

CAA statutory charges 2016/17 consultation document: Proposed air display and low flying permission charges



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Foreword

Further to the main CAA 2016/17 Charges Consultation, which also commenced on 1 February 2016, this document focuses on the proposed charge amendments relating to Flying Displays, Display Authorisations for pilots and Low Flying Permissions, within the General Aviation Scheme of Charges.

Detailed work on the time and effort dedicated to the regulation of Flying Displays, Display Authorisations for pilots and Low Flying Permissions for the year ending March 2015, shows that we are continuing to significantly under recover our costs in this area. The CAA is funded by charges levied on the industry and we need to ensure that those charges reflect the amount of work that is actually carried out, which has not been the case for the last few years.

In addition, we have to consider the actions required from the CAA's ongoing Air Display Review and potential actions following recommendations from the Air Accident Investigation's Branch report on the tragic accident at Shoreham in 2015.

Actions announced from the CAA's ongoing Air Display Review requiring increased risk assessments, greater auditing and oversight of air displays and an enhanced authorisation system for display pilots and evaluators. Full details are incorporated within the "UK Civil Air Display Review: Actions that impact on UK civil air displays 2016" (<u>CAP 1371</u>) published on 26 January 2016.

To enable the CAA to implement these important additional safety enhancements, early indications are that there will be a requirement for increased regulatory resources resulting in further operating costs estimated to be £250k. These additional costs will need to be funded through the Scheme of Charges. The CAA Board proposes that these additional operating costs are passed onto air display events on a sliding scale dependent upon the duration and size of the event.

For future pricing reviews, the CAA is committed to conduct a full review of air display regulatory activities and associated costs. Our aim is to have this completed in time for the 2017/18 charges consultation.

We believe the charging proposals included within this document represent a fair and balanced approach to charging whilst ensuring that the cost recovery requirement is achievable. We look forward to receiving feedback on these proposals from you.

Introduction

The purpose of this consultation document is to advise the air display sector of the aviation industry of the CAA proposals for revisions to the i) Flying Display, ii) Display Authorisations for pilots and iii) Low Flying Permissions sections of the CAA General Aviation Scheme of Charges. These proposals are planned to take effect from 1 April 2016.

We welcome comments on all aspects of the proposals, including the charges structure and the level or amount of the charges.

General Aviation Scheme – Proposals for air display and low flying permission charges

Detailed below are the specific air display proposals planned for implementation on 1 April 2016 within the General Aviation Scheme of Charges.

3.1 Structural changes

Flying display post event charge

With the introduction of increased regulatory activity for the 2016 air display season, there will be a requirement for additional regulatory resources, resulting in further operating costs estimated to be £250k. However, with the proposed 100% increase in charges associated with Low Flying Permissions, the extra income generated of £50k will reduce the amount to be recovered from flying display events to £200k. It is proposed that this cost is recovered from flying display events based upon a post event fixed charge, with a sliding scale which is dependent upon the size of the event. This additional fixed charge will be based upon the event organiser making a declaration of the number of display items in excess of 6 that flew at the event. The additional charge will range from £500 (display items 7 - 12) to £15,000 (display items 31 or more).

Flying display discounts

Currently, where a subsequent permission is required for an event which is to take place at the same location, the charge for the subsequent permission is discounted for events within 15, 30 or 90 days of the previous event.

It is proposed to increase the discounts available for 15 and for 30 days of the previous event but to withdraw the discount for within 90 days of the previous event. This will ensure that the CAA's oversight of granting air display permissions is kept to within 30 days before a full process review of an application is required.

3.2 **Pricing proposals**

Subject to the changes above, all Flying Display, Display Authorisations for pilot's and Low Flying Permission charges will increase by 100%. Although this is a significant increase it is reflective of the time and effort already dedicated to the regulation of flying displays, display authorisations for pilots and low flying permissions. This proposed increase will mitigate the current significant under recoveries within this area of regulation.

Full details of the air display charge proposals for this Scheme are contained in Appendix A.

Conclusion

The proposed changes to air display charges contained within this consultation ending 29 February 2016 are planned to be introduced with effect from 1 April 2016. We will look forward to receiving your comments on these proposals by 29 February.

Appendix A

General Aviation Scheme of Charges extract: proposed air display and low flying permission charges

Introduction

Details of revisions proposed to apply from 1 April 2016 in respect of:

- i. Flying displays (paragraph 3.1);
- ii. Display authorisations (paragraph 3.2); and
- iii. Low flying permissions (paragraph 3.4)

are shown in red within this appendix, current charges are shown in brackets. The charge proposals for the remainder of this Scheme are contained within the separate CAA Charges 2016/17 Consultation (Excluding Air Displays and Low Flying Permission Proposed Charges) which may be found on the CAA web site and for which these proposals are planned to be implemented with effect from 1 June 2016.

General Aviation Scheme of Charges extract

(Current scheme paragraph numbers are shown)

Flying displays (amended)

3.1 On making an application for the grant of a Permission to organise a flying display as required under Article 162 of the Order, the applicant shall pay to the CAA a charge of the amount specified in Column 2 of Table 1 according to the number of display items applied for as set out in Column 1 of Table 1.

Column 1	Column 2	Column 3	Column 4	Column 5	
Number of display items	Charge amount				
1-3	£374	£94	£187	N/A	
10	(£187)	(£93)	(£122)	(£149)	
4-6	£898	£225	£449	N/A	
4-0	(£449)	(£225)	(£299)	(£358)	
7-12	£1,350	£338	£675	N/A	
1-12	(£675)	(£339)	(£449)	(£542)	
13-18	£2,024	£506	£1,012	N/A	
10-10	(£1,012)	(£505)	(£675)	(£808)	
19-24	£2,994	£749	£1,497	N/A	
19-24	(£1,497)	(£749)	(£998)	(£1,198)	
25-30	£4,040	£1,010	£2,020	N/A	
	(£2,020)	(£1,012)	(£1,347)	(£1,617)	
31 or more	£5,390	£1,348	£2,695	N/A	
	(£2,695)	(£1,347)	(£1,799)	(£2,159)	

Table 1

a) (Deleted)

- b) Where a single application is made for more than one flying display at the same location where each display included in the application is to take place within 12 months of the date of the application, the total charge to be paid by the applicant to the CAA shall be calculated in respect of each display in accordance with Column 2 of Table 1 but reduced by 10%.
- c) When a Permission has been granted to organise an event and application is made for the grant of a subsequent Permission to organise an event which is to take place at the same location, the applicant shall pay to the CAA:
 - i. the charge specified in Column 3 of Table 1 if the event is to take place within fifteen days of the previous event;
 - ii. the charge specified in Column 4 of Table 1 if the event is to take place within thirty days of the previous event.
 - iii. (Deleted)

Flying display post event charge (new charge)

Once a flying display has taken place to which a CAA Permission has previously been granted by the CAA, the Event Organiser is required to submit a declaration to the CAA within 10 working days of the event day. The Flying Display declaration will confirm the number of display items that actually flew at the event. The Event Organiser shall pay to the CAA a charge of the amount specified in Column 2 of Table X according to the number of display items declared as set out in Column 1 of Table X. The CAA will invoice the Event Organiser which will be payable on demand.

Number of display items	Charge
Column 1	Column 2
7-12	£500
13-18	£900
19-24	£4,000
25-30	£10,000
31 or more	£15,000

Table 2

Display authorisations

- 3.2 On making an application for the grant of:
 - a Display Authorisation issued under Article 162 of the Order, the applicant shall pay to the CAA a charge of £298 (£149);
 - b) a variation to an existing Display Authorisation, the applicant shall pay to the CAA a charge of £130 (£65); and
 - c) and exemption from the need to hold a Display Authorisation, the applicant shall pay to the CAA a charge of £224 (£112).

Note 1: sub-paragraphs 3.2 a), b) and c) above are applicable to an individual pilot.

Exemptions and permissions in relation to low flying (amended)

3.4 On making an application for a permission in respect of any flight referred to in Column 2 of Table 3, the applicant shall pay to the CAA the charge referred to in Column 5 (according to the number of required locations in Column 4, where relevant).

Table 3 (Amended)

Ref	Type of Exemption	Circumstances of	Number of	Charge
		Flight	required locations	
Col 1	Column 2	Column 3	Column 4	Col 5
1	For a permission under	Part of or	In respect of	£224
	SERA.5005(f) of the	connected with an	applications where	(£112)
	Rules of the Air (flight	aircraft race or	the number of	
	below 1,000 feet above	contest, a flying	locations is three or	
	the highest fixed object	display or other	less	
	within 600 metres of the	special event or a	In respect of	(£448)
	aircraft) in respect of any	take off by a	applications where	(£224)
	flight which is: [see	manned balloon in	the number of	, ,
	Column 3]	a congested area.	locations is four or	
			more	

(cont.)

Table 3 (Amended) continued.

Ref	Type of Exemption	Circumstances of Flight	Number of required locations	Charge
Col 1	Column 2	Column 3	Column 4	Col 5
2	For a permission under SERA.5005(f) of the Rules of the Air (flight closer than 500 feet to any person, vessel, vehicle or structure) in respect of an aircraft race or contest, a flying display, filming of an aircraft, air to ground photography or other special event or a long term exemption for the purposes of display practice	Where three or less aircraft or Display Items are participating; Where four or more aircraft or Display Items are participating	N/A N/A	(£448) (£224)
3	For a permission under Rule 5 of the Rules of the Air in respect of an aerial work flight where the aircraft is operated other than by the holder of an air operator certificate or aerial application certificate	N/A	N/A	£224 (£112)