



UK CIVIL AVIATION AUTHORITY
MINUTES OF THE 577TH MEETING HELD ON TUESDAY 31ST OCTOBER 2023, 11:15,
BELFAST INTERNATIONAL AIRPORT & TEAMS

Present:

Sir Stephen Hillier	Chair
Rob Bishton	CEO
Katherine Corich	Non-Exec Director
AVM Simon Edwards	Non-Exec Director
Marykay Fuller	Senior Independent Director
Jane Hanson	Non-Exec Director
Anne Lambert	Non-Exec Director
Manny Lewis	Non-Exec Director
Tracey Martin	Chief Financial Officer
Paul Smith	Group Director, Consumers & Markets
Jonathan Spence	General Counsel & Secretary

Apologies:**In Attendance:**

Peter Drissell	Aviation Security Director		
Dave King	Independent Safety Adviser		
Tim Johnson	Communications, Strategy & Policy Director		
Tendai Mutambirwa	Interim Group Director, Safety & Airspace Regulation		
Alison Naylor	People Director		
Sophie O'Sullivan	Head of Future Safety & Innovation		
Emma Brown	Business Manager		
Graeme Paterson	Corporate Governance & Secretariat Lead		
Julie Bryer	Item 5	Sophie Vintner	Item 6
Mukarram Chaudhry	Item 5	Briar Mulholland	Item 7
Alex Hutchinson	Item 5	Nic Stevenson	Items 7 & 8
Louise Stone	Item 5	Iain Libretto	Item 8
Neil Aldridge	Item 6	Laura Madden	Item 8
Germaine Faulkner	Item 6	Kirsten Riensema	Item 8
Matt Taylor	Item 6		

I. APOLOGIES & CONFLICT OF INTEREST DECLARATIONS

1. No apologies had been received.
2. No conflict-of-interest declarations were made. The Board was reminded that the register of interests had been included in the papers for the meeting, and any changes would need to be communicated to the Secretariat.
3. The Board welcomed Rob Bishton to the meeting for the first time as CEO.

II. PREVIOUS MINUTES AND MATTERS ARISING

4. *Minutes* - The minutes of the September 2023 Board meeting were approved subject to a minor amendment. Publication would take place in due course. The Board was advised that from the October meeting, minutes would be reviewed and approved out of committee.
5. *Actions* – The Board agreed with the recommendation to close three actions.

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III. CHAIR'S REPORT (2023-66) BY SIR STEPHEN HILLIER

6. The Board was welcomed to Northern Ireland. The meeting and planned stakeholder visits formed part of the Board's wider engagement programme with aviation organisations across the UK.
7. The Chair advised that some progress had been made on agreeing extensions to the terms of two NEDs. The Board also noted that a recruitment campaign for NEDs leaving the CAA in 2024 would commence shortly.
8. Following a recommendation from the Board Effectiveness Review in 2022, the Chair advised that from December's meeting, attendance at Board meetings would be limited to Board members, with other members of ExCo joining by exception.

IV. CEO & SARG REPORT (2023-67a & b) BY ROB BISHTON

9. CEO Report - *Approvals* – The Board was asked to approve the updated terms of reference for the People Committee. These had been endorsed by the Committee previously.

DECISION: The Board approved the updated People Committee terms of reference. These would be published on the CAA website shortly.

10. The CEO thanked Board and ExCo colleagues for their support since being appointed to the role.
11. The CEO also welcomed Tendai Mutambirwa as interim Group Director Safety & Airspace Regulation.
12. *NATS Review Panel* – It was confirmed that the Panel would convene for the first time in early November. Preliminary work had already commenced, with the standing up of a CAA secretariat team to support the Panel.
13. *Economic Regulation* – The Board noted the outcome of the H7 appeal. The CMA's findings had demonstrated the hard work and diligence of the teams involved in setting the price control.
14. The Board also noted the publication of the NR23 Price Control and the associated media coverage.
15. *Future of Flight* – The Board sought clarity on the delivery timescales for Future of Flight activities, noting that delivery of the first strategic outcome was scheduled 'by 2024'. The Board acknowledged that resourcing available for the work could present some challenges.
16. *Health & Safety Compliance* – The Board noted that only 53% of new starters had completed mandatory health and safety training. It was confirmed that a plan had now been put in place to include this training as part of the standard induction from Human Resources. The Board emphasised the importance of ensuring that colleagues were properly looked after.
17. SARG Report – The Board noted the paper.

V. FY2024/25 SCHEME OF CHARGES CONSULTATION AND FORECAST & EFFICIENCIES UPDATE (2023-68a & b) BY TRACEY MARTIN

18. *Scheme of Charges* – The Board was invited to consider charging proposals for inclusion within the 2024/25 Scheme of Charges consultation.
19. It was agreed that the proposals would be updated and submitted to the Board for approval at an extraordinary meeting in mid-November.
20. *Forecast & Efficiencies Update* – The Board was updated on the CAA's current financial position.

VI. CUSTOMER EXPERIENCE & MODERNISATION – BOARD STATUS UPDATE LAUNCH (2023-69) BY BEN ALCOTT

PUBLICATION VERSION

21. The Board was advised that good progress had been made in taking forward a broad set of customer experience improvements, of which the Customer Experience & Modernisation (CX&M) was one part.
22. Making improvements to CAA services had been a recommendation in the ALB Review, however, the organisation had already recognised a need to enhance processes and become more customer centric.
23. The proposed approach to CX&M would see service lines enhanced on an end-to-end basis. This would help ensure that value was delivered more quickly, that knowledge and experience could be built up and applied to the next service, and give greater control over the pacing at which services were improved.
24. Extensive work was already being undertaken to map the existing services and processes, to help to progress the CAA's understanding of customer personas and their journeys. This work would involve input from users- The purpose of accurately capturing the 'as is' state was to be able to identify change required when overlaying the future state thinking.
25. The Board was provided with an overview of the prioritisation model which had been used to determine the service lines that should be taken forward first. The model had determined that personnel licensing was the area which should be addressed first. Due to the scale of differing licence types, the CAA had determined that Air Traffic Control Officer licences should be the first service line as the volume of licences was relatively small, but the processes and any lessons could be applied to higher-volume licence types.
26. It was intended that a strategic outline case would be submitted to the Board for December's meeting. In advance of this, the Board requested that the governance structure for the programme be clearly articulated, high-level cost estimates be provided, the benefits the CAA was seeking to realise outlined, and a clear demonstration of risks and dependencies that existed.
27. The Board also suggested that consideration be given as to how CAA processes may need to adapt as the operating context evolved.
28. The Board noted the ambition with which the CAA was approaching the CX&M work, but recognised the challenges that could arise from significant change programmes.

VII. CAA FRAMEWORK DOCUMENT – KEY ISSUES (2023-70) BY TIM JOHNSON

29. The Board was advised that the current CAA Framework Document was nearly ten years old, and a recommendation had been made in the ALB Review for it to be updated to reflect the changes to the role and remit of the CAA in that time.
30. The document followed a template pattern owned by HMT, rather than bespoke arrangements agreed previously, and it would be for the CAA to explain and justify any deviations from the standard template and any changes would be subject to HMT approval.
31. The draft presented to the Board had been through significant internal review, and discussion with DfT colleagues.
32. The Board queried whether the resources required to ensure adherence with the framework had been identified. It was noted that compliance would need to become part of existing colleagues' roles, rather than needing new roles to be filled.
33. It was anticipated that a more advanced version of the framework document would be submitted to the Board in December.

VIII. RISK APPETITE STATEMENTS – SAFETY RISKS (2023-71) BY TIM JOHNSON

34. The Board was reminded that there were three workstreams to evolve the CAA's risk management arrangements covering the three lines of defence

PUBLICATION VERSION

model, development of the CAA's Risk Management Framework document and defining the CAA's risk appetite. The accompanying paper focused on an initial draft set of safety risk appetite statements to provide clarity to colleagues and stakeholders about the parameters within which the CAA would approach certain activities.

35. The risk appetite framework that was being developed by the CAA was based on HMT guidelines which had five levels of risk appetite. The definitions of these had been amended from the HMT versions to reflect the CAA's operating context. It was advised that the HMT guidelines were likely to change so the CAA should consider this when adopting this approach.
36. In discussion, the Board queried whether five levels of risk appetite were too many, and if a lower number might be better to more easily enable colleagues to select the right one. It was suggested that the fifth level might be removed but that the CAA should not diverge too far as this may result in external stakeholders finding it difficult to understand the approach.
37. In respect of the statements for safety, it was recognised that setting a risk appetite would present several challenges, but it had emerged as a recommendation from the Vallance Report (Pre-innovation Regulation of Technologies Review) and ALB Review in respect of new technologies. The preparation of the draft safety statements had prompted some helpful discussions and also highlighted that different areas of the CAA sometimes used different terminology. Supported by training and engagements, the statements would help to ensure that a consistent language and approach was used.
38. In discussion, the Board noted the background to the recommendation from the ALB Review had been around the approach used by the CAA to assess emerging technology applications and the capacity to do so in reasonable timeframes. It was therefore suggested that a statement of principles be devised so that it was clear to developers of new technology how applications would be assessed from a risk and safety perspective. In time, this could be broadened to cover wider safety activities.
39. The Board agreed that the way forward was: a programme of risk-related activities would be developed, setting out benefits, measures and accountabilities and overseen by the Audit & Risk Committee; the priority focus for now for the development of risk appetite statements should be on internal/enterprise business risks; and work on describing the CAA's approach to risk in relation to new and emerging technologies should be re-focused towards answering the question of what information the industry specifically required from the CAA at this stage. Over a longer period, the Board was also supportive of the development of a broader suite of risk appetite statements for regulatory outcomes.

IX. SUMMARY REPORT OF THE AUDIT COMMITTEE MEETING HELD ON 19TH SEPTEMBER 2023 (2023-72) BY JANE HANSON

40. The Board noted the summary report.

X. SUMMARY REPORT OF THE PEOPLE COMMITTEE MEETING HELD ON 12TH SEPTEMBER 2023 (2023-73) BY MANNY LEWIS

41. The Board noted the summary report.

XI. DRAFT DECEMBER BOARD AND FORWARD AGENDA

42. The Board noted the draft agenda for December's meeting.
43. Feedback was welcomed on the forward agenda to ensure that relevant matters would be covered in upcoming meetings.

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XII. ANY OTHER BUSINESS

44. On behalf of the Board, the Chair thanked colleagues at Belfast International Airport for their assistance in hosting the October meeting.