

# CAA Growth Duty report 2023

CAP 2563

# CAA Growth Duty report 2023

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## CAA Growth Duty 2023

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The Civil Aviation Authority (CAA) supports the principles of the growth duty contained in section 108 of the Deregulation Act 2015<sup>1</sup>. The Growth Duty requires that:

Regulators have regard to the desirability of promoting economic growth when delivering their regulatory functions;

As part of this, regulators consider the importance for promotion of economic growth of exercising regulatory functions in a way which ensures action is only taken when it is needed, and that any action taken is proportionate.

The CAA enacts the Growth Duty in the context of its wider 'Better Regulation' approach ensuring that its regulatory decisions demonstrate transparently how the CAA has had regard to economic growth. Safety and security remain the CAA's primary duties and the Growth Duty is considered alongside other duties not instead or at the expense of other protections. The Growth Duty also informs the design and delivery of our corporate Strategy as well as our Regulatory Principles.

To ensure transparency, the CAA reports annually on how its work has promoted economic growth and supported aviation and aerospace. As passenger demand returns after the pandemic, the impact of inflation and the conflict in Ukraine is continuing to impact consumers, meaning regulatory support for recovery and growth remains vital.

The CAA contributes to growth by working to ensure that the businesses it regulates can innovate, grow and work in new ways without compromising the safe, secure and consumer-focussed regulatory framework it has put in place.

The CAA is supporting Government and industry in developing new, cleaner fuels and associated innovations in aircraft, engine and infrastructure designs. Leading on mapping the required regulatory framework and certification regime to enable the safe adoption of these innovations. This will enable innovation to be tested and certified for passenger use through a clear regulatory process.

Following the UK's exit from the European Union, the CAA has worked closely with industry and foreign aviation safety regulators, to establish a series of international bilateral safety arrangements and agreements. Arrangements have been established with eleven countries and blocs including Canada, the USA, the EU, China, Japan, and Singapore. Meetings have been held with the Civil Aviation Authority of Israel and upcoming meetings will be held with a number of other Aviation Authorities to drive further progress. These arrangements significantly reduce current barriers for UK exporters by

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<sup>1</sup> The CAA's economic regulatory functions are exempted from coverage by the Growth Duty.

minimising and in some cases eliminating duplicated oversight, certification costs and compliance demonstration activities. They also reduce regulatory barriers for organisations wishing to import aircraft manufactured overseas, procure replacement parts for in-service aircraft, purchase aircraft maintenance services overseas and obtain professional pilot training.

The activity included in this year's report has been categorised under a series of headings that show the types of impact the CAA is driving through the Growth Duty. These categories are detailed in the table below.

## Impact categories

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### **Reduction in cost or effort**

A reduction in cost or effort for organisations/individuals (i.e., streamlining of application, automation of process, reduction in duplication, improved proportionality of regulation, appropriate compliance support)

### **Reduction of a barrier to entry**

A reduction of a barrier to entry for organisations/individuals (i.e., improved affordability of process, improved clarity of regulation, greater provision of information or services, reducing regulatory burden, timely processing of application)

### **Increase in agility/flexibility of regulation**

An increase in agility/flexibility of regulation (i.e., shifting from rule-based or standards-based regulation to performance-based regulation, regulatory reform)

### **Supporting innovation or investment**

Supporting innovation or investment (i.e., understanding the business environment, collaborating with other regulators or policy makers or businesses to understand emerging or future business models)

### **Other benefit**

Other (impact is described under the 'benefit' heading)

# Introduction

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As part of its role to provide effective regulation, the CAA needs to consider carefully and account for the impact of the individual regulatory decisions that it makes across a range of issues, included but not limited to economic, social, fairness across groups, environment, and efficiency of operations. The CAA takes the view that the best way it can support growth is to create conditions for a safe, secure aviation sector that puts consumer interests at its heart, combined with a portfolio of proactive, growth focussed measures. Alongside our strategic priorities The CAA work to deliver on HMG priorities which are set annually. The current and recurring activities below are summarised by HMG priority.



## Annex A: What the CAA currently does

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Priority: Regulating proportionately and reducing the burden on business

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### **Activity: Helicopter Multi-crew operation**

#### **Description**

Permitting via exemption the use of two (CPL 9H) in multi-crew operations onshore only particularly with the Helicopter Emergency Medical Services (HEMS) operations.

#### **Impact**

Recurring: Increase in agility/flexibility of regulation

#### **Benefit**

Currently within the UK there are limited numbers of Air Transport Pilot Licences (ATPL) (H), to support the operation of helicopters in the onshore environment particularly with the HEMS operations. The use of such exemptions is increasing the pool of ATPL(H) holders through removing a barrier to entry but is providing for safer operations in the part of the industry affected.

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### **Activity: Air Traffic Control language proficiency**

#### **Description**

The use of an exemption related to Level 6 English Language Proficiency (ELP), whilst 2015/340 is updated.

#### **Impact**

Recurring: Increase in agility/flexibility of regulation

#### **Benefit**

The immediate impact on industry is those individuals with Level 6 ELP do not have to undergo re-assessment, whilst the CAA goes through the rule-making process. This is an immediate saving to the Air Navigation Service Providers and individual licence holders.

## **Activity: Applications for UK Pilot Examiner qualifications**

### **Description**

Reviewing applications from non-UK license holders and applying a proportionate approach by allowing individuals to take credit for their qualifications and experience.

### **Impact**

Recurring Reduction in cost or effort

### **Benefit**

For those individuals eligible to take advantage of this flexibility, possible reduction from 5-day course to 2 day course, i.e. 60%. Only currently applies to examiners employed by large organisations, (airlines), but these entities employ the largest percentage of examiners in UK industry.

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## **Activity: Supporting pilot performance enhancement**

### **Description**

Reducing direct oversight of large competent organisations by allowing more in-house examiner / instructor assessments of competence, frees up CAA inspector resources to focus on evolving organisations, with consequent improvement in standards.

### **Impact**

Recurring Reduction in cost or effort

### **Benefit**

Expectation of a reduction of operator costs for CAA oversight of training departments alongside enhancement of standards with no requirement for additional inspector resources.

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## **Activity: Promoting enhanced pilot training standards without imposing additional costs on industry training departments**

### **Description**

Various initiatives including direct training cost reductions as well as enhancements in pilot training with minimal additional cost.

### **Impact**

Recurring Reduction in cost or effort

## Benefit

Allowing more on-line training by providing guidance for development and oversight, additional CAAi courses to enhance industry awareness of modern and future training concepts (e.g. a recent Competent Based Training and Assessment course). Liaison outside UK with commercial entities and National Aviation Authorities to identify potential future direction for UK pilot training (AI, VR, new training concepts such as Evidence Based Training).

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## Activity: Minimising requirements for future regulatory change

### Description

Promotion of flexibility within current regulations to industry, and identification of minor changes to regulation, which could have significant positive impact on industry.

### Impact

Recurring Reduction in cost or effort

### Benefit

It has been agreed that easyJet will review the requirements for Type Rating Instructor training course and propose a revised syllabus which will better reflect the needs of today's instructors. The scope of what would be acceptable has already been agreed in principle. This change will be AMC, not Rule, (Law) and will therefore not need parliamentary time. The benefit will be to minimise the cost of dealing with future regulatory change, maximising impact of any regulatory change and influence enhancement of pilot training programmes within current rule set at minimal cost.

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## Activity: Remotely Piloted Air Systems (RPAS) medical standards

### Description

One of the key features was to take a proportionate, future proof approach which would better support safe future growth.

### Impact

Recurring Reduction of a barrier to entry

### Benefit

The RPAS standards were discussed at the Association of AMEs annual conference in March. There was a presentation from the chief medical officer of British Telecoms (BT), on the use of RPAS in the context of the telecom sector. The CAA's proposed medical standards were discussed at the meeting and it was confirmed that this approach would be aligned with BT's desire to how we approach, in terms of proportionality.

## **Activity: Fitness to Fly Forum**

### **Description**

The Fitness to Fly forum was established in September 2022 and brings together industry medical representatives and the NHS to improve knowledge and best practice, with a view to increasing overall accessibility of air travel for those with health conditions.

### **Impact**

Recurring Reduction of a barrier to entry

### **Benefit**

With an ageing population this initiative is likely to increase in profile. This demographic represents a more affluent market segment who will be able to continue to fly as a result of access to relevant medical information.

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## **Activity: Fitness to Fly Forum Mental health and mental health promotion**

### **Description**

Aimed at reducing time out of work for aviation staff and supporting industry through challenging times, ensuring that staff recovery is supported and sustained.

### **Impact**

Recurring Reduction of a barrier to entry

### **Benefit**

Designed to maintain and grow the aviation workforce.

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## **Activity: Applicants living with HIV**

### **Description**

Medical certification to be granted including initial issue of an unrestricted Class 1 for individuals living with HIV.

### **Impact**

Recurring Reduction of a barrier to entry

### **Benefit**

Published guidance for applicants living with HIV which enables all levels of medical certification to be granted, including initial issue of an unrestricted Class 1. Removes a barrier to entry for aviation participants living with HIV.

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## **Activity: Diabetes medical assessment protocols**

### **Description**

Pilots with diabetes treated with insulin and/or potentially hypoglycaemic medication to resume commercial flying.

### **Impact**

Recurring Reduction of a barrier to entry

### **Benefit**

Removes a barrier to entry for aviation participants with these conditions.

Priority: post EU aviation framework

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## **Activity: Technical cooperation projects with International regulators**

### **Description**

CAA International works with international regulators around the world to improve aviation standards and implement risk-based oversight.

### **Impact**

Recurring Increase in agility/flexibility of regulation

### **Benefit**

Co-operation with International regulators benefits Industry (including UK industry) from a more robust international regulatory system, which brings growth opportunities.

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## **Activity: Continued airworthiness charging structure**

### **Description**

Following EU exit and the CAA's departure from EASA the CAA resumed 'State of Design' responsibilities. A user-pays charging policy, an annual charging scheme was introduced on 1 April 2022 and was levied on the holders of type certificates.

### **Impact**

Recurring Reduction in cost or effort

## Benefit

The CAA originally consulted on a charging model which would enable the recovery of over £2m annually from industry to fund this work. The costs associated with this charge were assessed and challenged and upon implementation the CAA opted to bill an initial 50% of the total amounts recoverable from each entity. A user-based charge was introduced on April 1, 2022, levied on holders of type certificates of aircraft, propulsion manufacturers and other key equipment suppliers whose products were in use in the UK at that time. The expected cost of the activity was monitored and the remaining 50% that the CAA was entitled to bill was waived. This decision was not only taken in relation to FY2022/23, with the relevant charges having now been permanently revised downwards by the CAA as of 1 April 2023, forecasting an annual saving more than £1m for industry.

## Priority: Supporting Innovation and aviation decarbonisation

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### Activity: Innovation paid for services

#### Description

The CAA have introduced paid for services for innovators through CAA International (pre-regulatory application) to support the development of innovation solutions into the market.

#### Impact

Recurring Supporting innovation or investment

#### Benefit

CAA advice is helping to drive improvements in several novel areas including, Beyond Visual Line of Sight (BVLOS), Advanced Air Mobility (AMM) and Net Zero Propulsion.

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### Activity: The CAA Environmental Sustainability Panel

#### Description

Established by the CAA in mid-2022. The Panel, a non-statutory body, acts as a critical friend to support and challenge the CAA to deliver its 'Environmental Sustainability Strategy.'

#### Impact

Recurring Supporting innovation or investment

## Description

The Panel ensures that the CAA is informed by current scientific thinking as it considers innovations deemed to be addressing environmental impacts. It also advises if further science is required to validate environmental assertions. Consequently, the Panel is equipping the CAA with greater insight and knowledge to inform its policies and regulatory roles as it supports aviation's transformation towards net zero and zero emissions. The Panel has provided insights to, and challenge and validation of, the CAA's scientific knowledge and evidence base around environmental sustainability issues, and has supported the CAA to consider forward-looking, strategic approaches to draw together environmental and innovative thinking.

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## Activity: Jet Zero Council

### Description

CAA supports the delivery of the UK's Jet Zero Strategy. This includes both sustainable aviation fuel and zero emission flight (electric and hydrogen) technology and incentives.

### Impact

Recurring Supporting innovation or investment

### Benefit

Supporting Government and industry in developing new, cleaner fuels and associated innovations in aircraft, engine and infrastructure designs. Leading on mapping the required regulatory framework and certification regime to enable the safe adoption of these technologies. This will enable innovation to be tested and certified for passenger use through a clear regulatory process.

## Priority: Transparency in operations and digitalisation of operations

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## Activity: Airworthiness

### Description

The CAA are moving towards digitisation of the process for aircraft maintenance engineer licences.

### Impact

Recurring Reduction in cost or effort

## Benefit

Aircraft maintenance engineers will have the ability to apply for a Part 66 licence on-line, streamlining and automating the process and removing the current paper-based process. There were 11,456 Aircraft Maintenance Licence holders in 2022 and 12,880 as of February 2023.

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## Activity: Unmanned Aircraft Systems (UAS) activity

### Description

Drone and Model Aircraft Registration & Education Service (DMARES) is a digitised training, education and registration service for the UAS Open Category. A project is now underway to move the UAS Specific Category Operational Authorisations onto the same digital platform to expedite this process.

### Impact

Recurring Reduction in cost or effort

### Benefit

Specific Category UAS users (approximately 3,500) will benefit from a digitised user journey for their application process (rather than the current PDF process with more human interaction.) This will create for a smoother, quicker, more intuitive customer experience.

## Priority: CAA future funding structure

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## Activity: Below inflation price increases

### Description

From 1 April 2022 the CAA increased its charging rates by 2.9%, indexing price rises against the rate of Consumer Price Inflation (CPIH) at the end of September 2021. This followed a two-year period whereby the CAA chose to freeze charge increases to provide industry with some alleviation through what was a challenging financial period caused by the Covid-19 pandemic. This represented an annual saving of £4.3m by the end of FY2021/22.

### Impact

Recurring Reduction in cost or effort



## Benefit

From 1 April 2022 the CAA's price increase was effectively 4.9% behind the current rate of inflation, amounting to an annual saving of £4.7m, and because of the Covid-19 price freeze and below-inflation price increases since 2013, the CAA's prices were cumulatively 13.4% lower than the compound rate of inflation over this period. This represented a total annual saving of £12.1m. On 1 April 2023, the CAA introduced a general price increase of 7.8%, a percentage point lower than the normal benchmarked rate of inflation at the preceding September of 8.8% (CPIH). This resulted in a further annual saving to industry of £1m now and into the future. The CAA has avoided increasing prices ahead of inflation to 'make-up' on the Covid-19 price freeze and has consistently delivered below-inflation price increases to industry. The CAA has also considered the impact of its charges on minor charge payers. Historically, our prices have always been quoted as whole pounds, with any prices falling short of a £1 increase being rounded up. This approach has been revised from 1 April 2023, due to the disproportionate impact this was having on minor charges. The previous charging regime resulted in a higher year-on-year increase for minor fees compared to the higher charges the CAA levies. Moving forward, charges below £20 will be quoted in pounds and pence following the application of the price increase, rather than applying any rounding. This change in approach has resulted in an annual saving to industry of £0.3m.

## Annex B: Updates for recurring activity reported in 2022

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### Priority: post EU aviation framework

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#### Activity: UK-EU transition

##### Description

Implementing the UK/EU aviation services and aviation safety agreements 2021, the CAA worked with DfT to implement the UK/EU Trade and Co-operation Agreement (TCA) for aviation. The aviation safety agreement reduces potential regulatory requirements on UK production and airworthiness design organisations.

##### Impact

Recurring Reduction of a barrier to entry

##### Update

Implementation of the aviation safety agreement has ensured that UK businesses can continue to design, manufacture and sell aviation products in the European market. Over time, it is hoped that the processes within the agreement can be revised to reduce any asymmetry and further reduce barriers to the movement of these goods services between the UK and the EU.

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#### Activity: Aviation safety agreements

##### Description

Developing and extending the Bilateral Aviation Safety Agreements (BASA) type agreements that are in place with, US, Canada, Brazil and putting new agreements in place with targeted countries.

##### Impact

Recurring Reduction of a barrier to entry

##### Update

The CAA have continued to prioritise the development of agreements with other countries based on the volumes of trade between UK and their markets. During 2022 our agreement with the USA was revised and a new agreement was established with Taiwan, work on new agreements with Israel, Singapore, South Africa, Australia, Turkey and Kazakhstan commenced.

## **Activity: International aviation safety arrangements**

### **Description**

Following withdrawal from the EU, the CAA has worked closely with industry and foreign aviation safety regulators to establish a series of international bilateral aviation safety arrangements and agreements.

### **Impact**

Recurring Reduction of a barrier to entry

### **Update**

Arrangements have been established with eleven countries including Canada, the USA, the EU, China, Japan, and Singapore. Meetings have been held with the Civil Aviation Authority of Israel and upcoming meetings will be held with a number of other Aviation Authorities to drive further progress. These arrangements significantly reduce barriers for UK exporters by reducing and in some cases eliminating duplicated oversight, certification costs and compliance demonstration activities. They also reduce regulatory barriers for organisations wishing to import aircraft manufactured overseas, procure replacement parts for in-service aircraft, purchase aircraft maintenance services overseas and obtain professional pilot training.

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## **Activity: Negotiated working arrangements with other national authorities**

### **Description**

The CAA has negotiated working arrangements with a number of other national authorities which aim to streamline recognition of the safety of aviation products following EU exit.

### **Impact**

Recurring Reduction of a barrier to entry

### **Update**

Reduced administrative burdens on industry and regulators.

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## **Activity: UK Part 66 Licence**

### **Description**

CAA has moved to increase the pool of accredited engineers by licensing routes Part 66/AME Licences

## Impact

Recurring Reduction of a barrier to entry

## Update

The CAA Airworthiness Team has been working with the army (REME Aviation) on accepting military personnel training and experience as qualification for a UK Part 66 civil maintenance Part 66 engineer's licence. This work covers the B category licence and C category licence and will provide a pipeline of military personnel supporting civil maintenance organisations and will also provide a new career path for military personnel. This is cognisant of the challenges and shortage of civil maintenance engineers in the industry. Other Policy developments to support the Airspace Modernisation Strategy, include the development of Unmanned Aircraft Systems (UAS) and Traffic Management.

## Description

Aircraft Maintenance Engineer Licences

## Impact

Recurring Reduction of a barrier to entry

## Update

The CAA have received 3,000 Part 66 licence applications from aircraft maintenance engineers in Europe. This provides an opportunity for UK operators to use a wider pool of engineers.

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## Activity: Oversight

### Description

UK Airworthiness approvals.

### Impact

Recurring Reduction of a barrier to entry

### Update

Since EU-Exit, approx. 400 applications for Airworthiness Approvals have been received from international organisations. This provides an opportunity for UK operators to maintain their aircraft around the world, whilst still utilising a UK Approval. CAA Airworthiness are facilitating this by undertaking oversight of the organisations and processing applications and enquiries.

## Priority: Innovation and aviation decarbonisation

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### Activity: Innovation Gateway and Sandbox services

#### Description

Where an innovation comes with significant regulatory challenges, the Sandbox helps innovators to maximise the regulatory readiness of their innovation before a regulatory application has started. This helps to ensure regulatory requirements are not a blocker to growth.

#### Impact

Recurring Supporting innovation or investment

#### Update

Sandbox services have been provided to Flylogix, Boeing, Trax International, the University of Southampton, and a consortium of innovators led by Eve Urban Air Mobility Solutions. The following CAA Publications were issued; CAP 2540 supporting the Airspace Policy Concept and CAP 2533 using temporary reserved areas in conjunction with appropriate procedures and/or technology to accommodate the operation of remotely piloted systems in unsegregated airspace.

### Activity: Policy and procedures

#### Description

The Aerodromes Policy team has established revised policy for the management and operation of transponder mandatory zones.

#### Impact

Recurring Increase in agility/flexibility of regulation

#### Update

The policy is a first step toward enabling the next generation airspace system which will see the integration of unmanned aircraft systems alongside traditional aviation. Streamlined the application process for DAP 1910 and 1911, 'Application to operate a secondary surveillance interrogator in the UK' through development of the AVOKA form. Improvements to application processing workflow have been made using CRM and data storage. The ability to monitor the Secondary Surveillance Radar (SSR) environment and to meet obligations under the National Identification Friend or Foe (IFF)/SSR Committee has been significantly enhanced by the introduction and use of a Eurocontrol tool (EMIT) and development/improvements of deployable local monitoring tools and procedures.

## **Activity: Regulatory Laboratory**

### **Impact**

Recurring Supporting innovation or investment

### **Update**

In the last year, the Regulatory Laboratory has identified several areas of emerging technology where research and collaborative working across the CAA and with external stakeholders has allowed us to develop concept policy positions, produce papers summarising the issues and stimulate change within the CAA. These include: dangerous goods carried by Remotely Piloted Aircraft, including Covid 19 vaccines and other medical substances; using mobile/cellular networks for aviation purposes to improve connectivity and diversity of technology; flying Remotely Piloted Aircraft in areas where other aircraft are unable to fly, thereby reducing the risk of mid-air collisions; starting conversations on pilot competency, training and infrastructure requirements for Advanced Mobility vehicles; engaging in industry and Government discussions on the impact and assurance of autonomy on cross-modal transport. This includes aviation published guidance; AAM, CAP 2538 and considerations for Aerodromes and Vertiports together with consideration of future spectrum and CNS requirements.

The innovation hub has produced a concept guide on Social Licence to Operate. The guide provides content on developing a social licence as part of market strategy for bringing innovative ideas to the aviation market.

### **Description**

A strategy has been set for Unmanned Aircraft Systems Unmanned Traffic Management (UAS, UTM).

### **Update**

The publication of an Airspace Policy Concept, CAP 2533 presents a pathway to deliver the Airspace Modernisation Strategy's vision of integrating UAS operations and BVLOS. It also supports Innovation 'Challenge' areas related to UAS operations. Unmanned aircraft flight, to transition from segregated operations through to managed accommodation of a varied range of airspace operations, toward the ultimate objective of enabling integrated, unsegregated operations for all airspace users.

### **Description**

Learning is being shared across all Innovation topics, industry and Government research and development projects e.g., the Asset Allocation Management Company Market Outlook Survey 2021 with Aerospace Defence Security (ADS), Department for International Trade (DIT), Future Flight Challenge Aerospace Technology Institute (ATI) and others.

## Update

The insight gained through Sandbox projects are shared with the industry and with Government.

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## Activity: Future Flight challenge

### Description

The Future Flight Challenge will pioneer the next generation airspace system to enable integration of new technology, such as drones and urban air mobility. The Innovation Hub has been established as the focal point for the CAA and will provide dedicated resource to support this programme.

### Impact

Recurring Supporting innovation or investment

## Update

A study commissioned by the CAA and funded by UK Research and Innovation (UKRI), gathered the publicly available performance data for 28 Future Flight Aircraft designed for the AAM market. This was intended to draw insights concerning technology novelty, compatibility with existing regulations, and implications for Take-Off and Landing infrastructure. The data provided in this report aims to inform stakeholders: from aerodrome and vertiport developers, to ATM providers, airspace planners and many others. The report has been published as CAP 2522 'Future Flight Aircraft Capabilities: exploring the requirements of next generation aircraft'.

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## Activity: Guidance

### Description

A regulatory toolkit has been developed compiling key pieces of guidance for innovators working in aviation.

### Impact

Recurring Increase in agility/flexibility of regulation

## Update

The regulatory toolkit is available on the CAA website and gives details of approvals that need to be considered for the trial of innovation solutions.

## Activity: Airspace Modernisation

### Description

Airspace Modernisation Strategy.

### Impact

Recurring Increase in agility/flexibility of regulation

### Update

The Airspace Modernisation Strategy Part 1: Strategic Objectives and Enablers ( CAP 1711) sets out the vision and objectives for the modernisation of UK airspace and discusses, at a high level, the enablers that will be required to achieve the vision and objectives over the period 2023-2040. The delivery plan is set out in Part 2, 'Delivery elements' and Part 3, 'Deployment'. The CAA will lead on development of the delivery plan, but it will mostly be delivered by industry.

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## Activity: Security regulation

### Description

Regulation kept under continuous review to ensure it remains proportionate, minimises burdens on industry and promotes innovation, while continuing to protect the travelling public from potential threats.

### Impact

Recurring Increase in agility/flexibility of regulation

### Update

The CAA has worked with the Government to identify numerous ways in which regulation could be updated or improved to help support the regrowth of the aviation industry, post pandemic. Aviation Security have promoted the development and implementation of new technologies that will improve the efficiency and effectiveness of airport security processes, as well as providing a better experience for passengers. This includes the first stages of implementing the 'Next Generation Security Checkpoint.' The process of revoking retained EU law and replacing the existing regulatory framework has begun with a single consolidated simplified version that is easier for industry to understand, implement and comply with. Work has also been carried out on speeding up and automating security vetting processes for industry.



## Activity: Cyber security oversight and engagement

### Description

Oversight and new policy under continuous review to ensure it remains proportionate, minimises burdens on industry and promotes innovation, while continuing to protect industry from cyber threats.

### Impact

Recurring Increase in agility/flexibility of regulation

### Update

A more proportionate approach to oversight of smaller aviation entities has been established, limiting economic impacts whilst maintaining good cyber security posture in industry. Promotion of the development of policy has taken place to ensure that organisations understand the requirements set out by regulations in the UK, Europe and Internationally. To optimise the use of CAA and industry resources in maintaining good cyber security in industry, the CAA have embarked on implementing Risk Based Oversight.

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## Activity: The CAA Consumer Panel

### Description

Whilst the CAA's growth duty sits outside the remit of the Consumer Panel, over the last year there have been areas of the Consumer Panel's work which may have contributed to the CAA meeting its growth duty.

### Impact

Recurring Reduction of a barrier to entry

### Update

The CAA recently arranged a workshop with members of the Panel to discuss how to improve Passenger Advice and Complaints Team (PACT) approach/processes in respect of passenger complaint handling. The Panel responded to the CAA's recent consultation on Air Traffic Organisers Licence (ATOL) reform, supporting a more proportionate and tailored approach to the ATOL Protection Contribution (APC) to ensure financially sound ATOL holders are not in effect subsidising riskier financial practices by others. The Panel supported the CAA and DfT in Summer 2022 by contributing to the development of the aviation passenger charter. It has also highlighted the risk of digital exclusion, particularly for vulnerable consumers who have different accessibility needs. The Panel has also worked closely with colleagues in the CAA's innovation team to embed the Consumer Principles into its work on AAM (eVTOL). Based on the Panel's advice, the CAA has now

published guidance to industry on how they can take these Principles into account when developing new technologies.

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## **Activity: Innovation Hub**

### **Description**

The CAA established an Innovation Hub in April 2019 with the mission of enabling innovation in aviation to flourish. The Hub has achieved greater collaboration with industry through the Regulatory Sandbox, industry workshops and innovation clinics. The UK's Future Flight Challenge will be pioneering the next generation airspace system to enable integration of new technology, such as drones and urban air mobility.

### **Impact**

Recurring Supporting innovation or investment

### **Update**

To date, the Hub has serviced circa 400 aviation innovators with support and advice, helping them progress their ideas to market.

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## **Activity: Unmanned Aerial Systems (UAS)**

### **Description**

Specific regulatory measures to promote UAS innovation include the removal of the commercial trigger for low-risk drone operations. From July 2020 a new regulation was introduced removing the requirement for commercial drone operators to seek permission for low-risk activities.

### **Impact**

Recurring Reduction of a barrier to entry

### **Update**

In November 2019, DMARES was launched which allows those flying in the 'Open' category for commercial or non-commercial purposes, to fly without additional permissions from the CAA. As of 31 January 2023, there are just over 500,000 active users on the service. 6,000 are registered as organisations and 6,000 are registered as minors. This provides evidence that small organisations are being encouraged to carry out activities with less red-tape and this is encouraging new younger entrants into the aviation ecosystem.

## **Activity: Delivery of the Bowtie strategy (CAP 1329)**

### **Description**

The Bowtie strategy enables the CAA to identify safety controls that require strengthening, either through oversight or through specific safety programmes.

### **Impact**

Recurring Supporting innovation or investment

### **Update**

Sharing Bowtie information with other relevant risk owners to ensure dependencies are understood.

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## **Activity: Net Zero**

### **Description**

ICAO CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation.)

### **Impact**

Recurring Supporting innovation or investment

### **Update**

Support for ICAO states to meet their requirements under CORSIA.

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## **Activity: Environmental Information project**

### **Description**

Project to develop the CAA's policy on how and what environmental information should be presented to consumers when they are looking for and booking flights.

### **Impact**

Recurring Supporting innovation or investment

### **Update**

This project is one of the deliverables in the DfT's Jet Zero Strategy published in summer 2021. A 'Call for Evidence' was published and was open January to April 2022. Over 110 responses were received from over 40 organisations and over 70 individuals. Further consumer research is planned for 2023 and to consult on recommendations later in the year.

## Priority: ensuring the safety and security of the Space Sector

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### Activity: Space

#### Description

The CAA has been the space regulator for two years, overseeing the safety and security of the UK space sector since July 2021. Licences have been approved that have seen the first attempted space launch from UK shores, the building of the second biggest satellite constellation in the world, and the CAA are working towards future UK launches.

#### Impact

Recurring Supporting innovation or investment

#### Update

350 licences have been processed, including the first launch and spaceport on UK soil, the completion of the second biggest satellite constellation in the world, and over 750 UK satellites are being monitored. The CAA have been working closely with Government and industry to adapt and improve the licence process in support of an expanding space sector. Regular engagement with international counterparts is held to share best practice and keep UK space regulation at the forefront of international standards. The CAA is also undertaking research into human spaceflight, anticipating future demands for space regulation as new technology develops and matures.

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### Activity: Suborbital spaceflight research work

#### Description

In conjunction with a drive from the DfT suborbital spaceflight research work (long duration acceleration and fluid dynamic studies) into tolerable limits/impact on passengers with existing medical conditions is ongoing.

#### Impact

Recurring Supporting innovation or investment

#### Update

The research aims to support industry and economic growth in this sector.

## Priority: leading risk-based oversight and regulatory stewardship

### **Activity: Risk-based regulatory oversight**

#### **Description**

A targeted and proportionate approach to regulatory oversight has been developed to ensure that oversight programmes are targeted at areas of industry where the Regulator considers the biggest safety concerns to be.

#### **Impact**

Recurring Reduction in cost or effort

#### **Update**

Oversight philosophy has been adjusted to improve processes following experiences gathered during the Covid-19 pandemic. A combination of on-site and remote oversight is in place, balanced according to the risks at specific entities.

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### **Activity: The Airfield Advisory Team (ATT)**

#### **Description**

The AAT was set up in 2020 to assist and support General Aviation airfields on a wide range of matters with to help the sector to thrive.

#### **Impact**

Recurring Reduction in cost or effort

#### **Update**

AAT are engaging with all major GA airfields and they are informed as to the support that the AAT can provide. The AAT airfield engagement programme has specific focus on DfT at-risk categorised sites. All DFT deliverables are complete for 22/23 and 100% positive feedback from all stakeholders.

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### **Activity: Remotely Piloted Aircraft Systems (RPAS) Performance Based Oversight implementation**

Definition and implementation of a PBO framework for RPAS operations.

#### **Impact**

Recurring Reduction in cost or effort

## Update

The RPAS Inspectorate increased its flexibility of approach to recognised Assessment Entities by undertaking a joint project with strategy and policy colleagues. This switched the sector from compliance-based to performance-based regulation. As a sector that produced complicated applications, with courseware and learning material often covering multiple qualifications, this provides increased certainty to the regulated community while allowing the Inspectorate to take a more adaptable approach. Without a full review of every page of learning material on an annual basis, the RAEs are now free to develop more training material and adjust their approaches without fear of their approvals not being granted. A performance-based approach to auditing means the Inspectorate can plan more effectively and provide an improved service. The expectation is that other entities will be encouraged to enter the RAE sector, with the flexibility afforded by PBO meaning they can test and evaluate more concepts and generate a wider array of products.

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### Activity: RPAS guidance material

#### Description

Guidance material to enable RPAS operators to gain a better understanding of risk assessment and what evidence they should be providing.

#### Impact

Recurring Reduction in cost or effort

#### Update

Publication of the Acceptable Means of Compliance (AMC) to the regulation reduces the time and effort a UAS operator needs to put into applications to the CAA, as official interpretations are now available. The AMC guidance supplies a method for providing a successful application to the CAA and ensures applicants are operating legally. CAP 722H 'Reduced barriers as UAS operators operating under a PDRA01' can now function with the knowledge of the mitigations they need to employ to ensure their operations are conducted safely.

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### Activity: General Aviation Change Programme

#### Description

- 450-600Kg fleet opt-out from EASA Regulations for Airworthiness: This allows aeroplanes up to 600kg to be classed as microlights.
- Registered Flight Training Facilities transferred to "Declared Training Organisations."

- The CAA have allowed the BMAA and the Light Aircraft Association to issue initial permits to fly.
- British Microlight Aircraft Association (BMAA) to issue initial microlight pilot licences.

## Impact

Recurring Reduction in cost or effort

## Update

Statutory Instrument SI 2021/879 containing amendments to the Air Navigation Order 2016 reflecting the revised weight limits for microlight aeroplanes was passed in August 2021. A new version of airworthiness standards set out in CAP482 BCAR Section S 'Small Light Aeroplanes' is about to be published following public consultation in August 2022.

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## Activity: The Safety Standards Acknowledgement and Consent framework (SSAC)

### Description

The Safety Standards Acknowledgement and Consent framework (SSAC) allows paid-for passenger flights on certain types of ex-military aircraft. The CAA continues to expand and implement this framework.

### Impact

Recurring Reduction of a barrier to entry

### Update

In January 2023, the CAA introduced the latest addition to the SSAC framework, SSAC Class 5. This introduced paid-for flights in ex-military fast jet aircraft, opening a new market for operators of these aircraft in the UK. The expectation is that this will increase the number of hours flown per year by these aircraft in the UK. The revenue from this activity will be significant for the operators of ex-military fast aircraft.

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## Activity: Delegation to British Gliding Association

### Description

The CAA has granted approval to the British Gliding Authority (BGA) to act as a Delegated Authority of the CAA for Sailplane Licence (SPL) approval.

### Impact

Recurring Reduction in cost or effort

## Update

The CAA have been working with the BGA for some time to put into place the necessary measures to approve the BGA as a Qualified Entity to make recommendations to the CAA as a Delegated Authority for initial issue of a Sailplane Pilot's Licence. This complements their existing approval for accessing applications for the issue of ratings, certificates or authorisations and assessing applications for the issue of a Sailplane Pilot's Licence based on holding a BGA certificate.

## Priority: Regulating proportionately and reducing the burden on business

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### Activity: Experimental 'E' Conditions

#### Description

Minimising the regulatory burden on experimenters, innovators and entrepreneurs to allow them to fly their prototype and proof-of-concept aircraft. This will stimulate growth of the UK design and production sector by allowing these activities to be performed with little or no cost to the community.

#### Impact

Recurring Reduction in cost or effort

#### Update

Experimental 'E' Conditions was launched in 2015 with the intent of deregulating initial experimentation of new designs and modifications to aid innovation with the minimum of regulatory burden. The experimental category was embedded in the ANO 2016 in Schedule 3 and supporting guidance was published in CAP 1220 and revised in 2019. In early 2023 the CAA re-formed its collaborative working group with the Royal Aeronautical Society to further review the guidance and publish another version in 2023/4. This will stimulate growth of the UK design and production sector by allowing these activities to be performed with little or no cost to the community.

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### Activity: Part-ICAO approvals

#### Description

Introduction of Part M-L and Part ICAO - Airworthiness related evolutions of Part-M which introduce proportionate regulations for the GA organisations and owners maintaining and operating Part-21 aircraft.



## Impact

Recurring Reduction in cost or effort

## Update

All maintenance and aircraft management organisations in the General Aviation sector have been transitioned to Part-ICAO approvals where applicable, This results in a reduction of costs, and owners are more empowered to decide how their aircraft are maintained in a more pragmatic regulatory environment.

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## Activity: Single Seat Deregulated Microlights (SSDR)

Introduced following the Red Tape Challenge, the deregulation has significantly reduced airworthiness costs and, thus, hourly operating costs.

## Impact

Recurring Reduction in cost or effort

## Update

Number of SSDRs on the CAA G-INFO aircraft register.

- Sep-13 295
  - Sep-14 471
  - Jul-15 542
  - Oct-17 672
  - Sep-19 692
  - Jan-21 718
  - Jann-22 721
  - April 2023 726
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## Activity: Sub 70Kg Self-Propelled Hang Gliders (SPHG)

### Description

The CAA issued an exemption (pending future regulatory review as part of the wider GA Programme) to allow wheels to be fitted to these unregulated machines.

## Impact

Recurring Reduction in cost or effort

## Update

Exemption allowing wheeled SPHGs continues to be in place. However, wider developments re SPHGs especially paramotors (e.g. UK Air Accidents Branch air proximity events and CAA Investigation and enforcement investigations) has prompted an initial exploration towards a review of the unregulated status of SPHG pilot training. This has resulted in a significant increase in these machines at the very light end of the GA market, an upsurge in UK production and pilots flying these machines, stimulating growth in this area of the GA Community.

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## Activity: Gyroplane Certificate of Airworthiness (CofA)

### Description

The basis for ICAO recognised certification was developed by the CAA for UK organisations who forecast a sales market for this enhanced platform.

### Impact

Recurring Reduction in cost or effort

### Update

Since the creation of the technical specification for a gyroplane to fly under a Certificate of Airworthiness there are now four Gyroplanes operating under this certification in the UK. This project has laid the groundwork for many more to follow and has created a new aviation market. It is hoped that this new environment will encourage more manufacturers to design, produce and sell Gyroplanes in the UK as well as upscale Gyroplane operations and develop more complex systems. It is still early days for a measurable increase in growth of this sector by virtue of this change, but the ingredients are now in place for the manufacturers to offer these products.

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## Activity: Declared Balloon Operators (DBO)

### Description

A number of new balloon operators have declared since the transition from Air Operator Certificate to Declaration.

### Impact

Recurring Reduction in cost or effort

### Update

There have been a number of new operators declaring in the last few years benefitting from the lower initial charge. The declarative system allows for greater time between

audits, which when combined with Performance Based Oversight means that operators can benefit from less frequent on-site audits.

## Priority: Skills and STEM

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### Activity: Skills and STEM

#### Description

Throughout 2022, virtual and face to face events have been held to support young people across a range of the CAA's capability areas. The CAA is committed to helping to encourage, inform and educate the next generation of aviation and aerospace professionals, to ensure that the sector continues to flourish and grow.

#### Impact

Recurring Supporting innovation or investment

#### Update

A record number of engagements took place in 2022 including The Big Bang digital, involving 25,225 young people. A Primary Engineer competition involved 33,076 pupils from 330 schools submitting 22,480 entries. The CAA also hosted Careers events for University of West London, Stansted Airport College, STE Mette's mentoring programme. The following events were also supported; Farnborough, The Royal International Air Tattoo, Women's World Gliding Championships, Armchair Air Show, Royal Airforce Cadets and the Jon Egging Trust.

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### Activity: Virtual Work Experience Programme

#### Description

The Aviation and Aerospace Virtual Work Experience enables young people to learn about careers in aviation and aerospace.

#### Impact

Recurring Supporting innovation or investment

#### Update

The programme features topics about Regulation, Aviation and Aerospace, General Aviation, Commercial Aviation, Drones and future technologies. It also features STEM careers and first-hand accounts of careers at the Civil Aviation Authority. In 2022, 2,397 students took part in the programme.

## **Activity: MSc in Aviation Risk and Safety Management**

### **Description**

In partnership with Cranfield University, CAA has developed and delivered an MSc in Aviation Risk and Safety Management. The MSc is also offered as a Level 7 Apprenticeship programme. This is the first MSc offered by Cranfield which is provided as a full virtual offering.

### **Impact**

Recurring Supporting innovation or investment

### **Update**

24 students were inducted for cohort one and 24 students for cohort two. Cohort one has 8 apprenticeship levy funded students and Cohort two has 9. Cohort three (Jan 2023) has 18 students at present with a split of 9 apprenticeship levy funded students and 9 standard MSc fee students.

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## **Activity: Aviation training courses**

### **Description**

Working in partnership with ICAO and on behalf of the DfT CAAi has developed and delivered a number of training courses.

### **Impact**

Recurring Supporting innovation or investment

### **Update**

CAAi delivered over 104 bespoke and 120 open access course titles. On behalf of the DfT, 5 Corsia courses were delivered in Uganda, Ethiopia, Bahamas, and Seychelles. Under the EASA.2020HVP.10.RoC42 Framework contract, there were 20 training deliveries and regional workshops in Thailand, Malaysia and Indonesia. On behalf of ICAO, CAAi has developed a suite of education materials. These include an interactive e Learning course, videos, discussion cards and a set of customisable resources. As part of the Corporate partnership with ICAO, CAAi have developed and delivered 6 training courses. The total number of delegates for 2022-2023 for all open, bespoke, e-learning and training project courses was 3825, with 175 internal delegates. 76 delegates completed recently launched training, ICAO security Culture Resources 'Security is Everyone's Responsibility.'

## Activity: Organisation

### Description

Papers presented to either the CAA's ExCo or Board must consider the proposed approach's impact on economic growth and provide analysis of that impact for the Board to review. This is highlighted in guidance for producing papers, as well as being included in the template for Board papers.

### Impact

Recurring Other benefit

### Update

Guidance ensures that all CAA colleagues consider the impact of economic growth of any significant issues requiring ExCo/Board sign-off/approval.

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## Activity: Horizon scanning

### Description

By proactively establishing relationships across the wider aviation ecosystem in the UK and globally, the CAA has been able to help identify future challenges and consider how the CAA will need to respond.

### Impact

Recurring Recurring Supporting innovation or investment

### Update

The CAA have continued to work with, and for, industry to understand and inform its future at the earliest stages of development. This helps prepare staff to support future industry and reduce regulatory barriers. Developments from some of the earliest forecasts in Horizon Scanning can now be seen coming to fruition, supporting managed pathways towards regulatory activity. Examples are Climate Change Adaptation, AAM and the moves towards new Air Traffic Management Service Orientation Models.

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## Activity International

### Description

A global standard which reflected UK health related measures was quickly available to help states and industry to manage Covid health risks in an aviation context. This standard was updated to reflect UK industry experience, risk management best practice, and evolving scientific tools and understanding.

## Impact

Recurring Other benefit

## Update

The global standard is available as a common reference point of best practice for industry to refer to. The CAA worked to push for international implementation of these measures at the ICAO High Level Covid Conference. Learning from this project and the voluntary assurance programme for industry against the ICAO guidance informed the UK position at the 2022 ICAO Assembly. It provides valuable practical insight into what subsequent requirements would minimise impacts of future pandemics.

## Priority: Transparency in operations and digitalisation of operations

### **Activity: Air Transport Organisers Licence (ATOL)**

#### **Description**

Market monitoring and financially overseeing airlines balancing a desire to ensure that the sector remains vibrant and competitive, without undue barriers to entry, while minimising excessive risks to consumers when booking.

#### **Impact**

Recurring Reduction in cost or effort

#### **Update**

One of the ATOL scheme's core purposes is reassuring consumers that they are booking with a licensed entity; and that, were something to happen to their holiday company, their money would be protected. This supports growth and competition in the sector. The CAA is engaging with the DfT on Airline Insolvency and potential changes to the ATOL scheme in respect of the protection of consumers monies and funding options for the Air Travel Trust.