

CIVIL AVIATION AUTHORITY
MINUTES OF THE 555th BOARD MEETING HELD ON
WEDNESDAY 14 JULY 2021, 11:00, on Microsoft Teams

Present:

Sir Stephen Hillier

Richard Moriarty

Rob Bishton

Katherine Corich

Marykay Fuller

David King

Anne Lambert

Paul Smith

Kate Staples

Chris Tingle

Graham Ward

Chair

Secretary and General Counsel

Apologies:

AVM Simon Edwards

In Attendance:

Ben Alcott

Jane Cosgrove

Peter Drissell

Tim Johnson

Alex Kaufman

Philip Clarke

Barbara Perata-Smith

Minute-taker

Briar Mulholland

for items 7

Rick Newson

for item 7

Chris Whitehurst

for item 8

Michael Cox

for item 9

Sophie O'Sullivan

for item 9

Ray Forster

for item 10

I. APOLOGIES AND INTRODUCTIONS

1. Apologies were received from AVM Simon Edwards.

II. CONFLICTS OF INTEREST, PREVIOUS MINUTES AND MATTERS ARISING

2. No new conflicts of interest were declared.
3. The minutes from the previous Board meeting were approved with some minor amendments and would be published on the CAA website in due course.
4. The matters arising were reviewed.
5. On Action 155, the Chair confirmed it would be useful for the Board to have an update on risk in six months' time, emphasising the difference between the original risk assessment and the current one, to understand whether optimism bias had affected the forecast and whether the mitigations had been effective.
6. The COO provided an update on the CELLMA backlog and assured the Board this was now in hand.

III. CHAIR'S REPORT (DOC 2021-58) BY SIR STEPHEN HILLIER

7. The Chair noted that today's meeting would be shorter, to allow for the afternoon session to take place. There would be three external speakers setting the scene on aviation's decarbonisation, in anticipation of the Board Awayday in September, which would focus entirely on the environment and sustainability. Details on the logistics of the September Awayday would be provided separately.
8. Today's Board meeting agenda included a substantive item on the Level 3 case handling review which was an important issue to ensure we applied consistent judgement.
9. The Chair commented that the Comprehensive Spending Review (CSR) was in progress, but very fast moving and with an early September deadline. He noted that the proposals might have to be shared with the Board offline, in August.
10. The Board noted the update.

IV. FINANCE REPORT FOR THE TWO MONTHS TO 31 MAY 2021 (DOC 2021-60) BY CHRIS TINGLE

11. The COO noted that he would run through the monthly figures, the forecast and the outlook for the full year, the CSR process and discussions with the DfT, focusing on the CAA's proposed bids for BAU and ambition work.
12. The monthly figures had a favourable variance, due to positive income and good cost performance, primarily due to being below budget with the head count. On the income, the s.12 grant had been accrued and the team was planning to

manage it closely in line with forecast. Passenger volume forecasts were changing up due to the impacts that changing public health requirements were having on booking and travel plans. Overall, the variable income is tracking ahead of budget for the first quarter, so Finance will need to carefully consider whether the budgeted s.12 grant drawdown is necessary.

13. The COO added that further information was expected soon on the CSR process. The CAA had designed the proposals for both BAU activity and ambition work: the former would include projects already underway or highlighted in the SoS's Priorities Letter to CAA; the latter would align with the objectives of the CSR, which could include were decarbonisation, electric aviation and innovation. Submissions were expected in the first week of September, so an update to the Board would follow by correspondence in August.
14. The Board noted the report.

V. CHIEF EXECUTIVE REPORT (DOC 2021-59) BY RICHARD MORIARTY

Approvals

15. The CEO asked the Board to approve two items, as follows.
16. First, the Board was invited to approve publication of the organisation's Register of Interests. The Board approved the request.
17. Second, the Board was invited to approve the proposed approach to making decisions in relation to the CAA's space function, noting a review would be carried out in six months' time, in light of experience.
18. The Board approved the proposed decision-making approach. A request was made for a note that explained the extent of the CAA's function in relation to space. The Policy Director took an action to forward a one-pager setting out the CAA's space role and responsibilities.

ACTION: Tim Johnson

Live issues

19. Recovery and response: the Board was informed of the prospect that CAA could be allocated an additional function in relation to airlines' compliance with various Covid border health measures. The new role would require the CAA to check airlines' compliance with new obligations to check that passengers who had received two vaccinations recorded that information in their passenger locator form (PLF). The same approach was being followed by the ORR for the Eurostar passengers and by the MCA for ferries.
20. The team had broadly agreed with government that there would be two types of offences: first, where airlines could not demonstrate having sufficient processes in

place to ensure effective monitoring; and second, where airlines did not have adequate records showing the checks had been carried out. The team would discuss the next steps with the airline community.

21. The Board observed that this work should follow strict terms of reference agreed by all parties involved, and in particular focused on airline rather than individual passenger compliance. The CEO commented that the proposal had been drafted by CAA and agreed by the ORR and the MCA, however, the team would monitor the requirements carefully to ensure they were within the agreed parameters. Guidance to support airlines would be produced and CAA would be supported by legislation defining the offence which would provide clarity on what the expectations were for the airlines.
22. A question was raised to understand how well-equipped airlines were to start doing this once the restrictions were lifted. The team commented that the requirement was already active in a number of countries, as such airlines had begun to trial processes to test the approach. They were motivated to deliver it well as it would encourage people to travel, although they recognised the complexities involved.
23. The team was asked to carry out an analysis of all the small increments that CAA had been allocated in the past year to understand the impact of these on the organisation and whether there were any resulting pressure points. This was particularly important in view of the fact that an integrated system to digitalise fully the PLFs was likely to take some time to implement.

ACTION: Paul Smith

24. The CEO summarised the key points from a recent meeting with Government about recovery in the travel industry.
25. International matters: the CEO noted that the end of the two-year post-EASA recognition period was one that the organisation needed to prepare for diligently and set up a dedicated team to handle the inevitable issues arising. The CAA would be trying to ensure a smooth transition and continuity of service, but the impact of the pandemic had affected progress. The Chair commented that the team should provide an overview of the lines of activity, the assessment, and the scale of the problem to ensure the Board had visibility.

ACTION: Tim Johnson, Rob Bishton

26. ICAO USOAP: the latest engagement with ICAO had indicated the audit was likely to take place in Q4 of 2022 and that it would be the first trial run of a new process. ICAO were keen to liaise with CAA on the scope for the safety element of the review. The willingness of ICAO to work with CAA was a reflection of the hard work put in by the team responsible. Progress would now be reported as amber.