

**CIVIL AVIATION AUTHORITY**  
**MINUTES OF THE 537<sup>th</sup> BOARD MEETING HELD ON**  
**WEDNESDAY 22 JANUARY 2020, AVIATION HOUSE**

**Present:**

Dame Deirdre Hutton                      Chair  
Mr Richard Moriarty  
Mr Rob Bishton  
Ms Katherine Corich  
Ms Marykay Fuller  
AVM Ian Gale  
Mr David King  
Ms Anne Lambert  
Mr Michael Medlicott  
Mr Paul Smith  
Ms Kate Staples                      Secretary and General Counsel  
Mr Chris Tingle  
Mr Graham Ward

**Apologies:**

None

**External visitors:**

**ICCAN Commissioners              for Item 6**

Mr Robert Light  
Mr Sam Hartley  
Mr Simon Henley  
Mr Simon Kahn  
Mr Howard Simmons

**In Attendance:**

Mr Tim Johnson  
Mr Peter Drissell  
Mr Richard Stephenson  
Mr Philip Clarke  
Ms Barbara Perata-Smith              Minute taker  
Ms Jane Cosgrove                      for item 5

|                   |                      |
|-------------------|----------------------|
| Ms Norma Hastings | for item 5           |
| Mr Nic Stevenson  | for items 7, 8 and 9 |
| Mr Matt Taylor    | for items 8 and 9    |
| Mr Simon Sheeran  | for items 8 and 9    |
| Mr Rory Kidger    | for items 8 and 9    |
| Mr David Malins   | for items 10         |
| Mr Glenn Bradley  | for items 10 and 11  |
| Ms Stephanie Shaw | for items 10 and 11  |
| Mr Troy Preston   | for item 12          |
| Mr Peter Gardiner | for item 12          |
| Mr Ben Alcott     | for item 13          |

## **I. APOLOGIES AND INTRODUCTIONS**

1. There were no apologies.

## **II. CONFLICTS OF INTEREST, PREVIOUS MINUTES AND MATTERS ARISING**

3. No new conflicts of interest were declared.
4. The Chair advised that minutes for the December 2019 meeting would be presented for approval at the February 2020 meeting. Preparation of the final draft had been affected by other priorities.
5. The PIE sessions referred to on the Board actions list will be arranged and the Board notified. No other matters arising.

## **III. CHAIR'S UPDATE**

6. The Chair gave an update of recent meetings and events that she had attended. These include two engagements relating to Matterhorn. First, an interview given to the journalist Tom Burridge on the collapse of Thomas Cook, some of which had been used in a BBC documentary that ran over the Christmas period. Second, an event for DfT's Arm's Length Bodies where the Chair spoke about the Thomas Cook repatriation in the context of highlighting collaboration across departments.
7. The Chair had visited Westferry over the Christmas and New Year period personally to thank the teams working on the Thomas Cook refunds, who had been on duty since the Autumn 2019 and working relentlessly. The Chair asked Mr Smith to convey the Board's sincere thanks to the team for their dedication and commitment.

**ACTION:** Mr Smith

8. The Chair had met with Lord Deighton and discussed Heathrow's proposed expansion.

9. The Board noted the update.

#### IV. CHIEF EXECUTIVE REPORT (DOC 2020-01) BY RICHARD MORIARTY

##### Key live issues

10. Mr Moriarty provided an update on a number of issues.
11. **EASA:** recent UK Government public statements about regulatory alignment between the UK and EU following the transition period, particularly the principle of “UK regulatory autonomy”, suggested that the UK’s continued participation in the EASA system was now less likely. However, the final nature of the UK’s relationship with the EU on aviation will be determined through the EU/UK negotiations that will take place during 2020 and the final arrangements will only be known for certain once those negotiations are complete. The CAA was continuing to work with Government to prepare for a range of scenarios, but we would have to prepare for the realistic prospect that the UK would need to agree and implement amongst other things a Bilateral Air Safety Agreement with the EU and create its own aviation rulemaking capability.
12. In terms of resource implications, Mr Moriarty explained that there might be a need for rapid mobilisation of certain teams, such as State of Design.
13. **Recent discussions with Government:** Mr Moriarty said that recent discussions with Government had covered issues including General Aviation, access to airspace, the viability of local aerodromes and encouraging grassroots aviation.
14. Board members asked about the CAA’s agility to respond to the changes to the policy framework within which it operates, and its bandwidth to accommodate additional requests from Government. Mr Bishton emphasised that safety remained the primary duty set by Parliament but that we had other important duties too. Mr Johnson added that the legitimate role of Government and Parliament was to set the legislative and policy framework within which we operate. The Government had given the CAA some additional tasks, and in many cases, these had been accompanied by additional funding to create additional capacity. As well as additional shorter term tasks, we were also engaging Government on some of the longer term strategic policy issues. We would be engaging positively with the Government’s evolving priorities but would also be willing to make clear if genuine conflict or bandwidth problems arose.
15. **Flybe:** Mr Moriarty provided a summary of the situation.
16. **Thomas Cook compensation:** Mr Smith commented that the vast majority of the claims had been settled, apart from the last 3% which were the most complex ones or had incorrect or missing records and thus required manual interventions. The

teams had been dealing with claims for payment since last Autumn and had faced some unpleasant and aggressive customers on a daily basis, so it was becoming more difficult to keep colleague morale high.

17. The Chair pointed out that the lessons learnt from this exercise should be: first, to explain better to claimants that any payment made was funded by a pot built up of insurance premium type payments made at the point of booking, rather than the customer's own funds, and second, to be mindful of setting for any future similar operations a time period for processing claims.
18. The Chair also praised all members of the Board and ExCo for their role in the crisis.
19. **Palamon project:** Mr Smith provided a brief update.
20. **Expenses policy:** Mr Moriarty set out his plan to review the current expenses policy and process and align it with other sectors and with our own internal wellbeing programme. The Board agreed with the proposal.
21. The Board noted the report.

## V. CAAPS CONSULTATION (DOC 2020-10) BY CHRIS TINGLE

22. Ms Staples recused herself from the meeting due to her role as a Trustee of Civil Aviation Authority Pension Scheme (CAAPS). The Board welcomed Ms Cosgrove and Ms Hastings to the meeting.
23. Mr Tingle sought the Board's endorsement on two CAAPS proposals, which had been consulted on with staff. First, rebasing the cap on pensionable earnings in line with the Consumer Price Index (CPI) with effect from 1 April 2020, as the cap was currently aligned with the Retail Price Index (RPI). This change could be introduced without the agreement of the Trustees. Second, changing the index used in the indexation of pensionable earnings to CPI (from RPI currently) for service - known as dynamization - from 1 April 2020. This change could not be introduced without the Trustees' agreement.
24. Mr Tingle outlined the benefits associated with the proposed changes, including a reduction of the current pension fund deficit and future service cost, but which would not alter the overall valuation result. The consultation had run from October 2019 to January 2020, with several responses submitted, including a small number of oppositions. Mr Ward praised the thoroughness of the consultation process.
25. The Board endorsed the proposals.
26. The Chair expressed concern that there was still inequality between the CAA's Defined Benefit and Defined Contribution schemes despite the fact that colleagues on the different schemes have different salary scales and requested a discussion to explore ideas to address this inequality, maybe as part of the next HR update.

27. The Board noted the report.

## **VI. ICCAN PRESENTATION (DOC 2020-02)**

28. The Board welcomed Mr Light, Mr Hartley, Mr Henley, Mr Kahn and Mr Simmons from ICCAN to the meeting.
29. Mr Light thanked the Board for the support it had offered to ICCAN during its early phases of existence. He provided an overview of the Commission and its strategic priorities: building trust and transparency, achieving consistency and accountability within industry and establishing its credibility and expertise.
30. ICCAN had continued to have extensive engagement with a very wide range of stakeholders to gather information and hear directly from those affected by aviation noise and involved in the aviation noise debate. The organisation felt it had managed to get a good grounding of perspectives and was planning to continue its programme of work, as set out in its Strategy which it had published in July 2019.
31. The most recent publication had been its review of the Survey of Noise Attitudes (SoNA). ICCAN had recommended that the survey be run more regularly to be able to understand changing trends among the public. It planned to follow this document with a toolkit to encourage consultation best practice for airspace design changes. In Spring 2020, ICCAN intended to explore metrics for noise complaints handling, since it is an area of concern and poor clarity. Finally, ICCAN would look across the regulatory landscape with a particular focus on planning framework, as this was one of the primary areas that did not always deliver for airport communities on noise.
32. Mr Light commented that airports were making an effort to abate noise and he was keen that they should maintain momentum. He was also keen to ensure that noise did not slip off the Government's agenda and was being considered by those developing new technologies or in their efforts to reduce the impacts of climate change. He was keen to discuss areas where both ICCAN and CAA could collaborate and complement each other's expertise, now and in the future, whilst respecting the two organisation's distinct roles.
33. The Chair stated that CAA had been aware for a while that communities had developed a much stronger voice, which could be a force of opposition against unpopular planning or airspace developments and that central government had more recently responded to this stakeholder group, particularly through the creation of ICCAN and proposals in the Aviation Strategy Green Paper respond. This meant that the arrival of ICCAN, as a trusted independent body, had been welcome. The