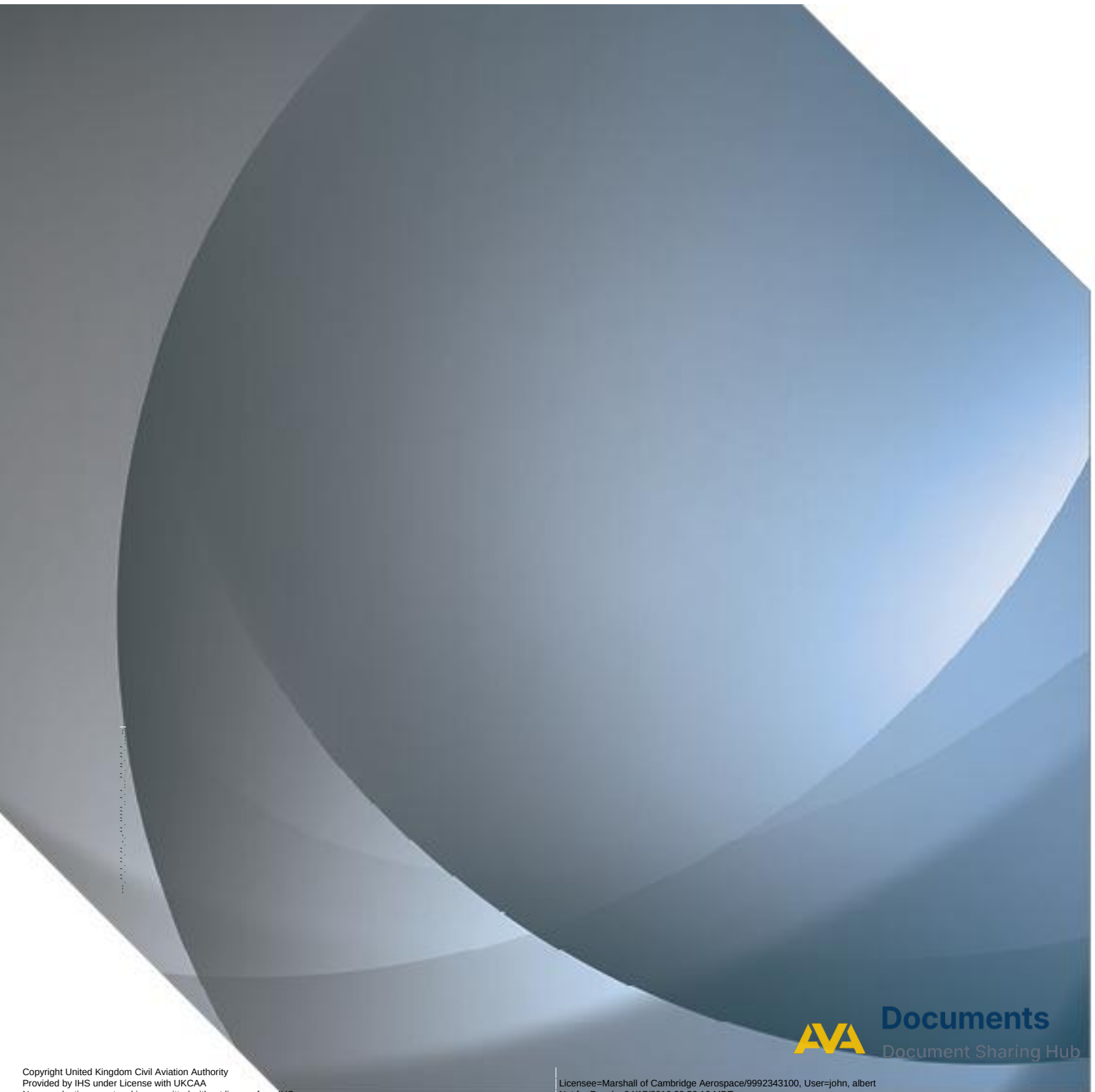


Draft Five Year Strategic Plan: Our key programmes

CAP 1306



WC2B 6TE

The latest version of this document is available in electronic format at www.caa.co.uk

Contents

Introduction	5
Chapter 1: Our key programmes: aviation safety	6
Better safety intelligence	6
Implement performance-based regulation	7
International regulatory relationships	9
Keeping pace with change	10
What matters to consumers and the public: being safe	11
Our high-level safety objective, outcomes and measures	11
Chapter 2: Our key programmes: aviation security	13
Providing regulatory expertise	13
Compliance monitoring	15
Security Management Systems	16
What matters to consumers and the public: being secure	18
Our high-level objective, outcomes and measures	18
Chapter 3: Our key programmes: choice, value and fair treatment	20
Our approach	20
Regulating to get the most from infrastructure	21
Modernising holiday protection	23
Empowering consumers through information	24
Securing consumer redress and enforcement	25
What matters to consumers: receiving choice, value and fair treatment	27
Our high-level objective, outcomes and measures	27
Chapter 4: Our key programmes: environment	31
Our approach	31
Aiding performance through information	31
Generating new data for decision-makers	32
Helping us reach the right decisions	33

What matters to consumers and the public: the environment	35
Our high-level objective, outcomes and measures	35
Chapter 5: Our key programmes: better regulation	38
Promoting growth	38
Reducing burdens on businesses	39
Better decision-making	40

Introduction

We are currently consulting on our Five Year Strategic Plan which sets out how we propose to contribute to the development of the UK aviation sector over the period 2016–2021, what we want to achieve and how we plan to do it.

An introduction and overview of our vision, context and priorities for that period is available as a series of webpages on our website at www.caa.co.uk/Our-work/Corporate-reports/Strategic-Plan/Introduction/ This document is best read alongside those pages.

Here we set out the key programmes of activity we are planning on delivering during the five years of the Plan, aligned to achievement of our consumer and public outcomes and how we intend to measure sector performance in each area.

These programmes describe in more detail the work we intend to undertake. Our work reflects our priority activities and the other work that we are either committed to doing or is being targeted at an identified risk or opportunity in order to deliver our statutory duties.

We have defined a number of outcomes at both the consumer and public level and at the level of individual activities. Where possible we have used data to check that any outcomes we establish for our activities are focused on what matters to consumers and the public.

If you would like to influence our future work, please do not hesitate to respond to this consultation.

The on-line questionnaire for responding to the consultation is available at www.surveymonkey.co.uk/r/CAA5yearplan

Please note that the consultation closes on 19 February 2016.

Aviation affects you – let us know what you think.

Chapter 1

Our key programmes: aviation safety

- 1.1 Our number one concern is the safety of the sector, and in particular consumers and the public. This concern is also shared by those we regulate. The challenge for us is in assisting the sector to continue to achieve excellent safety outcomes. This starts with having the most accurate picture of the risks that the sector faces.
- 1.2 As with all of our programmes, we place considerable weight on understanding risk. A proper understanding of safety risks will drive the interventions listed in our safety programme and we will continue to invest in our colleagues, processes and relationships that help us, our international partners and those that we regulate to understand and respond to risk in an effective way.
- 1.3 While our safety work will evolve, we anticipate that the outcomes of the seven most common accidents we have identified will continue to provide an important framework for our considerations around safety. We will increasingly focus on complementary root cause 'upstream' risks. And we believe that we can best do this by adopting the following strategic safety priorities, which will guide the way we operate over the coming years.

Better safety intelligence

- 1.4 Our safety system is one where each individual entity has a unique perspective on the risks they face and those they pose to others. In many cases, others' understanding of risk will be better than ours. Where they are managing this risk, this is entirely appropriate. A key part of our job as the regulator is in providing an overall picture so that aggregated risks can be seen in their entirety and management of risks improved. Pooling data and best practice from others means that we are better placed to identify and manage risk.
- 1.5 The potential for everyone to make more of these perspectives is significant; both in terms of the collection and analysis of that data, but also ensuring that it is shared in a way that enables those best placed to act on it. As a regulator with a network of relationships across the safety system, we see huge potential for improving the way that information is managed and a strategic priority for the coming years is managing safety information better to optimise safety outcomes for consumers. For our decision-making, this means using data to better support our own expert judgements.

Activity	Timeline	Key activity outcomes
Enable CAA direct access to the necessary industry and consumer data and information to support the risk-based regulatory and oversight activity.	Significant activity to generate data sets and implement access arrangements 2016-18, becoming routine activity 2019-21.	Intelligence is processed and exploited to best effect to create the risk picture necessary to effectively drive performance-based oversight (PBO) and other safety interventions. Data and information sharing between regulators, industry and stakeholders enriches the total risk picture and knowledge in order to target safety risk management effectively.
Share safety information internally and externally – with consumers and industry – in a way that encourages and drives action.	Some information-sharing as capabilities are established 2016-18; increasing information-sharing both internally and externally 2018-21.	
Use risk-based intelligence gathering to inform the risk picture in the areas of most concern where the most significant exposure to risk may lie. Work with limitations on available information where the exposure is less.	Ongoing 2016-21, maturing and improving in line with the evolution of performance-based regulation (PBR).	
Build and enhance our capacity to collect and exploit data and information.	Significant activity 2016-17 improving in line with our maturing intelligence function; ongoing activity 2018-21.	
Ensure that appropriate systems and tools, subject matter expertise and levels of resource are available to support the data interpretation effort necessary.	Significant activity 2016-17 improving in line with our maturing Intelligence function and ongoing activity 2018-21.	
The total risk picture is designed and evolved to incorporate the contribution of new streams of data and information and its exploitation delivers focused activities to address risk.	Significant activity 2016-17 in line with our evolution of performance-based regulation (PBR) and the establishment of our risk oversight domain; ongoing development of the total risk picture 2018-21.	
Develop ways of using data to help consumers make informed choices.	Ongoing activity developing and maturing processes and systems 2016-21.	

Implement performance-based regulation

- 1.6 Performance-based regulation (PBR) means developing a comprehensive risk picture with the organisations we regulate and building our knowledge and data to make sure we target our regulation in the areas where it will make the biggest difference.

- 1.7 PBR has been the subject of a transformation programme for the business focused on embedding PBR theory and practice within the organisation and those that we regulate. Combining this transformation effort, the CAA will strengthen its ability to assure that the major risks to UK aviation consumers are being well managed. We are not alone in recognising that change is required. PBR is central to the European Aviation Safety Agency's (EASA) and the International Civil Aviation Organisation's (ICAO) future plans. The CAA is working closely with our international colleagues to shape how PBR works in practice. We have also sought the views of industry. They have fed back that PBR should make the CAA more proportionate and targeted, give us a greater degree of commercial awareness and make us more transparent about how money is spent.
- 1.8 Our decision to focus on PBR reflects the move from an approach based on more prescriptive rules to one based on a much better appreciation by us and by those we regulate of where the risks are occurring and the capability of individual entities to manage them.
- 1.9 Part of ensuring that PBR works effectively is fostering a culture of transparency and openness; it is important that everyone is transparent when things go well and when they do not. Cultivating an atmosphere where people have confidence to report safety concerns without fear of blame is key to this. Employees must know that confidentiality will be maintained and that the information they submit will be acted upon appropriately.

Activity	Timeline	Key activity outcomes
Strengthen and standardise the approach to oversight by completing the transformation to PBO.	Implementation activity in 2016-17; system evolution in 2018-21.	Effective safety oversight coupled with industry risk management provides confidence that safety risk controls are in place and effective.
Implement the Regulatory Safety Management System (RSMS) to bring together all safety risk analysis, decision making, prioritisation of resources and tracking of safety improvement projects under one governance structure.	2016-18 to develop and mature RSMS; ongoing routine activity 2018-21.	PBR, through standardisation of processes and tools and the development of key management information delivers efficiency and productivity benefits.
Just Culture is an intrinsic element of Safety Management Systems (SMS); consider the inclusion of Just Culture as part of SMS oversight regime and tool kit.	Ongoing activity 2016-21.	Key aviation safety professionals and organisations reliably deliver what is expected of them. Contribution to Better Regulation outcomes, for example through PBO, will help deliver proportionality of the oversight regime. CAA achieves the best safety outcomes for the consumer with the resources available.

Activity	Timeline	Key activity outcomes
		Robust safety decision-making to inform resource allocation. Future oversight plans are tailored based on the latest assessment of an entity's safety risks and performance to help plans be proportionate and targeted. Contribution to Better Regulation outcomes, for example RSMS means regulation is effectively targeted. A Just Culture has been completely embedded as a fundamental of aviation SMS.

International regulatory relationships

- 1.10 As a national regulator, we are part of a bigger safety system. Aviation has always been international and never more so than today. Many of the risks UK consumers face and the means for addressing them can only be addressed in this context. More than ever, rules and regulations that are implemented in the UK are negotiated in the European Commission, EASA or ICAO. The CAA has always sought influence beyond the UK because it delivers benefit, and we intend to continue to be a significant and constructive international partner of these bodies.
- 1.11 We are one of the biggest National Aviation Authorities (NAAs) in Europe and have established relationships with EASA and ICAO. At the same time, we recognise the value in developing durable relationships with other NAAs.

Activity	Timeline	Key activity outcomes
Prioritise and resource our engagement with EASA and ICAO for best effect to achieve our strategic safety ambitions.	Significant activity (particularly with EASA) 2016-17 with ongoing effort 2018-21.	Emerging international regulation is fit for purpose, proportionate, and sustains and improves safety standards.
The CAA retains and strengthens the necessary core/essential capabilities to support our strategic ambitions and those of our partners.	Significant activity 2016-17 with ongoing effort to nuance and align our capabilities 2018-21.	EASA, ICAO and the UK strategic priorities are aligned. The UK is the partner of choice for EASA and other international stakeholders in order to strengthen and widen the impact of European safety regulations.
The CAA initiates and acts as a driver for cooperative oversight.	Significant activity with EASA and through bilaterals 2016-2018.	CAA is agile and flexible, and is evolving to remain a fully capable NAA within the EASA system. Effective regulatory oversight of new business models in a transnational aviation industry.

Keeping pace with change

- 1.12 We have the potential to impact positively or negatively the way that the industry evolves to serve consumers, either because well-intended but poorly designed regulation gets in the way of innovation, or we fail to step in to facilitate positive developments when opportunities arise. We want to position ourselves as supporters of consumer-friendly innovation. We will do this by focusing on outcomes not inputs, and leaving the industry to innovate. In doing so, we will be careful in understanding the limits of what we or others are able to predict about the path of change.

Activity	Timeline	Key activity outcomes
The CAA initiates and acts as a driver for cooperative oversight and other enabling arrangements.	Significant activity with EASA and through bilateral trials 2016-18; becoming increasingly routine activity 2019-21.	Effective regulatory oversight of new business models in a transnational aviation industry.
The CAA proactively develops and deploys oversight models and methodologies in order to enable industry exploitation of new technologies and complex systems.	Ongoing activity 2016-21.	New oversight models/methods are in place to support the roll-out of new technology and systems.
The CAA maintains the regulatory means to facilitate industry cooperation to enable the Future Airspace Strategy (FAS) deployment and evolution.	Ongoing activity 2016-21 supporting peaks in activity in line with FAS industry deployment plans.	The UK has a more flexible and integrated airspace system aligned with European developments and technological changes, which improves safety, capacity and efficiency and balances the requirements of all airspace users.
Support or facilitate UK government strategies and initiatives in aviation and other areas where a contribution from aviation is beneficial.	Ongoing activity 2016-21 supporting peaks in activity, for example on drones, spaceplanes and spectrum release.	The CAA proactively develops regulatory frameworks to enable government and other innovation strategies.

What matters to consumers and the public: being safe

- 1.13 The UK performs very well in the safe performance of its aviation sector. The CAA's consumer research suggests that consumers value the safety of aviation above everything else, although many do not want more information about safety. There is a high level of confidence in safety standards and the majority consider that air travel is safer than other modes of transport.
- 1.14 In addition to the consumer dimension to safety, there are wider societal benefits in ensuring that the consumer feels safe when travelling by air – confidence in the sector facilitates the ability to travel and trade, creating social and economic effects that benefit the UK.

Our high-level safety objective, outcomes and measures

- 1.15 The following table sets out our high-level objectives and related consumer and public outcomes for safety, as well as how we intend to measure progress.
- 1.16 In the area of safety, measuring performance is complex. Although there is a significant amount of data, past actions have meant that the UK's aviation safety performance is such that accidents are relatively rare.
- 1.17 Objective measures of the safety of the sector therefore focus instead on some of the secondary indicators that help us to determine how well we and the industry entities within the sector are managing safety performance through, for example, through our Regulatory Safety Management System (RSMS).

SAFETY OBJECTIVE

To sustain and, where appropriate, enhance aviation safety performance.

Key high-level risks to the consumer and the public that we are addressing through this objective:

- Commercial air transport (including offshore helicopters) accident in the UK
- General aviation accident in the UK
- Commercial air transport accident involving UK Air Operator's Certificate (AOC) anywhere in the world
- Commercial air transport accident anywhere in the world involving UK passengers.
- Consumers believe that safety is inadequate, arising from actual or perceived failings
- Disproportionate safety regime imposed

SAFETY OUTCOME What success looks like	MONITOR What we look for to measure progress towards success	DATA Information that makes monitor meaningful	DATA SOURCE Where we get the data
1. Aviation safety for the UK consumer and the UK public is assured	(1. a) Whether injuries or fatalities occur as a result of aviation activities. Whether the appropriate regulatory measures are in place and are being enforced in order to protect the UK consumer and UK public.	Fatal accident rates (outright and comparison to the EU average).	Mandatory Occurrence Reporting (MOR) database, European Coordination Centre for Accident and Incident Reporting Systems (ECCAIRS), Flightglobal accident datafeed, the Department for Transport (DfT) safety related statistics for other transport modes, CAA Investigations & Enforcement Team data.
		Moving average fatal accident rate (to show an improving trend).	
		MOR rates (high severity (A & B) and low severity (C & D) MORs total and by sector).	
		Comparison of fatal accident (and serious incident, where available) rates for aviation with other modes of transport	
2. The UK consumers and the UK public benefit from industry modernisation and technological development and innovation	(2. a) Whether the aviation consumer and UK public experience is improved as a result of new technologies and a modernised aviation environment.	Ground injuries sustained as a result of aviation activity (broken down by type of activity).	UK aircraft register database Future Airspace Strategy Industry Implementation Group scheme of activity.
		Average fleet age (highlighting a reducing trend as a positive indicator).	
		Levels of aircraft equipage/equipment serviceability.	
3. The UK consumers and the UK public, wherever they fly, have confidence in aviation safety	(3. a) Whether the public and consumers are confident that aviation is safe and they are not deterred from flying anywhere in the world.	Assessment of future airspace initiatives to quantify air traffic system benefits delivered.	Consumer tracker survey
		Perception of aviation safety through tracker survey.	
4. The cost to consumers and the public of the safety regime is kept proportionate to the benefit attained.	(4. a) Whether consumers and public receive safety benefits proportionate with the cost of regulation.	Evidence of impact assessments conducted that show net safety benefit (relative to cost).	Regulatory impact assessments
			Business engagement assessments

Chapter 2

Our key programmes: aviation security

- 2.1 The security of the aviation sector is a key focus for the CAA, for our stakeholders, and for those using aviation services. In our work on aviation security, the CAA's main role is to advise and support the Secretary of State for Transport in the regulation of aviation security in the UK.
- 2.2 Responsibility for regulation and overseeing aviation security passed to the CAA from the DfT in 2014. We work to achieve our strategic objective to **ensure that civil aviation entities operating in the UK maintain security arrangements which address the risk to their operations and the public.**
- 2.3 In line with the CAA's strategic priorities, we are investing in our infrastructure to improve collection and analysis of performance data; establishing the Security Management System (SeMS) approach to quality assurance, as a move towards risk-based regulation; regulating responsively to industry's technological and commercial innovation, and to consumers' expectations of proportionate and targeted rule-making; and pursuing excellence in service delivery across all of our work.
- 2.4 Our work covers three priority activities:
1. **Providing regulatory expertise:** supporting the DfT in the development of policy advice to the Secretary of State, framing and issuing regulations to deliver policy decisions, and providing advice and guidance to industry on their implementation.
 2. **Compliance monitoring:** monitoring the implementation of security regulations, through observations, inspections, tests and audits, and, where necessary, enforcement.
 3. **Security Management Systems:** supporting the aviation sector in adopting and implementing SeMS. This will both reinforce security and facilitate a future move, European legislation permitting, to a performance-based form of regulation.

Providing regulatory expertise

- 2.5 The overarching function within our regulation activity is to provide expert support, advice and guidance on aviation security – to the DfT on its own policy making, and that undertaken in Brussels; on the development and interpretation of aviation security regulations; and to the public in response to queries or complaints about how those regulations are implemented.