

CIVIL AVIATION AUTHORITY
MINUTES OF THE 545th BOARD MEETING HELD ON
WEDNESDAY 16 SEPTEMBER 2020, 12:00, on Microsoft Teams

Present:

Sir Stephen Hillier

Chair

Richard Moriarty

Rob Bishton

Katherine Corich

Marykay Fuller

David King

Anne Lambert

Paul Smith

Chris Tingle

Graham Ward

Kate Staples

Secretary and General Counsel

Apologies:

AVM Ian Gale

In Attendance:

Peter Drissell

Tim Johnson

Richard Stephenson

Ben Alcott

Jane Cosgrove

Philip Clarke

Barbara Perata-Smith

Minute-taker

Russell Veale

for item 6

Nic Stevenson

for item 7

Andrew Walker

for item 10

Stewart Carter

for item 10

Martine Freeman

for item 11

Glenn Bradley

for item 12

David Malins

for item 12

Jon Round

for item 12

I. APOLOGIES AND INTRODUCTIONS

1. Apologies were received from AVM Ian Gale.
2. The Chair noted that Ben Alcott and Jane Cosgrove would join the entire meeting.

II. CONFLICTS OF INTEREST, PREVIOUS MINUTES AND MATTERS ARISING

3. No new conflicts of interest were declared.
4. The minutes for the 16 July 2020 meeting were approved with a number of minor changes. The minutes would be published in due course.
5. The matters arising from previous meetings were noted. The Chair commented that the Health and Safety Annual Report had been deferred to the October meeting and that all other outstanding actions had been updated. He added that he would review the list for duplications.

III. CHAIR'S UPDATE

6. The Chair provided an overview of his priorities for the organisation, which he had already highlighted at the internal online townhalls, and of the topics likely to keep the organisation occupied in the upcoming months. These included: the threats and opportunities of a post-Covid world, decarbonisation, our future financial model, preparations for further Covid related demands, regulating new technologies and designing our new operating model. Furthermore, the Chair noted that each Board meeting should include a people-related item, led by Jane Cosgrove, who would now attend every Board meeting.
7. The Chair concluded by saying that the letter from the Secretary of State, with his updated priorities for the CAA, should follow imminently and he thanked Richard Moriarty and Tim Johnson for their work on this. He added that the Board focus should be on providing leadership to allow people to do their day job well and monitor the balance between ambition and resource.
8. The Board noted the update.

IV. CHIEF EXECUTIVE REPORT (DOC 2020-63) BY RICHARD MORIARTY

9. Richard Moriarty requested two approvals from the Board and provided an update on a number of live issues.

Approvals

10. Scheme of charges: Mr Moriarty asked the Board to approve the recommendation made by ExCo not to increase our fees and charges for Q3 2020/21. The Board endorsed the request.

11. CAAPS Trustees: Mr Moriarty asked the Board to approve the appointment of Geoff Parker as a CAA Pension Scheme Trustee, with immediate effect and until September 2023, to replace Sean Parker who had stepped down. The Board endorsed the request.
12. **Live issues**
 13. Passenger Locator Form: Mr Moriarty said that the government was likely to legislate to ensure airlines were compelling passengers returning to the UK to complete the form before boarding the aircraft.
 14. CAA's future working model: internal pulse surveys and conversations indicated that our people wanted to work more flexibly in the future and we had planned to approach this work twofold: first, by reiterating that the current working arrangements would continue until Christmas 2020, although, as both offices were Covid-secure, we would encourage colleagues to meet in person periodically; and second, we would analyse the feedback and design an operating model where flexible working was embedded in the working practices. This approach would allow us to attract and retain a broader cohort of talent.
 15. The Chair opened the discussion for comments.
 16. Marykay Fuller enquired how we were discharging our current regulatory responsibility to enforce airline compliance with passenger information, particularly as passenger completion of these forms were currently only subject to spot checks by Borderforce. Mr Moriarty explained that the approach focussed on systemic airline failings rather than individual performance. Paul Smith added that the team would continue to follow this principle in the short term, but that longer term the model could see passenger non-compliance equalling denial of boarding by the airlines. This issue would however need monitoring to ensure those who were not technically- or computer-literate could not be unduly penalised.
 17. Mr Smith elaborated that the team had been monitoring whether airlines provided enough information to passengers on the requirement to complete the form, for example by doing mystery shopping at certain airports and purchasing tickets to verify the correct instructions were available. However, the team was mindful that passenger non-compliance might not be the airline's fault, but due, perhaps, to the passenger's lack of digital skills or decision not to complete the form despite being aware of the requirement to do so.
 18. Katherine Corich commented that, in view of the lack of a consistent global solution to support the Covid recovery, we should encourage ICAO to continue to make the case about the significant benefit that a collaborative and common approach would bring. Mr Moriarty confirmed that CAA was already working with ICAO to

- establish a bio-security baseline and for this to become embedded in airlines' supply chain, in the same way as the aviation security baseline. We continued to liaise with the FAA, as this was an issue that would continue to challenge all states.
19. David King enquired whether CAA's ambition for electronic conspicuity had diminished. Mr Moriarty explained that the appetite was still the same but that the organisation had decided to modify the approach so as to maximise the progress that could be made quickly. The Chair added that this was a live issue and that CAA was actively engaging with government.
 20. Graham Ward requested an update on the ATOL renewals work. On the latter, Mr Moriarty confirmed that we were in touch with most of our commercial stakeholders and we continued to participate in bespoke conversations to aid understanding of the impact of Covid on their businesses. Throughout the pandemic, CAA had managed to position itself as a trusted advisor to both government and industry. Mr Smith explained that the work was proceeding and that the team was seeing some companies exit the market with some being replaced by new entrants.
 21. The Board noted the report.

V. COVID STOCKTAKE (DOC 2020-64) BY RICHARD MORIARTY

22. Richard Moriarty set out the aims of the update, which were to provide a point in time assurance review, to confirm we were delivering what was expected of us, and to discuss the next steps for the work.
23. David King commented that there had been several instances when the organisation had been under pressure due to a crisis and its people had willingly stepped up to go above and beyond. We should therefore reflect whether we were managing our resources well enough to keep us away from the edge, in view of potential future pressure points, such as potential ATOL failures. Although this balance would be for the Executive Directors to manage, it was right the Board had a view.
24. Mr Moriarty agreed with Mr King's perspective and said that the work generated by the response to the Covid crisis was now being captured as Business As Usual (BAU) to ensure capacity could be properly assessed, rather than expect colleagues to carry out their BAU and the work associated with the Covid recovery. In order to support this, we were implementing the approach to prioritisation proposed by Project Horizon. We would also focus on recruiting a greater proportion of colleagues with agile and adaptable skill and mind sets, to allow for internal staff movements addressing pressure points where possible. This was work in progress led by Jane Cosgrove. Finally, we would also be reflecting on the

challenges that were being brought by concurrent high tempo demands on the organisation (e.g. Brexit, Covid) and the effect on our operating model.

25. Mr Moriarty updated the Board on the external Covid recovery activities. He commented that industry was asking government for a robust testing regime for aviation and a financial support package to see them through the winter. This was a matter for government to decide on. CAA continued to focus on providing effective day-to-day oversight of and assistance to industry and on supporting government with a range of issues such as passenger location forms, on Brexit and on the international stage, the innovation and technology agenda and taking forward the airline insolvency review.
26. Graham Ward offered to share lessons learnt from designing the International Standards of Accounting and Auditing to support the work on the internationally agreed standard for biosecurity. Ben Alcott commented that CAA had been included in the ICAO group that led the design of the recovery plans and our representative was also encouraging agreement to create international standards. Other ICAO groups focused on the passenger journey, General Aviation (GA) and state level implementation, with CAA fully committed to those as well. The latter was the biggest issue, also affecting the EASA Member States.
27. The Chair enquired whether embedding crisis work as BAU required a deep look at the organisation's structure to ensure it was properly configured. Mr Moriarty confirmed that we needed to review the CAA's structure and culture, which was being taken forward by Project Horizon, set priorities and staff capacity to allow focus and align the Board's risk appetite with the organisation's. The Chair suggested that a separate conversation should take place to explore this further and that he would like a reminder on the CAA's system for reward and recognition.

ACTION: Sir Stephen Hillier, Richard Moriarty

28. The Board noted the update.

VI. RESPECT AND DIGNITY AT WORK AND CAA'S RESPONSE TO THE PEARN KANDOLA REPORT (DOC 2020-65) BY JANE COSGROVE

29. The Board welcomed Russell Veale to the meeting.
30. Jane Cosgrove introduced the item. First, Ms Cosgrove said that the team had been working on developing a new set of values for the organisation: the most popular, according to the votes from the colleague working groups, had been 'Respect Everyone', which would be worth bearing in mind in light of this conversation. Second, the engagement plan had not been included in the Board pack, but would be discussed as part of this item and would comprise of a blog