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UK CIVIL AVIATION AUTHORITY
MINUTES OF THE 584TH MEETING HELD ON WEDNESDAY 24TH JULY 2024, 13:15
AVIATOR HOTEL, FARNBOROUGH & TEAMS

Present:

Sir Stephen Hillier	Chair
Rob Bishton	CEO
Katherine Corich	Senior Independent Director
Jane Hanson	Non-Exec Director (Items 6-10)
Anne Lambert	Non-Exec Director
Manny Lewis	Non-Exec Director
Tracey Martin	Chief Financial and Operations Officer
AVM Suraya Marshall	Non-Exec Director (ex-officio)
Jonathan Spence	General Counsel & Secretary

Apologies:**In Attendance:**

Dave King	Independent Safety Adviser
Tim Johnson	Communications, Strategy & Policy Director
Tendai Mutambirwa	Interim Group Director, Safety & Airspace Regulation
Laura Madden	Head of Corporate Governance
Graeme Paterson	Corporate Governance & Secretariat Lead

Briar Mulholland	Item 5	Karen Miller	Item 6
Rob Toal	Item 5	Kerry Simmons	Item 6
Julie Bryer	Item 6	Iain Libretto	Item 7
Peter Hammond	Item 6	Dr Mike Trudgill	Item 8

I. APOLOGIES & CONFLICT OF INTEREST DECLARATIONS

1. No apologies or new declarations of interest had been made.
2. The Board was reminded to review the Register of Interests and advise of any changes.
3. The Board was welcomed to the Farnborough Air Show and reminded of the importance of the Board engaging with as a wide a range of stakeholders as possible.

II. BOARD APPROVED MINUTES AND MATTERS ARISING

4. *Minutes* – The minutes of the June Board meeting were noted, having been approved out of committee.
5. *Actions* – The Board was advised that action 241 would now be closed, as the matter would be discussed under agenda item 6.

III. CHAIR'S REPORT (BRD-2024-041) BY SIR STEPHEN HILLIER

6. In addition to the previously submitted report, the Board was informed that initial discussions had taken place with the new Secretary of State and Aviation Minister following the General Election. A more substantive introductory meeting with the Aviation Minister was scheduled to take place before the end of July.

IV. CEO REPORT (BRD-2024-041) BY ROB BISHTON

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7. *Pay Award* – Further to the discussion at June’s meeting regarding pay, the Board was advised that ExCo now intended to proceed with the pay award to colleagues in August’s payroll. A further meeting with the CAA’s recognised Trade Unions was scheduled for early August where they would be advised of this plan.
8. *Mind Accreditation and Pulse Survey Results* – The Board was invited to note the positive outcomes of the recent Mind Accreditation and Pulse Survey. The importance of being able to demonstrate that action had been taken off the back of surveys was emphasised.
9. *Crowdstrike Outage* – The Board was advised that the CAA’s systems had not been directly affected by the issue with Crowdstrike IT system.
10. From an industry perspective, the CAA did not have a direct operational role in responding to the disruption caused due to the outage. However, engagement did take place with airports and airlines to understand the impact. Engagement had also taken place with the FAA and EASA.
11. It was noted that some airlines and airports within the UK had been particularly badly affected.
12. The Board queried what the CAA’s role as regulator should be in similar periods of disruption. It was explained that the CAA was working in a convening role with the Industry Resilience Group and senior representatives from the sector to develop stronger resilience plans. However, there was a limit to the extent that the CAA could mandate a particular set of measures to support resilience.
13. *Lipton Case* – The Board was advised of the outcome of a recent court case against British Airways, in which the Supreme Court had found that pilot illness was not an extraordinary occurrence. Therefore, airlines would be expected to pay compensation under EU261 in instances where flights had been cancelled due to staff sickness.

V. IMPLEMENTATION PLAN BY TIM JOHNSON

14. *The Board was provided with an update on a proposed implementation plan.*

VI. CAA PROPERTY STRATEGY (BRD-2024-043) BY TRACEY MARTIN

15. The Board noted the work that had gone into the development of the Property Strategy, and highlighted the significance of the decisions that needed to be made.
16. The Board was invited to consider the six recommendations outlined in the accompanying material.
17. The Board considered recommendation three first, and this sought agreement on not deferring a decision on the future of Aviation House. In discussion, the Board supported the recommendation based on the cost required to bring the building up to an acceptable environmental standard.
18. Recommendations one and two sought agreement for the disposal of Aviation House, and to relocate the CAA’s Head Office.
19. Noting the analysis that had been provided in the accompanying paper, the Board supported recommendations one and two.
20. Recommendation four related to a proposal to remain in the Canary Wharf area beyond 2028. The Board noted the benefits of having office facilities in London and supported the recommendation subject to successful negotiations with landlords.
21. The Board supported recommendation five which focused on the CAA’s satellite offices, including proposals to update these to help ensure that CAA offices had a consistent look and feel.
22. The sixth recommendation focussed on the handling of dependencies, including funding options for the delivery of the Property Strategy.

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23. The Board was advised that a new office would have a smaller footprint than Aviation House, and this would represent an efficiency. However, there would be a requirement to pay rental costs, which was not currently the case with Aviation House.
24. The Board was advised that the final decision on the sale of Aviation House would be a CAA decision. However, the signing of a lease for new premises would require Government Property Agency sign-off. The DfT would also need to be informed of the intention to take out a loan and as advised that discussions had commenced.
25. It was understood that moving from Aviation House could be unsettling for colleagues, and potentially have an impact on staff retention. However, it was noted that a postcode analysis had been undertaken of colleagues, and the ten-mile radius proposed for a new location could help to mitigate against the risk of highly skilled colleagues leaving the organisation. The Board was advised that assumptions related to the postcode analysis would be further reviewed, as would the additional facilities that a new location might need to have to support the CAA's employee value proposition.
26. Subject to Board agreement it was confirmed that a project team would be stood up with colleagues from across the organisation to ensure that there was effective representation and engagement.
27. Following the discussion, the Board agreed to recommendation six.
28. With the Board having approved all six recommendations, the Board requested that an update on progress be provided in six-months' time.

DECISION: The Board approved the six recommendations of the Property Strategy.

VII. PERIODIC REVIEW OF THE TOP STRATEGIC AND BUSINESS RISKS (BRD-2024-044) BY TRACEY MARTIN

29. The Board was advised that the CAA was on a journey to enhance its enterprise risk management framework. In the meantime, colleagues working in the first line continued to identify and manage risks to the organisation, and the CAA already had a functioning risk system (as a whole) that provided a good basis upon which to build.
30. The purpose of the Board discussion was to review the top strategic and business risks and consider whether these were the most significant issues faced by the organisation, and whether the mitigations in place were the right ones.
31. The Board inquired whether these risks were the primary concerns for ExCo members, and it was confirmed that they were. It was also noted that risks within the organisation were regularly reviewed and discussed at ExCo meetings.
32. Noting risk 4 (on the CAA's cyber oversight activities), it was explained that this risk focused on the CAA's responsibility to hold industry to account for having adequate processes in place to defend against actions by hostile actors. This was not about system resilience issues such as recent global outages.
33. The Board was advised that the innovation demand risks (7 & 8) had been affected by the General Election due to potential delays in decision-making, but activities within the CAA's control were being taken forward. It was noted that risk no 7 was red and this assessment was tested and it was confirmed that the assessment was correct given the importance of the CAA being able to enable innovation. Mitigations were in train to reduce the risk.
34. The Board recognised the importance of the CAA continuing to be an enabling regulator, but noted that there were attendant risks and that it must ensure that it continued to effectively regulate the existing sector. It was also important that

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the CAA continued to ensure that it didn't allow its enabling role to become a partnering one.

35. The Board noted that the risks presented were linked to the delivery against the CAA's Strategic Focus Areas, however, it would be useful to have a broader discussion on risk and potential areas of concern that Members might have, including cyber risk in relation to cloud based services and regulatory decision making and capture risk in the context of our enabling role in new technologies. The Board also suggested that it would be helpful to understand how safety related risks were linked to the CAA's own business risks. It was proposed that a specific discussion on this take place at a future meeting.

ACTION: Tracey Martin to arrange a reflective and broad-based Board discussion on risk, and consider in subsequent reviews how cyber, regulatory decision-making and regulatory capture risks were reflected.

VIII. **SARG REPORT (BRD-2024-045) BY TENDAI MUTAMBIKWA**

36. The Board was provided with an update on the work of the CAA's Medical Department. It was highlighted that the team played a safety critical role in ensuring the operational fitness of pilots and air traffic control officers. It was emphasised that this work could be emotive as it related to the livelihoods of individuals.
37. The Board noted that there had been changes in the way the Medical Department had operated in recent years, particularly post-EU exit. It was also noted that the department would like to make greater use of technology, both to improve the ability of the team to draw insights from data, but also to provide a more integrated user experience.
38. The Board noted that questions had been raised in the accompanying paper about areas of focus for the medical department and charges for assessments. The Board was broadly supportive of these in concept but recognised that prioritisation of tasks was a matter for the team, GDSARG and ExCo. Any decision on charges for assessments would need to be considered as part of Scheme of Charges consultation process.

IX. **DRAFT SEPTEMBER BOARD AND FORWARD AGENDA**

39. The draft agenda for September was noted, albeit that time would need to be allocated for a more substantial discussion on the implementation of recommendations from Projects Manila and Spring.

X. **ANY OTHER BUSINESS**

40. No other business was raised.