

PUBLICATION VERSIONv2



**UK CIVIL AVIATION AUTHORITY  
MINUTES OF THE EXTRAORDINARY BOARD MEETING HELD ON TUESDAY 14TH  
NOVEMBER 2023, 11:00, TEAMS**

**Present:**

Sir Stephen Hillier	Chair
Rob Bishton	CEO
Katherine Corich	Non-Exec Director
Marykay Fuller	Senior Independent Director
Anne Lambert	Non-Exec Director
Manny Lewis	Non-Exec Director
Tracey Martin	Chief Financial Officer
Paul Smith	Group Director, Consumers & Markets
Jonathan Spence	General Counsel & Secretary

**Apologies:**

AVM Edwards  
Jane Hanson

**In Attendance:**

Dave King	Independent Safety Adviser
Tim Johnson	Communications, Strategy & Policy Director
Tendai Mutambirwa	Interim Group Director, Safety & Airspace Regulation
Sophie O'Sullivan	Head of Future Safety & Innovation
Emma Brown	Business Manager
Graeme Paterson	Corporate Governance & Secretariat Lead
Alex Hutchinson	Item 2
Matt Claydon	Item 3

**I. APOLOGIES & CONFLICT OF INTEREST DECLARATIONS**

1. Apologies had been received from AVM Edwards and Jane Hanson.
2. No conflict-of-interest declarations were made.

**II. FY24/25 CHARGING CONSULTATION OPTIONS BY TRACEY MARTIN**

3. At the October meeting, the Board had requested further work be undertaken to refine proposals for inclusion in the 2024/25 Scheme of Charges consultation.
4. The CAA now intended to consult on a general price increase of 5.3% with a further increase across all safety schemes equating to 3% - this would result in an increase of 8.3% for most charge payers.
5. The general price increase would be consistent with the ALB Review recommendation of setting charges at CPI(H)-1% for known activities.
6. The further of increase of 3% would contribute to the funding of Future of Flight Strategic Objectives. The full scope of these activities had not been known at the time the ALB Review was published, therefore charges for this programme were outside the CPI(H)-1% recommendation. However, it was noted that the forecast funding via the Scheme of Charges would not enable full delivery of Future of Flight, without additional government grant contributions being provided.

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7. In taking the further increase to consultation, the CAA would articulate that Future of Flight would bring benefits to existing users as well as those who sought to enter the aviation system. Key among these would be ensuring that new users could be safely and sustainably integrated into airspace.
8. The CAA would also engage with stakeholders through forums such as the Finance & Services Forum to further explain the basis for charges being applied.
9. In discussion, the Board endorsed the CAA's proposals for inclusion in the Scheme of Charges consultation and thanked colleagues for their work in updating the document following the October meeting.
10. The Board emphasised the importance of explaining the basis of the above CPI(H)-1% increase for new activities and ensure that the benefits of programmes, particularly Future of Flight were clearly explained to the different range of charge payers.
11. It was acknowledged that in setting the overall 8.3% charging level, the CAA would need to make decisions around the prioritisation of certain pieces of work, and ensure it was achieving efficiencies. These would be considered as part of budget planning work for the 2024/25 financial year, with updates provided to the Board over the next few months.
12. It was confirmed that the consultation document would be published week commencing 20<sup>th</sup> November 2023. Following closure of the consultation and analysis of the results, the CAA would still need to consult with the Secretary of State for Transport before charges were put into effect.

**DECISION:** The Board approved going out to consultation on a general 5.3% increase for charge payers, with a further increase of 3% applied to safety related charge payers which would cover Future of Flight Strategic Outcome activities.

### III. DELEGATION OF APPROVAL OF ATS CHARGING SPECIFICATIONS BY PAUL SMITH

13. Further to a discussion at the July meeting, the Board was asked to grant an enduring delegation for air traffic services (ATS) charging specifications.
14. It was explained that changes to the charging specifications were largely about administrative implementation, and were primarily made within the context of wider price control decisions which the Board had already taken – the most recent example being NR23. Therefore, an enduring delegation was sought for the Group Director Consumers & Markets and/or the General Counsel & Company Secretary to approve changes to the specifications in future.
15. In discussion, the Board supported the request for a delegation, but noted that with the heightened interest in air traffic services, that the Board be updated if any novel issues arose in respect of the specifications.

**DECISION:** The Board granted an enduring delegation to the Group Director Consumers & Markets and/or General Counsel & Company Secretary to approve ATS charging specifications in future. This was subject to the Board being updated on any novel matters that arose in respect of the specifications.