

**CIVIL AVIATION AUTHORITY
MINUTES OF THE 559th BOARD MEETING HELD ON
WEDNESDAY 15 DECEMBER 2021, 11:30, TEAMS**

Present:

Sir Stephen Hillier
Richard Moriarty
Rob Bishton
Garry Copeland
Katherine Corich
Marykay Fuller
Jane Hanson
Anne Lambert
Manny Lewis
Paul Smith
Kate Staples
Chris Tingle

Chair
(items 7 – 12)

Apologies:

AVM Simon Edwards

Secretary & General Counsel

In Attendance:

Ben Alcott
Jane Cosgrove
Peter Drissell
Tim Johnson
Alex Kaufman
Jonathan Spence

Observer

Philip Clarke
Graeme Paterson

Secretariat

Sarah Gannaway

Observer (Flint Global)

Norma Hastings	for item 5
Stu Lindsey	for item 6
Glenn Bradley	for item 7
Dave Malins	for item 7
Rob Olney	for item 7
Stuart Rankin	for item 7
Seonaid Reed	for item 7
Mark Vincent	for item 7
Rob Toal	for item 9
Andrew Walker	for item 9
Martine Freeman	for item 10
Richard Hallett	for item 10

I APOLOGIES AND INTRODUCTIONS

1. Apologies were received from AVM Simon Edwards.
2. It was noted that Richard Moriarty would be joining the Board later due to attendance at the Transport Select Committee.
3. The Board welcomed Jonathan Spence who would be joining the CAA in the new year as Secretary & General Counsel. The Board also welcomed Sarah Gannaway from Flint Global, who was observing as part of a review of the Board's effectiveness.

II CONFLICTS OF INTEREST, PREVIOUS MINUTES AND MATTERS ARISING

4. The Chair noted that Garry Copeland would need to be recused from the meeting for the Air Safety Support International (ASSI) items in the Chief Executive's Report.
5. Katherine Corich advised the Chair of a potential conflict of interest regarding an item in Doc 2021-96 and would be recused from the meeting if the matter was discussed.
6. No other conflicts of interest were declared.
7. Subject to a small clarification point, the minutes of the November Board meeting were approved.
8. It was agreed that action 172 could now be closed.

III CHAIR'S REPORT (DOC 2021-91) BY SIR STEPHEN HILLIER

9. The Chair highlighted the potential impact of the new Omicron variant on the industry and on the ability of the CAA to carry out its work. Although colleagues had responded well to the challenges of the Coronavirus, it could not be assumed that Omicron would necessarily present the same issues for the organisation.
10. The Board was asked to note the new categories ('approval', 'assurance' and 'information') that would be assigned to papers presented for discussion. In respect of 'assurance', the Chair highlighted that the purpose of this was for the Board to satisfy itself that adequate processes and controls were in place and being used to manage the CAA's objectives and risks.
11. The Board noted the report.

IV MONTHLY FINANCE REPORT FOR THE FIVE MONTHS TO 31 OCTOBER (DOC 2021-93) BY CHRIS TINGLE

12. The Board was advised of the CAA's current financial position which was tracking ahead of budget.
13. Although there were a number of reasons why the organisation was tracking ahead of budget, it was agreed that it was important to articulate the wider situation clearly and explain the importance of the organisation's spending plans and how they would develop over time.
14. Discussions were continuing with DfT regarding plans and forecasting for the next financial year. It was unclear at this stage as to what impact the Omicron variant would have on passenger numbers and future income.
15. The Board noted the report.

V PEOPLE STRATEGY: YEAR 2 DELIVERABLES (DOC 2021-94) BY JANE COSGROVE

16. The Board welcomed Norma Hastings to the meeting.

17. The Board was advised that good progress had been made against the year one commitments of the People Strategy. It was acknowledged that some work had not been fully completed in light of resourcing challenges and also in consideration of the capacity of the business (particularly people managers) to do the associated work, alongside a range of other pressures.
18. As a result of resourcing and broader challenges for the organisation as a whole, the year two deliverables had been limited to four key areas: strategic resourcing, wellbeing, diversity and inclusion, and the reward strategy. Although HR had a key role in delivering these programmes of work, all parts of the business were responsible for contributing to their successful delivery.
19. It was highlighted that there had been a high-level of staff turnover within HR over the past year and this buoyancy in the HR labour market, meant that recruitment to certain roles could be challenging.
20. In discussion, it was agreed that having a smaller number of key areas to focus on was a sensible approach. The Board requested that strategic resourcing was added as a priority deliverable on the 'plan on a page', with the associated key deliverables developed before publication to the organisation.
21. It was noted that the ongoing pay freeze was a concern for many colleagues and had resulted in an increase in case work for HR. Although work had commenced on the new reward strategy, it was highlighted that this would be a very large project and the impacts were unknown until modelling was undertaken following full design.
22. Noting the new initiatives that had been launched in the first year, the Board queried whether there was a risk of 'change fatigue'. It was highlighted that many of the initiatives, such as the new senior leadership team (SLT) forum and people manager groups had been well received and were direct enablers. The number of new initiatives and products that would be introduced in year two would be kept relatively low to help avoid change fatigue and to help ensure that HR colleagues could focus on the key priority areas.
23. It was noted that a number of external parties had been used to help deliver certain functions for HR. In terms of resourcing challenges, it was queried whether a similar approach could be used for other functions in the business. This could reduce the need to recruit and allow existing colleagues to focus on other priority areas.
24. The Board noted the progress that had been made during year one and thanks were expressed to the HR team for their work. The Board endorsed the year two deliverables and agreed that the priority areas were the correct ones.
25. The Board noted the report.

VI CONSULTATION ON A REFRESH OF THE AIRSPACE MODERNISATION STRATEGY (DOC 2021-95) BY TIM JOHNSON

26. The Board welcomed Stu Lindsey to the meeting.
27. The Board was reminded of the Airspace Modernisation Strategy (AMS) that was already in progress. The proposed refresh retained the core elements and would introduce a clearer direction for issues not currently addressed in the strategy, specifically the integration of new users into UK airspace. As a follow up to the planned consultation in early 2022, further work would be required to consider delivery models including who would need to deliver what, by when, and through what funding means.
28. Extensive pre-consultation engagement on the refresh had already taken place with stakeholders in General Aviation, community groups, the MOD, airports and air navigation service providers.
29. The refresh would also seek to align the UK with the ICAO Global Air Navigation Plan (GANP).