

**Voluntary Industry Resilience Group**  
**Terms of Reference - Jan 2017**

Problem	In general, the UK relies on having a highly liberalised and competitive approach to aviation which has worked well in producing good results for passengers, without UK aviation as a whole being planned and operated as a single network. However, as runway and airspace capacity constraints bite, as is likely to happen increasingly in the South East, industry incentives and mechanisms are not aligned sufficiently for the network as a whole to deliver reliable and high levels of operating performance. This will inevitably lead, to increased delays and poor resilience that is neither in the interests of passengers nor the industry.
Objective	To improve in a systemised manner, the way in which the UK's aviation network is planned and operated to enhance its day to day operating resilience, reduce delays and, where possible, the associated costs to both industry and passengers.
Group Purpose	<p>To identify and develop a package of short and longer term changes to the way in which the aviation system is planned and operated as a whole and that are not otherwise being addressed by individual airports, their airlines, NERL, ACL, or FAS.</p> <p>Consideration should be given to the following themes, in order to provide overall system benefits:</p> <ul style="list-style-type: none"> <li>• A realistic plan – ensuring that capacity declaration, slot allocation, operational scheduling and airspace planning are all aligned to improve levels of system-wide efficiency and resilience.</li> <li>• Flying to plan (airlines, groundhandlers) – ensuring that all operators in the industry are incentivised to operate in line with the plan that has been set, and not place a short term advantage over the efficiency of the network.</li> <li>• Serving to plan (infrastructure operators) – ensuring that the operation of the network incentivises adherence to the plan and encourages the most efficient responses from all actors to recover from any disruption.</li> <li>• Policing the plan – ensuring that any behaviours which drive inefficiency or decreased resilience into the system can be identified and remedial action taken to address them.</li> </ul> <p>In the first instance, this work should focus on the aviation network in the South East of England, where day to day resilience issues are most acute, but should highlight those changes that are necessary to and would also benefit the whole of the UK. It should also review best practice in other sectors and countries.</p> <p>The package should be designed to be coherent, robust, evidence based and</p>

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	<p>prioritised. The group will not have powers to implement the package of measures, but will make recommendations to Government (potentially including proposals for changes to legislation), the regulator, the slot coordinator, air traffic service providers, airport, airlines or others as appropriate. In particular, its recommendations should form a compelling contribution to the DfT sponsored review of the UK's Aviation Strategy.</p>
Working Group	<p>The Working Group will be established by the Oversight Board (see below) on the following basis:</p> <ul style="list-style-type: none"> <li>• Strong and experienced Resilience Programme Director, preferably someone with extensive strategic and operational experience from the aviation sector.</li> <li>• Capabilities: resourcing through <u>high calibre, half to full time</u> secondments from representative airports, airlines, air traffic service providers, slot coordinator and regulatory expertise. Appointments will be approved by the Resilience Programme Director. For the group to be successful it should include, from each of the categories below, half-time secondees with appropriate skills and experience, with a preferred complement equivalent to around 6 FTEs <ul style="list-style-type: none"> <li>○ airline industry</li> <li>○ airport industry</li> <li>○ NATS</li> <li>○ ACL</li> <li>○ CAA</li> </ul> </li> </ul> <p>Secondees should have broad experience of the UK aviation network, as well as significant expertise in their own area. They should be able to bring experiences and knowledge of current structures, practices and issues concerning their part of the aviation network; be open minded and innovative about potential solutions; and be willing to work cooperatively and intensively to produce analysis, insights and recommendations.</p> <ul style="list-style-type: none"> <li>• Able to access existing research and knowledge in the industry, and so able to build on and report on relevant issues.</li> <li>• In the first seven month phase, the Working Group shall focus on identifying a series of proposals to improve outcomes for consumers with respect to the planning and operation of the UK aviation sector, with an initial focus on the South East.</li> <li>• Contributions from Working Group members shall not be aimed at the pursuit of commercial interests of their companies.</li> </ul>

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Oversight	<p>An Oversight Board, which the CAA, DfT or an independent 3<sup>rd</sup> party would chair, and with CEO level membership drawn from a number of airlines, airports, air traffic service providers, the slot coordinator, CAA, the DfT and some independent 3<sup>rd</sup> parties.</p> <p>The Oversight Board will establish a Working Group under the leadership of a Resilience Programme Director, and then meet quarterly to review the progress of the Working Group and assess how best to implement its recommendations.</p> <p>Oversight Board membership will be no more than 13, who will be drawn from those organisations that provide secondees to the Working Group as well as two to three non-executive advisors.</p> <p>Funding of the Working Group arrangements will be agreed by the Oversight Board (consultancy and legal advice where required, not yet estimated but could require a budget of between £250k - £750k depending on level of active industry participation). The CAA will fund the appointment of the Programme Director and provide some office accommodation for the Working Group.</p> <p>The Oversight Board will facilitate access to existing research and knowledge across the industry.</p> <p>Recognising the wider stakeholder interest, the Oversight Board will establish communications with a wider stakeholder group of airlines serving the UK, airports, air traffic service providers, trade associations, etc. in order to share progress.</p>
Deliverables	<p>By 31 November 2017: Working Group to deliver to Oversight Board a recommended package of changes to deliver improved overall operating resilience for the aviation network in the South East as a <u>whole</u>. The recommendations shall be evidence based, highlight trade-off decisions required and shall be prioritised based on positive resilience impact, and the cost and ease of implementation. This may include submitting relevant recommendations into the DfT's review of the UK's Aviation Strategy.</p> <p>From 1 December 2017: Oversight Board to assess how to proceed given the recommendations of the Working Group. Subsequent phases of work are scoped, which may include direct implementation, engagement in the Government Aviation Strategy, or the re-establishment of the Working Group.</p> <p>Subsequent phases of work will be agreed by the Oversight Board.</p>
Inputs	The Working Group will be able to draw on a number of previous pieces of

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	<p>work on delay and resilience, as well as information from the members of the Oversight Board:</p> <ul style="list-style-type: none"><li>• The CAA's current study on resilience (expected to be published in April 2017)</li><li>• The CAA commissioned consultancy report on delay at Gatwick Airport (expected to be completed in March 2017)</li><li>• The 2011 Begg report on snow disruption at LHR, and the 2014 McMillan report on flooding at Gatwick</li><li>• The 2011 reports of the Punctuality, Delay and Resilience subgroup of the South East Airports Taskforce</li><li>• The 2008 UK CAA Runway Resilience Report (prepared by Helios, XPX Consulting and SH&amp;E Ltd).</li><li>• Data from members of the Working Group on, for example, planning assumptions, processes and procedures, actual operational data, supplier relationships and resourcing, and performance incentives.</li></ul> <p>The Oversight Board and Working Group shall protect commercially sensitive information where required. Furthermore it is for each individual participant in the Resilience Group to ensure that it is complying with competition law (where appropriate seeking specialist advice).</p>
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