

## **REGULATORY IMPACT ASSESSMENT 01-06.**

# **ANO 2005 NPPL AMENDMENTS.**

**Regulatory Impact Assessment of Changes Introduced to the Air Navigation Order 2005 to Rationalise Aircraft Class and Instructor Ratings for the National Private Pilots' Licence and others.**



## Foreword

The National Private Pilots' Licence was introduced in 2002 in response to Community demand for a private pilots' licence that was less demanding to attain and maintain than the JAR-FCL PPL. The National Private Pilots' Licence (NPPL) introduced an additional set of requirements for grant, renewal and revalidation of the licence and associated ratings, and, when combined with the existing UK national and new JAR-FCL arrangements, led to further confusion and inconsistency in an already confused field.

In practice the NPPL has proven a popular and worthwhile addition to the range of pilots' licences available in the UK, and will be retained until the introduction of any European Aviation Safety Agency (EASA) Recreational Private Pilots' Licence.

It was anticipated that experience with the new licence would reveal matters which could be improved and this has proved to be the case. The aim of the amendments now proposed is to address those matters and to propose appropriate improvements.

First, the revalidation and renewal requirements, particularly in respect of the "rolling revalidation" introduced by the CAA, have caused confusion. It is a different approach to revalidation than pilots are generally used to, and as a result there has been some concern that some pilots might find themselves inadvertently flying in breach of their licence conditions.

Secondly, CAA decided that initially there would be no provision for instructor ratings for microlight aircraft and self-launching motor gliders (SLMG). In light of experience it has since been decided that NPPL holders should be permitted to carry out instruction on these classes of aircraft. This has been achieved by the issue of general exemptions to allow existing instructors privileges in respect of these aircraft classes, but this is not an acceptable long term solution.

Clearly these issues need to be addressed, and the General Aviation community has been pressing for action to ameliorate these shortcomings. The Civil Aviation Authority and interested parties have been considering changes to the Air Navigation Order 2005 through the NPPL Policy and Steering Committee, and after lengthy discussions agreement has been reached as to the changes which should be made to the Air Navigation Order 2005 have been drafted.

This Regulatory Impact Assessment (RIA) has been formulated to assess the potential effects of those changes to the Air Navigation Order 2005.

## Contents

	<b>Foreword</b>	<b>3</b>
	<b>Contents</b>	<b>4</b>
	<b>Explanatory Notes</b>	<b>6</b>
<b>Section 1</b>	<b>RIA 01-06 – NPPL ANO Amendments</b>	<b>7</b>
	Responsible Department and Officer	7
<b>Section 2</b>	<b>Purpose and Intended Effect</b>	<b>7</b>
	Objective	7
	Background	7
	Rationale for Government Intervention	8
<b>Section 3</b>	<b>Consultation</b>	<b>8</b>
	Within Government and CAA	8
	Public Consultation	8
<b>Section 4</b>	<b>Options</b>	<b>9</b>
	Option 0 – Retain Current Arrangements	9
	Option 1 – Amend the Air Navigation Order 2005	9
	Option 2 – Other means of Regulation	9
<b>Section 5</b>	<b>Costs and Benefits</b>	<b>9</b>
	Sectors and Groups Affected	9
	Costs	10
	Benefits	10
<b>Section 6</b>	<b>Small Firms Impact Test</b>	<b>10</b>
<b>Section 7</b>	<b>Competition Assessment</b>	<b>11</b>
<b>Section 8</b>	<b>Enforcement, Sanctions and Monitoring</b>	<b>12</b>
<b>Section 9</b>	<b>Implementation and Delivery Plan</b>	<b>12</b>
<b>Section 10</b>	<b>Post-Implementation Review</b>	<b>12</b>
<b>Section 11</b>	<b>Summary and Recommendation</b>	<b>12</b>
	Summary Costs and Benefits Table	13

---

**Declaration and Publication**

## **Explanatory Notes**

Note 1 Where gender specific words are used, they should be read to include the opposite gender.

## Section 1 – RIA 01-06 – NPPL ANO Amendments.

### 0 Responsible Department and Officer.

0.1 Personnel Licensing Department.

0.2 Stephen Williams.  
Flight Crew Licensing Policy Co-ordination.

## Section 2 – Purpose and Intended Effect.

### 1 Objective.

1.1 The objective of this amendment to the Air Navigation Order 2005 National Private Pilots' Licence (NPPL) provisions is:

- a) to harmonise aircraft rating revalidation requirements across all NPPL aircraft classes; and
- b) to enable Flying Instructor ratings for microlight aeroplane and Self Launching Motor Gliders (SLMG) to be included in an NPPL.

There are a number of other minor changes, which taken as a whole, are intended to improve the clarity and consistency of the legislation relating to the NPPL and other non professional pilot licences.

### 2 Background.

2.1 The Joint Aviation Requirements for Flight Crew Licensing (JAR-FCL) Private Pilots' Licence (PPL) was introduced on 01 July 1999, following the signing of the 1990 Cyprus Arrangements that bound the United Kingdom to comply with Joint Aviation Authority regulation. The JAR-FCL PPL(A) was more onerous and placed greater training, testing, renewal and revalidation requirements on licence holders than the UK Private Pilots' Licence. This discouraged a number of private pilots in the United Kingdom, and private pilots' licence issues declined after the introduction of the JAR-FCL PPL.

2.2 In addition, the JAR-FCL PPL(A) was issued for 5 years as opposed to the lifetime validity of the UK PPL(A).

2.3 To encourage sport and recreational flying following the introduction of Joint Aviation Regulations, the United Kingdom introduced the National Private Pilots' Licence in July 2002. The NPPL is a sub-ICAO pilot licence that is not compliant with Joint Aviation Requirements; consequently it only confers privileges within United Kingdom airspace, to aircraft of certain classes that are of a mass restricted to 2000 kg and below.

2.4 Provision was made for the NPPL in the Air Navigation Order alongside the existing UK PPL and the JAR-FCL PPL. Experience of the law as initially drafted has revealed a number of anomalies that inconvenience NPPL holders markedly.

### **3 Rationale for Government Intervention.**

- 3.1 The regulatory approach adopted for revalidation of the NPPL has proved unsatisfactory. Pilots used to the more usual revalidation requirements have found the new approach confusing.
- 3.2 When the NPPL was introduced, it was initially decided not to include instructor ratings. It has now been decided in light of experience that such ratings should be permitted for Microlight aeroplanes and Self Launching Motor Gliders (SLMG).
- 3.3 Finally, harmonisation of revalidation requirements between the NPPL and other non professional pilot licences will simplify and markedly reduce the administrative workload on the CAA, AOPA, BGA, BMAA and PFA.

## **Section 3 – Consultation.**

### **1 Within Government and CAA.**

- 1.1 The amendments that are the subject of this impact assessment are the result of extensive work by a number of departments of the CAA. There has already been an extended period of consultation within these departments concerning the drafting of the necessary amendments to the Air Navigation Order 2005.

### **2 Public Consultation.**

- 2.1 Direct consultation was undertaken with the leading industry groups. These groups were foremost in influencing the decision to amend the Air Navigation Order in order to resolve these issues, and they have also been heavily involved in the detailed drafting of the amendments.
- 2.2 Groups involved in the consultation process include:
  - a) Aircraft Owners and Pilots Association (AOPA)
  - b) British Business & General Aviation Association (BBGA)
  - c) British Gliding Association (BGA)
  - d) British Microlight Aircraft Association (BMAA)
  - e) Guild of Air Pilots and Air Navigators (GAPAN)
  - f) National Pilots Licence Group (NPLG)
  - g) Popular Flying Association (PFA)
- 2.3 This Regulatory Impact Assessment is part of public consultation.

## Section 4 – Options.

### 1 Option 0 – Retain Current Arrangements.

- 1.1 The first option is to leave the Air Navigation Order 2005 as it currently is, and to continue the use of exemptions or permissions to achieve the provision of ratings and revalidations. However, the existing arrangements have led to confusion in some cases, and this would remain if existing regulation remains unchanged. This is contrary to the general policy aim to reduce the number and type of permissions and exemptions in force.

### 2 Option 1 – Amend the Air Navigation Order 2005.

- 2.1 All of the outstanding issues can be resolved by amending the Air Navigation Order 2005 in accordance with Annex 1 to this document.
- 2.2 There are manpower and resource costs to the CAA, and to a lesser extent to industry bodies, and these are detailed in the next section.

### 3 Option 2 – Other means of Regulation.

- 3.1 As there is unlikely to be any other option that would achieve the desired improvements to the provisions in the current Air Navigation Order, whilst not imposing unnecessary change on industry, it should be considered that other forms of regulation present less favourable alternatives than Options 0 or Option 1 above.
- 3.2 Furthermore, the CAA and industry have already undertaken considerable work towards the formulation of an acceptable draft amendment that satisfies the requirements of both.

## Section 5 – Costs and Benefits.

### 1 Sectors and Groups Affected.

- 1.1 The changes proposed affect the light general aviation sector of civil aviation and its regulators.
- 1.2 The changes proposed firstly affect those holding National Private Pilots Licences, particularly those with SLMG and Microlight ratings, and those wishing to add Flight Instructor ratings. The changes to revalidation of licences also affects National Private Pilots Licences holders generally, of which there are approximately 2,500. When the amendments proposed are implemented, NPPL Flying Examiners and Instructors will need to be notified. This will ensure that they are aware of the changes to revalidation requirements so that they can consequently ensure that those examined and instructed are also aware of changes to revalidation of their licences and ratings.
- 1.3 The representative bodies for the light general aviation sector will also be affected. Currently the CAA, NPLG, BGA and BMAA all have some responsibility in this sector; all will be affected to greater or lesser extent as a result of the proposed changes. The CAA is responsible for sponsoring the amendments to the Air

Navigation Order, and ensuring that they are introduced. A significant burden of work has already been borne by the NPPL Policy and Steering Committee.

## **2 Costs.**

- 2.1 The most widespread and most obviously quantifiable cost is the cost to individuals resulting from the changes to revalidation requirements. It is impossible to make direct comparison between 'rolling validity' requirements and the revised proposals which have a fixed validity period. This is because individual patterns of flying may vary greatly; nevertheless the revised requirement of 12 hours in 24 months is broadly similar both to the current SSEA 'rolling validity' requirements and 5 hours in 13 months requirement for SLMG and Microlights, if considered within the same period. The only additional cost likely to be significant will be to those who will henceforth be required to receive 1 hour of flight instruction in each 24 month period if they wish to maintain passenger carrying privileges. This is unlikely to exceed £50-£100 over a period of 24 months.
- 2.2 The CAA and representative bodies have faced additional costs for the majority of work undertaken on the proposed amendments to date, and these costs have already been absorbed within the regulators existing budgets. There remains further work to be undertaken and costs will be incurred as a result, but these will also be absorbed within regulators existing budget.

## **3 Benefits.**

- 3.1 Perhaps the most obvious benefit in the proposed changes is the removal of confusion relating to NPPL revalidation requirements. This amendment will reduce the chances of NPPL holders inadvertently flying in breach of the Air Navigation Order.
- 3.2 Of particular benefit will be the proposed introduction of consolidated revalidation requirements for those pilots holding more than one type of NPPL aircraft Class Rating. Significant cost reductions will result from the proposal to accept hours flown in aircraft of any class for which a rating is held towards the revalidation of all ratings held.
- 3.3 The proposed changes also ensure that provision is made, within the Air Navigation Order for the first time, Microlight and Self Launching Motor Glider Flight Instructor ratings for NPPL holders. Though provision has been made for flight instruction in NPPL aircraft classes through the use of exemptions from the Air Navigation Order, the use of such exemptions is not a long term alternative to an amendment to legislation. There is an additional benefit in the reduction in administrative workload in managing such exemptions.

## **Section 6 – Small Firms Impact Test.**

- 1.0 There is a fundamental difficulty in assessing the number of small firms that exist within the sector, in that a number of individuals who offer flight instruction may do so either as an individual or as a small business operating as a flying club or a similar organisation. Those offering flight instruction may benefit from the slight increase in business resulting from the requirement for a flight of at least one hour of

flight instruction as part of the harmonised revalidation requirements introduced by the proposed changes.

- 1.1 There is also a small impact on the representative bodies which may also be considered small firms. They have been actively involved in the consultation and drafting process for the proposed amendments, are aware of the implications and have raised no objection to the final agreed draft on the grounds of effect on small businesses. It is anticipated that these organisations will continue to contribute to the consultation and drafting process, and will make any objections known through this process.
- 1.2 There are a number of other organisations that are involved in the sector besides those with some regulatory responsibility. These have the opportunity to be involved directly with the consultation and amendment process, or through NPPL Policy and Steering Committee. Organisations involved in the consultation and amendment process include:
  - a) Aircraft Owners and Pilots Association (AOPA)
  - b) British Business & General Aviation Association (BBGA)
  - c) British Gliding Association (BGA)
  - d) British Microlight Aircraft Association (BMAA)
  - e) Guild of Air Pilots and Air Navigators (GAPAN)
  - f) National Pilots Licence Group (NPLG)
  - g) Popular Flying Association (PFA)
- 1.3 The impact of the proposed changes on small firms is considered acceptable, given that significant benefit accrues to those affected, no individual or organisation is specifically adversely affected, and that those affected by the proposed changes have been represented during the amendment process.

## **Section 7 – Competition Assessment.**

- 1.0 Initial consideration of the effects of the proposed amendments does not yield any obvious adverse effect on the businesses in the sector. The proposed amendments bring net benefits to the sector, and those operating within the sector are uniformly affected. There are no dominant providers within the sector who might unfairly benefit from the proposals.
- 1.1 As in other areas considered, those potentially affected by the proposals have been able to contribute to the amendment process. This has provided the opportunity for any concerns about competition to be addressed during the process.
- 1.2 It is not anticipated that there will be any adverse market or anti-competitive effect of these proposals.

## **Section 8 – Enforcement, Sanctions and Monitoring.**

- 1.0 The existing infrastructure for the monitoring, enforcement and imposition of sanctions for existing Air Navigation Order legislation is well established. The existing process has already highlighted the increase in cases of inadvertent flying in breach of the Air Navigation Order, resulting from the confusion over the present NPPL revalidation arrangements. The proposed amendments are intended to remove this confusion, and thereby lead to a reduction in such cases.
- 1.1 The existing arrangements for the oversight of Flying Instructors and facilities will suffice. There is always a period of adjustment following the introduction of amendments to legislation, but this should be accommodated within existing capacity.
- 1.2 It is anticipated that no additional resources will be required for enforcement, sanctions and monitoring.

## **Section 9 – Implementation and Delivery Plan.**

- 1.0 The amendments to the Air Navigation Order 2005 that are the subject of this assessment have been in draft for some time. The final draft of the amendments has been agreed following acceptance by CAA Personnel Licensing and Legal Departments and industry bodies in September 2006.
- 1.1 It is anticipated that the proposed amendments will be submitted to the Department for Transport for review in the second quarter of 2007. Subject to the approval of the Department of Transport enactment will follow according to the normal process.
- 1.2 Once enacted, there are a number of means of promulgating information about changes to regulation. The CAA can promulgate information by means of Training Com, Aeronautical Information Circular (AIC), General Aviation Safety Information Leaflets (GASIL) and others.

## **Section 10 – Post-Implementation Review.**

- 1.0 The NPPL Policy and Steering Committee will continue its work after enactment of the proposed amendments. Having played the leading role in the process to date, the NPPL Policy and Steering Committee is ideally placed to report on the effects of the proposals post implementation, and arrangements should be made for the Committee to conduct a formal post-implementation review.

## **Section 11 – Summary and Recommendation.**

- 1.0 It is recommended that the proposed amendments to the Air Navigation Order 2005 are implemented, and that the agreed amendments be forwarded to the Secretary of State for Transport for enactment.

## Summary Costs and Benefits Table.

Option	Total Benefit (per annum): - Economic, Environmental, Social.	Total Cost (per annum): - Economic, Environmental, Social. - Policy, Administrative
0	Nil	Nil
1	<p>Greater consistency of revalidation requirements across light GA aircraft classes</p> <p>Provision of instructor ratings for Microlights and SLMGs.</p> <p>Reduction in Exemptions administration for Microlight and SLMG instructors.</p>	<p>Additional potential cost to each NPPL holder that flies minimum hours per year between £50-£100 per 24 months</p>
2	Nil	Continued reliance on exemptions with associated management costs

### Declaration and Publication:

*I have read the Regulatory Impact Assessment and I am satisfied that the benefits justify the costs.*

Signed:

Date:

The Rt. Hon. Douglas Alexander M.P.  
 Secretary of State for Transport  
 Department for Transport  
 Great Minster House  
 76 Marsham Street  
 London  
 SW1P 4DR