tertiary airports were requiring significant oversight. Consideration would be given on the most appropriate ways of drawing the work to a close, or if necessary, escalating it further.
47. *Topical Issues* – As noted earlier in the meeting, the industry was still facing challenges with recruitment as traffic levels had started to increase.
48. An overview was provided of the role that SARG colleagues would play as part of the space licensing process. It was noted that senior SARG managers were in regular dialogue with the Space team to share and analyse safety-related information.
49. Further to the Board discussion in April on inquests, it was noted that work had started to identify recommendations that had not been directly aimed at the CAA, but where safety-related lessons could be learnt.
50. *State Safety Objective* – The Board was reminded that there had been a fatality at Derriford Hospital in Plymouth involving a search and rescue helicopter. The fatality had been a person on the ground, and as a result of this incident, the UK had failed a State Safety Objective (SSO).
51. It was explained that this would be reported to the State Safety Board later in the year. In response to the incident, the CAA had reviewed and shared information

regarding the effect of downwash from rotor blades, as well as reviewing work previously done on the operations of remote landing sites.

52. The Board acknowledged that the failure of the SSO was an area of concern but noted that work had been undertaken to learn from it.
53. The Board also queried whether more could be done to help educate people on the ground about the actions to take when helicopters or drones landed in non-standard locations (such as an air ambulance landing in a park), or if drones were to lose control and crash. It was confirmed that this was a subject under consideration, and an update on the approach would be provided at the next Board meeting.

ACTION: Rob Bishton to update the Board on approach to educating people on ground about how to respond when helicopters or drones landed in non-standard locations.

54. The Board noted the report.

VIII SPACE ASSURANCE (DOC 2022-36) BY TIM JOHNSON

55. The Board welcomed Garry Lathey, Colin Macleod and Rosie Whitbread to the meeting
56. The accompanying paper outlined the framework under which the CAA would assess all spaceflight licence applications, not just the first ones. The Board was reminded that its role was not to make the decision on granting a licence, but to provide assurance that the CAA as a system was approaching that task in a robust way in accordance with its duties. In respect of this, the Board was invited to consider what, if any, further information would be required so that it could be assured of the processes followed.
57. The CAA's role was to license operators who could demonstrate that they were capable of meeting the statutory tests, primarily to undertake space activities safely, ensuring that reasonable steps had been taken to avoid the loss of life, or loss of assets of third parties. Individual operators were responsible for the end-to-end delivery of missions.
58. In addition to obtaining clearance from the CAA, operators were responsible for obtaining a range of licences and agreements from other entities, including other UK government departments and where required other states. The CAA was not the umbrella licensing authority and did not have to consider whether other parties had granted licences to an operator when making its decisions.
59. Clarification was sought on what documentation would be provided to the Board ahead of a final assurance discussion. It was not intended to provide the full safety case for the Board. Instead, a paper outlining the CAA's legislative authority, responsibilities, how these responsibilities had been met, and assurance that the operator was aware of, and had taken steps to mitigate risks.
60. Additionally, the Board requested that detail on scenario planning and the top three areas of concern, with mitigations, be included. Although a final decision on assurance would not need to be made until later, the Board requested that an update on the structure and format of the final documentation be provided at the June meeting.

ACTION: Tim Johnson, Garry Lathey, Colin Macleod and Rosie Whitbread to prepare an outline paper for discussion at the June Board meeting.

61. Board members were invited to contact the team directly if they wished to have more detailed briefings on the licensing process ahead of the June meeting.
62. The Board noted the report.
63. Dave King left the meeting.

IX SUMMARY REPORT FROM THE AUDIT COMMITTEE HELD ON 29 MARCH 2022 (DOC 2022-38) BY JANE HANSON

64. It was advised that the Audit Committee had discussed the development of the annual report and accounts, stressing the need to relate the organisation's progress against the corporate strategy.
65. The internal risk management framework had also been reviewed.
66. The Board noted the report.

X FORWARD AGENDA AND DRAFT AGENDA FOR JUNE BOARD

67. It was noted that there had been some changes to the draft June agenda since circulation, and that further amendments would be required based on changes to work programmes.
68. It was requested that a discussion take place in June regarding the public bodies review.

ACTION: Tim Johnson and Richard Moriarty to prepare an update for the Board on the progress of the public bodies review.

XI AOB

69. *Pilots with HIV* – The Board was advised that the CAA would be updating guidance for pilots with HIV. An 'amnesty' would be declared for individuals who had not declared HIV status at the appropriate time. It was recognised that having the declaration of status was better for safety, than not making a declaration. The Board was also advised that a wider review of medical conditions was underway to ensure that CAA guidance aligned with social norms.
70. *Innovation Services* – It was confirmed that Internal Audit would undertake a review of the relationship between the CAA's innovation advisory and regulatory teams. This would form part of a paper on paid-for innovation services that was scheduled to come to the Board in October.

Date and Time of Next Meetings:

Wednesday 15 June 2022, 11:00 hours, Aviation House, Teams