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The latest version of this document is available in electronic format at: www.caa.co.uk/cap3158

Purpose of this consultation document

Background to these proposals

1. In March 2025 the government decided to reform the UK's approach to modernising the design of UK airspace by introducing a UK Airspace Design Service (UKADS) provided by NATS (En Route) plc (NERL).¹
2. **This consultation document is seeking views on draft CAA guidance with which NERL should comply when providing the UKADS and the UK Airspace Coordination Service (UKACS).** We are also publishing an associated consultation document, CAP 3159, seeking views on additional draft CAA requirements and associated guidance with which NERL should comply which only applies to NERL's provision of the UKACS.²
3. In September 2025 the CAA published CAP 3156, which 'signposted' stakeholders of airspace modernisation to changes that are planned, or to be consulted on, in autumn 2025.³ CAP 3156 explained the background and an overall summary of the proposed future models for developing airspace change proposals.⁴ We have updated CAP 3156 since this initial publication, including a list of related consultations on policy and publications relevant to the proposals in this consultation document (CAP 3158). The contents of CAP 3156 are reflected in this consultation document, but you should read the two documents together.
4. This guidance is pursuant to the proposed new conditions on airspace design activities that will, subject to further, separate consultation⁵, be included in the air

¹ You can read more about the background to the UKADS on the CAA's dedicated webpages www.caa.co.uk/ukads. This also includes links to past consultations on the UKADS concept and NERL licence modifications.

² <https://consultations.caa.co.uk/policy-development/draft-ukacs-requirements>

³ [Modernising the way we do airspace design: information relevant to the CAA autumn 2025 consultations concerning airspace design www.caa.co.uk/cap3156](http://www.caa.co.uk/cap3156)

⁴ We are undertaking a series of consultations this autumn which support our commitment to the government to both establish the UKADS and consult on improvements to the effectiveness and proportionality of our process for changing airspace. For more information see [Autumn 2025 consultations | UK Civil Aviation Authority](#)

⁵ In accordance with the licence modification procedures set out in the Transport Act 2000. See CAP 3121 Economic Regulation of NERL: Initial Proposals for modifying the Licence to support the implementation of a UK Airspace Design Service www.caa.co.uk/cap3121. The CAA intends to issue its Final Proposals in relation to the proposed modifications to NERL's Licence shortly.

traffic services licence granted to NERL under the Transport Act 2000⁶ and strategic objectives for NERL's UKADS and UKACS published by the Secretary of State.⁷ The draft guidance is at **Annex A** (in four chapters) to this consultation document.

5. The draft guidance in **Annex A** includes proposals for some new **governance and external oversight arrangements** of NERL's provision of the UKADS and UKACS (see Chapter 4 **Advisory Board**). In addition, we are also proposing in **Annex B** that the scope of existing Department for Transport (DfT)/CAA governance arrangements should be revised so as also to provide governance of NERL's provision of the UKADS and UKACS (the **Airspace Modernisation Strategy governance structure**), which, once finalised after consultation, the CAA will republish as CAP 1711.⁸ Because NERL's delivery of the UKADS and UKACS is proposed to be a condition of its air traffic services licence, ultimately the existing licence enforcement mechanisms will also apply.
6. We welcome views on both Annex A and Annex B.
7. In addition to this consultation document and CAP 3159 (see above), we will also be consulting separately on the proposed modification to NERL's licence. The guidance documents will not come into effect unless and until the licence is modified to require NERL to provide the UKADS and UKACS. We encourage readers to respond to the licence modification consultation as well, once it is published.⁹

Proposed modification to NERL's licence to which this guidance refers

8. In June 2025 the CAA published Initial Proposals to modify NERL's licence to introduce the UKADS and UKACS. We will shortly be publishing Final Proposals for consultation. Those consultation materials will explain the feedback we received on the Initial Proposals (which includes feedback on some of the matters in the draft guidance in this consultation document). In addition to the information set out in this document, those consultation materials will set out how we have taken the feedback we received into account.

⁶ The Initial Proposals contain proposed licence modifications to NERL's licence referring to the UKADS and UKACS as the "Airspace Design Service" and the "Airspace Coordination Service" respectively.

⁷ <https://www.gov.uk/government/publications/ukads-and-ukacs-licence-obligations-strategic-objectives>

⁸ [CAP 1711 Part 1 Airspace Modernisation Strategy 2023-2040](#)

⁹ The consultation will be published here: [UKADS – licence proposals | UK Civil Aviation Authority](#).

What is not in scope of this consultation

9. This consultation is specifically about draft guidance and proposed governance for the UKADS and UKACS. Therefore we are not seeking views on any of the following:
- specific airspace change proposals, past or present
 - technical or operational concepts about how aircraft will fly or other aspects of airspace design; whether potential designs are technically feasible will be a regulatory decision to be made in accordance with the CAP 1616 airspace change process
 - the CAA's CAP 1616 airspace change process, which is subject to a separate consultation by the CAA¹⁰
 - government policy and any guidance given to the CAA by the Secretary of State.
10. Consequently, the CAA will only take into account elements of responses to this consultation that are within scope.

Who is this consultation for?

11. This consultation is for stakeholders with an interest in airspace change proposals that are currently in scope of the airspace change masterplan.¹¹ This includes sponsors of relevant airspace changes (airports and air navigation service providers), as well as those affected by the airspace change proposals.
12. We have tried to keep technical terminology to a minimum as we appreciate that we have a wide range of stakeholders who will have an interest in the proposals.

How to respond to this consultation

13. Please let us have your comments by answering the questions on the CAA's consultation website <https://consultations.caa.co.uk/policy-development/draft-ukads-ukacs-guidance>. The questions include some multiple-choice answers and the opportunity to submit your comments by completing text boxes. Our strong preference is that you complete the online consultation. We understand that some stakeholders prefer not to be constrained by the questions alone and will want to send a self-contained response. While we will take account of these submissions, we ask that you arrange the submission using the subject headings of the consultation document. This is because we will not be able to analyse them in the same way that we analyse the online responses.

¹⁰ [Consultation on the airspace change process - Civil Aviation Authority - Citizen Space](#)

¹¹ The scope of the masterplan can be found on the CAA website [here](#).

14. The consultation will close at 23:59 on 12 January 2026 (a consultation period of eight weeks). We cannot commit to taking into account comments received after this date.
15. We will assume that all responses can be published on the CAA website. When you complete the online consultation there will be an option for you to hide your identity or refuse publication (in any event, your email address will not be published). In the interests of transparency, we hope you will not refuse publication. If you do send us a separate submission and it includes any material that you do not want us to publish, please also send us a redacted version that we can publish.
16. Our starting point will be that we expect to publish any response in its entirety. We will use moderation in order to remove any unsuitable content, but not as a general means of censoring or filtering responses. Please see the consultation website for more information on our moderation policy.
17. Please note that your response will be shared with the CAA and relevant employees of any consultancy firms that we may contract to assist with the consultation.
18. You should be aware that information sent to, and therefore held by us, is subject to legislation that may require us to disclose it, even if you have asked us not to (such as the Freedom of Information Act and Environmental Information Regulations).¹² Therefore, if you do decide to send information to us but ask that this be withheld from publication via redacted material, please explain why, as this will help us to consider our obligations to disclose or withhold this information should the need arise.

Next steps

19. Once the consultation has ended, we will publish a short summary of consultation responses and how we have taken these into account. We will also publish an updated version of the guidance and begin to update other relevant documentation, including governance arrangements, that requires consequential change.

¹² <https://www.caa.co.uk/our-work/about-us/general-privacy-notice/>

Consultation questions

Annex A

Consultation question 1: Do you have any comments on the draft guidance concerning NERL's strategic delivery plan?

- ☐ about right
- ☐ minor modifications needed
- ☐ major modifications needed
- ☐ don't know

Please explain the reasons for your answer.

Consultation question 2: Do you have any comments on the draft guidance concerning NERL's stakeholder engagement plan?

- ☐ about right
- ☐ minor modifications needed
- ☐ major modifications needed
- ☐ don't know

Please explain the reasons for your answer.

Consultation question 3: Do you have any comments on the draft guidance concerning the Advisory Board?

- ☐ about right
- ☐ minor modifications needed
- ☐ major modifications needed
- ☐ don't know

Please explain the reasons for your answer.

Consultation question 4: Do you have any other comments on the draft guidance document (Chapters 1 to 4)?

Annex B

Consultation question 5: Do you have any comments on the CAA/DfT governance arrangements for NERL providing the UKADS and UKACS?

- ☐ about right
- ☐ minor modifications needed
- ☐ major modifications needed
- ☐ don't know

Please explain the reasons for your answer.

ANNEX A

Draft UKADS and UKACS guidance

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Chapter 1

Overview

Background

- 1.1 The air traffic services licence granted to NATS (En Route) plc (“NERL”) under the Transport Act 2000 (the “Licence”) requires NERL to use reasonable endeavours to:
- provide the UK Airspace Design Service (“UKADS”, and referred to as the Airspace Design Service in the Licence); and
 - provide the UK Airspace Coordination Service (“UKACS” and referred to as the Airspace Coordination Service in the Licence) which is set out in CAP [xxxx¹³].
- 1.2 This document is CAA guidance with which NERL should comply when providing the UKADS and the UKACS.

This document

- 1.3 This guidance concerns provision of the UKADS and the UKACS. It covers:
- provision of the UKADS
 - provision of the UKACS
 - the strategic delivery plan (see Chapter 2)
 - the stakeholder engagement plan (see Chapter 3)
 - the Advisory Board (see Chapter 4).
- 1.4 This guidance does not relate to how NERL prepares and progresses an airspace change proposal, including those which NERL is sponsoring as the UKADS provider, or those subject to coordination by NERL as the UKACS provider. Such proposals must follow the CAP 1616 airspace change process¹⁴, which includes opportunities for stakeholders to engage with NERL and for them to be consulted about the proposal.

¹³ [Placeholder for the final requirements and associated guidance relating only to the provision of the UKACS. This is currently being consulted on in CAP 3159, see <https://consultations.caa.co.uk/policy-development/draft-ukacs-requirements>.]

¹⁴ [Airspace change process | UK Civil Aviation Authority](#)

Chapter 2

Strategic delivery plan

Introduction

- 2.1 The Licence requires NERL to create, keep under review and update from time to time a strategic delivery plan for the UKADS and UKACS, Airspace Modernisation Strategy delivery elements for which NERL is responsible and NERL's plans to deliver its air traffic technology replacement and upgrade programme. NERL's Licence requires it to have regard to the Secretary of State's published strategic objectives¹⁵ (for NERL's UKADS and UKACS licence obligation) when doing so and NERL should determine the form, scope and level of detail of the plan, which should as a minimum provide sufficient detail to ensure that:
- the Secretary of State can keep the strategic objectives under review
 - the DfT and CAA can assess the effectiveness and performance of NERL's provision of the UKADS and UKACS in meeting the objectives of the Airspace Modernisation Strategy, including the airspace design delivery elements
 - the CAA can keep this guidance (and the associated guidance in CAP [xxxx¹⁶], as well as its airspace change process CAP 1616) under review
 - the Advisory Board members (see Chapter 4) can provide advice, views, ideas and information that will assist NERL to meet the Secretary of State's strategic objectives and the overall objectives of the Airspace Modernisation Strategy, including the airspace design delivery elements
 - all stakeholders can understand how NERL proposes to deliver what it is required by its Licence to do.

Development, approval and keeping under review

- 2.2 The Licence requires NERL to consult the CAA and the DfT when creating the strategic delivery plan. NERL should also take advice from the Advisory Board (see Chapter 4) on the strategic delivery plan as NERL creates it and keeps it under review. NERL should submit the plan to the DfT and CAA for approval within six months once the relevant Licence condition has come into effect. Any approval by the DfT or CAA of the strategic delivery plan and any updates to it

¹⁵ <https://www.gov.uk/government/publications/ukads-and-ukacs-licence-obligations-strategic-objectives>

¹⁶ [Placeholder for the final guidance relating only to the provision of the UKACS, consulted on in CAP 3159.]

would be limited to the form, scope and level of detail of the strategic delivery plan.

- 2.3 NERL should determine an appropriate approach for consulting the DfT and the CAA, as well as for taking advice from the Advisory Board members, about any updates to the plan. That approach should at least be consistent with the approach NERL adopts to the development of its first strategic delivery plan. NERL should also provide detailed explanations for any proposed updates, including information on the actual and potential implications of such updates on the delivery of any strategic objectives issued by the Secretary of State for the purpose of the Licence.

Content

- 2.4 The content of the strategic delivery plan should be determined by NERL in accordance with the guidance above, but, in addition to the requirements set out in the Licence, should at the least include:
- for the UKADS and UKACS, NERL's plans to deliver or coordinate airspace change in the relevant areas, including its approach, assumptions, milestones, timescales and appropriate risk management allowances, critical path, float¹⁷, logic, completeness of activities and input or buy-in from partners or sponsors.
 - any dependencies and/or coordination required between the above, NERL's capital investment plan, including its technology and airspace programmes (as described in its business plan and service and investment plan updates), DfT and CAA policy-making activity or any other elements delivered under the Airspace Modernisation Strategy, where appropriate.
 - any areas where NERL requires DfT and CAA assistance with coordination for items outside NERL's control or responsibility for the delivery of the UKADS or UKACS.
 - any other information to support the understanding of the CAA, DfT, the Advisory Board and other stakeholders of matters which may impact NERL in respect of the delivery or performance of the UKADS and UKACS.

¹⁷ 'Float' means the amount of time an activity can be delayed without impacting the overall project completion date or the next dependent task.

Consultation question 1: Do you have any comments on the draft guidance concerning NERL's strategic delivery plan?

- ☐ about right
- ☐ minor modifications needed
- ☐ major modifications needed
- ☐ don't know

Please explain the reasons for your answer.

Chapter 3

Stakeholder engagement plan

Introduction

- 3.1 The Licence requires NERL to develop a stakeholder engagement plan that sets out written ways of working for its approach to engaging with key stakeholders with an interest in how the Licensee is providing the UKADS and UKACS. Engagement is a “catch-all” term for providing information to and developing relationships with stakeholders: this may be through mailshots, dedicated and up-to-date webpages, podcasts, vlogs or other electronic and social media.
- 3.2 The stakeholder engagement plan should not cover matters relating to the specifics of any airspace change proposal, including those which NERL is sponsoring as the UKADS provider, or those subject to coordination by NERL as the UKACS provider. Engagement with specific stakeholders for that purpose is required by the CAA’s CAP 1616 process and the associated guidance material to that regulatory process. NERL will have overall accountability for the CAP 1616 consultation for an airspace change proposal it is sponsoring as the UKADS provider.¹⁸ Sponsors of the individual changes coordinated by NERL as the UKACS provider will conduct their CAP 1616 consultations. Engagement by NERL with stakeholders pursuant to its Licence requirement for a stakeholder engagement plan should clearly differentiate its purpose to stakeholders and distinguish it from CAP 1616 consultations.
- 3.3 The purpose of the engagement envisaged by the Licence condition for NERL to develop a written stakeholder engagement plan is to address the impact on stakeholders of the Secretary of State’s decision to introduce a UKADS provided by NERL. This requirement recognises that NERL-sponsored airspace change proposals prepared as part of its UKADS is a change from airspace change proposals being prepared by the local airport operator or air navigation service provider. The engagement plan must set out how NERL will keep stakeholders up to date on matters relating to its approach to the matters and objectives set out in its strategic delivery plan (see Chapter 2).

Development and keeping under review

- 3.4 The plan should set out NERL’s high-level approach to stakeholder engagement. When developing the stakeholder engagement plan, NERL should consult the

¹⁸ While NERL has overall accountability, the division of tasks between NERL and its partners for a given airspace change proposal in respect of consultation and engagement is specified in the onboarding partnership arrangement. www.caa.co.uk/cap3129

CAA and DfT, and take advice from the Advisory Board (see Chapter 4). NERL should publish its initial stakeholder engagement plan within six months once the Licence condition has come into effect.

- 3.5 In developing the plan, NERL should aim to set out how it will engage with its stakeholders to keep them informed. This approach should be transparent and published in order that it is available and accessible to all stakeholders.
- 3.6 NERL should keep the stakeholder engagement plan under review. When considering whether to amend the plan, NERL should take into account any feedback it has received on whether the plan is meeting the purpose set out in this guidance.

Stakeholders to be included in the scope of the plan

- 3.7 NERL should determine which stakeholders, or class of stakeholder, are to be included within the scope of the stakeholder engagement plan, taking account of the service being provided (UKADS or UKACS) and where the service is being provided.
- 3.8 The plan should include, as a minimum, arrangements for engagement with:
- partners¹⁹ to an airspace change proposal being sponsored by NERL as the UKADS provider
 - stakeholders potentially impacted by the airspace change proposal being sponsored by NERL as the UKADS provider, noting the guidance above that differentiation from a CAP 1616 consultation must be made clear in this engagement
 - sponsors of airspace change proposals subject to coordination by the UKACS
 - the National Air Traffic Management Advisory Committee (NATMAC)
 - the Joint Air Navigation Services Council (JANSC)
 - Future of Flight
 - organisations and groups with an interest in the use of airspace or that are affected by it, including other air navigation service providers, General Aviation and military users, new airspace user groups such as drones and commercial space flights, organisations considering the impacts of noise and carbon (and other) emissions, interest groups and elected representatives.

¹⁹ An organisation, usually an airport or air navigation service provider, that is required to collaborate with the UKADS provider, where the UKADS provider will be the sponsor of the airspace change proposal.

Content

- 3.9 NERL should determine the content required to meet the purpose of the stakeholder engagement plan set out in this guidance including, as a minimum:
- stakeholder mapping for both the UKADS and UKACS which identifies relevant stakeholders and groups by contact levels, their levels of interest, and the potential effect they may have on NERL in respect of its delivery of the UKADS or UKACS
 - the principles of best practice engagement that NERL will adopt and how it will apply them
 - what general communications NERL proposes to publish, including:
 - how NERL will promote and explain the work of the UKADS and the UKACS and the benefits of airspace modernisation to a wide audience, including the general public and the media
 - how NERL's communications will cater for all audiences, as different stakeholders may be affected in different ways, and to different extents; where possible, NERL should take into account different engagement preferences of these stakeholders and a range of accessibility requirements
 - the activities of the Advisory Board
 - the content of the strategic delivery plan.
- 3.10 In doing so, NERL should provide the following information to stakeholders in a transparent and accessible way:
- signpost upcoming developments or updates or resources that stakeholder may want to be aware of
 - clearly articulate any issues and opportunities to enable stakeholders to participate in any airspace change process from an informed position, thereby enriching both the quality and relevance of consultation responses received in airspace change processes.
- 3.11 Stakeholders that are not members of the Advisory Board (see Chapter 4) may request that a specific issue is placed on the agenda of the Advisory Board. Noting that the specifics of an airspace change proposal sponsored by NERL as the UKADS provider or coordinated by NERL as the UKACS provider are out of scope, NERL should ensure that its stakeholder engagement plan includes clear information on:
- how a relevant stakeholder may request that an issue relating to how NERL is providing either the UKADS or the UKACS is raised with NERL at the Advisory Board

- how NERL may raise issues with a stakeholder relating to how it is contributing to stakeholder engagement on NERL's delivery of the UKADS or the UKACS.

3.12 In some circumstances the Advisory Board may subsequently escalate issues to the CAA or DfT at the Joint Airspace Modernisation Programme Board (see Chapter 4).

Consultation question 2: Do you have any comments on the draft guidance concerning NERL's stakeholder engagement plan?

- ☐ about right
- ☐ minor modifications needed
- ☐ major modifications needed
- ☐ don't know

Please explain the reasons for your answer.

Chapter 4

Advisory Board

Introduction

- 4.1 The Licence requires NERL to appoint an Advisory Board to act as a forum to obtain advice, and exchange views, ideas and information to support NERL's delivery of the UKADS and UKACS in order to assist NERL in contributing to the objectives of the Airspace Modernisation Strategy. The Advisory Board will contribute external oversight and governance in addition to governance by the DfT and CAA.²⁰ This chapter is guidance on the structure, membership and terms of reference of the Advisory Board. NERL should publish final details of these within six months once the Licence condition has come into effect.
- 4.2 The Advisory Board is not a decision-making body. Nor is it the appropriate forum to discuss the specifics of any airspace change proposal sponsored or coordinated by NERL as the UKADS or UKACS provider, as these fall under the CAP 1616 process.
- 4.3 NERL should seek to use the Advisory Board as a means of supporting its delivery of modernised airspace, increasing the likelihood that this can successfully progress in accordance with its strategic delivery plan. The Advisory Board can be used to help to surface issues before they become obstacles to progression.

Structure and membership

- 4.4 NERL's Licence requires it to determine the appropriate structure and membership for the Advisory Board in consultation with the DfT and CAA and in accordance with the guidance below. When selecting and inviting members NERL should include a range of subject matter experts that can help NERL succeed in modernising airspace in accordance with the objectives of the Airspace Modernisation Strategy in a timely manner.
- 4.5 NERL should keep the membership of the Advisory Board to a size that permits productive discussions. NERL may consider the efficacy of setting up topic-specific working groups from within the wider membership of the board in order to progress certain matters expeditiously. Some members of a class of stakeholders in scope of the stakeholder engagement plan (Chapter 3) may be invited by NERL to participate as members of the Advisory Board, for example if they have a specific technical expertise. However, the distinction between the

²⁰ Through the Joint Airspace Modernisation Programme Board.

purpose of the stakeholder engagement plan, a CAP 1616 consultation process and the Advisory Board should be kept in mind by NERL.

- 4.6 NERL should keep the membership under review and should consider refreshing membership from time to time where to do so would help NERL succeed in modernising airspace in accordance with the objectives of the Airspace Modernisation Strategy in a timely manner.
- 4.7 A complaint that a person or class of person has not been invited to be a member of the Advisory Board is not a matter that can be escalated to the DfT and CAA at the Joint Airspace Modernisation Programme Board; membership is a decision for NERL.
- 4.8 The Advisory Board chair should be elected from its membership, subject to the agreement of NERL, and should be a member other than NERL.
- 4.9 The membership should at least include the Ministry of Defence, subject matter experts and other representatives from airports and airlines.
- 4.10 The structure should include provision for the DfT and/or CAA to attend as observers should they choose.

Terms of reference

- 4.11 NERL's Licence requires it to develop terms of reference of the Advisory Board to meet the aims for it set out in its Licence and this guidance. In particular, the terms of reference of the Advisory Board should address how it will be used to:
- obtain input from members to inform NERL's approach to developing and delivering its strategic delivery plan for the UKADS and UKACS
 - share and take advice on the draft strategic delivery plan with members, prior to consultation with the DfT and CAA, and publication; additionally, keep it under review on an ongoing basis
 - provide transparency, assurance and scrutiny of NERL's provision of the UKADS and UKACS
 - obtain input from members to develop agenda and topics for discussion at Advisory Board meetings
 - consider what information the Advisory Board may publish (if any)
 - discuss ways of working such as the establishment of smaller working groups on specific topics and how such groups will report

- advise NERL (as the UKACS provider) whether any new strategically important interdependent airspace change proposals are needed or are likely in the short/medium term, in order to assist NERL in monitoring and reporting this information to the DfT and CAA (and conversely, whether any such identified airspace change proposals should no longer be so considered)
- advise NERL on the development of new technologies and process in the UK or worldwide that may impact on NERL's provision of UKADS or UKACS
- advise NERL on the content of its stakeholder engagement plan
- consider what information should be provided by NERL and the Advisory Board to the DfT and CAA at the Joint Airspace Modernisation Programme Board
- demonstrate how NERL is taking a non-discriminatory and fair approach in the provision of the UKADS and the UKACS.

4.12 In addition, the terms of reference should cover the following matters:

- how often the Advisory Board meetings take place; subject to practical arrangements including holiday periods, the Advisory Board should meet at least monthly
- how the Advisory Board makes recommendations to NERL and how these are made visible to the DfT and CAA
- how issues are raised to the Advisory Board including, as a minimum:
 - by stakeholders which are not represented on the Board
 - how matters should be submitted for consideration by the Advisory Board
 - the scope of matters that the Advisory Board will consider
- how and in what circumstances unresolved material issues may be escalated to the DfT and CAA by either NERL or the Advisory Board (see also below).

4.13 NERL should ensure appropriate publicity for the terms of reference, as a minimum publishing the latest version on its website.

Escalation to the Joint Airspace Modernisation Programme Board

4.14 The terms of reference should note that NERL and Advisory Board members will use all reasonable endeavours to resolve at the Board any issues that arise over the approach NERL has taken to its delivery of the UKADS and UKACS. Nonetheless issues may arise in that context that would benefit from timely input from the CAA or DfT or both such that those issues can be addressed before they become obstacles to progression. Such issues may include differences of

opinion on the meaning or impact of government policy and statutory guidance, or CAA process and guidance.

- 4.15 The terms of reference should make provision for any material issues that cannot be resolved through the Advisory Board to be escalated by either NERL or the Advisory Board to the DfT/CAA Joint Airspace Modernisation Programme Board.²¹ A material issue is one which may impact NERL in respect of the delivery or performance of the UKADS or UKACS if not resolved, but excludes issues relating to compliance with the CAP 1616 airspace change process or concerning specific design choices forming part of an airspace change proposal.

Consultation question 3: Do you have any comments on the draft guidance concerning the Advisory Board?

- ☐ about right
- ☐ minor modifications needed
- ☐ major modifications needed
- ☐ don't know

Please explain the reasons for your answer.

Consultation question 4: Do you have any other comments on the draft guidance document (Chapters 1 to 4)?

²¹ See [AMS governance and progress reports | UK Civil Aviation Authority](#)

ANNEX B

Proposed DfT and CAA governance arrangements

ANNEX B

Proposed governance arrangements for NERL's UKADS and UKACS by the Joint Airspace Modernisation Programme Board

- B1 The Airspace Modernisation Strategy governance structure is key to delivering airspace modernisation successfully. It ensures that each of the organisations involved has the right role, powers and/or incentives, underpinned by appropriate governance and enforcement. It sets out which organisations make decisions, what they are responsible for, and the stakeholders they will engage with. The governance structure is Appendix A to CAP 1711 *Airspace Modernisation Strategy 2023–2040 Part 1*.²²
- B2 As delivering the UKADS and UKACS are conditions of NERL's air traffic service licence, ultimately NERL's delivery of the UKADS and UKACS can be enforced via existing licence enforcement mechanisms.²³ Day-to-day DfT and CAA governance of NERL's UKADS and UKACS will be achieved by including oversight of those services within the existing Airspace Modernisation Strategy governance structure.²⁴
- B3 In addition to the requirement in its licence regarding the appointment of a head of UKADS and UKACS, NERL should set up appropriate internal governance arrangements in accordance with relevant licence provisions and best practice in order to meet its obligations. NERL should ensure that it can demonstrate clear accountability to the DfT and CAA, including appropriate measures for performance management. There will need to be regular, transparent progress reporting by NERL to give the DfT and CAA assurance of progress.
- B4 Chapter 4 of the CAA's guidance CAP [xxxx²⁵] describes how NERL should set up an Advisory Board, how that Board will provide external oversight and

²² www.caa.co.uk/cap1711 The CAA published an updated version of the governance structure on its [website](#) pending an update to CAP 1711.

²³ [NERL licence and monitoring | UK Civil Aviation Authority](#)

²⁴ The DfT and CAA consulted on governance arrangements for the UKADS in CAP 3029 and the outcome was published in CAP 3106 (see paragraph 3). The DfT and CAA also published a policy paper on UKADS governance and engagement [UKADS policy paper 25-2: Governance and engagement](#).

²⁵ [Placeholder for the final guidance relating to the provision of the UKADS and UKACS consulted on in this document.]

governance (additional to that of the DfT and CAA) and how it is linked to the Airspace Modernisation Strategy governance structure.

Aims of the governance arrangements

- B5 The aim of these governance arrangements is to provide the necessary visibility and oversight for the DfT and CAA to hold the NATS Board to account for delivering the UKADS and UKACS in accordance with the NERL air traffic services licence and the Secretary of State's strategic objectives for the UKADS and UKACS, within the wider Airspace Modernisation Strategy governance structure and ultimately the licence enforcement mechanisms.
- B6 The aim is for NERL's provision of the UKADS and UKACS to be (and to be seen to be) transparent and effective in progressing its strategic delivery plan in the best interests of the UK airspace network, without conflicts of interest, in a non-discriminatory manner.
- B7 The Secretary of State has set strategic objectives for provision of the UKADS and UKACS, and the DfT and CAA will be consulted on the form, scope and level of detail of the strategic delivery plan. The governance structure gives NERL full responsibility for day-to-day decision-making in providing the UKADS and UKACS. Involvement from the DfT or CAA is confined to strategic oversight of NERL's delivery, a point of escalation from the Advisory Board for matters relating to clarification of government policy or CAA processes and guidance, and our respective decision-making roles on airspace change proposals. (The key decisions on whether an airspace change proceeds through different stages of the airspace change process will continue to be taken by the CAA, or by the Secretary of State for Transport if a proposal is 'called in'.)

Governance structure

DfT/CAA Joint Airspace Modernisation Programme Board

- B8 The wider airspace modernisation programme is governed through a regular DfT/CAA Joint Airspace Modernisation Programme Board, also attended by the Ministry of Defence. This will be the forum for the DfT and CAA to manage the oversight of and reporting by NERL in relation to its delivery of the UKADS and UKACS, on behalf of Ministers and the CAA Board respectively.
- B9 The Joint Airspace Modernisation Programme Board will consider issues that have been escalated to it by the Advisory Board (see Chapter 4 of the CAA's guidance CAP [xxxx²⁶]) or where NERL wishes to seek guidance from the DfT and CAA. The Programme Board will not consider the specifics of any airspace

²⁶ [Placeholder for the final guidance relating to the provision of the UKADS and UKACS consulted on in this document.]

change proposal. The Head(s) of the UKADS and UKACS will be invited to attend for the relevant agenda items, but they will not be members of the Joint Airspace Modernisation Programme Board.

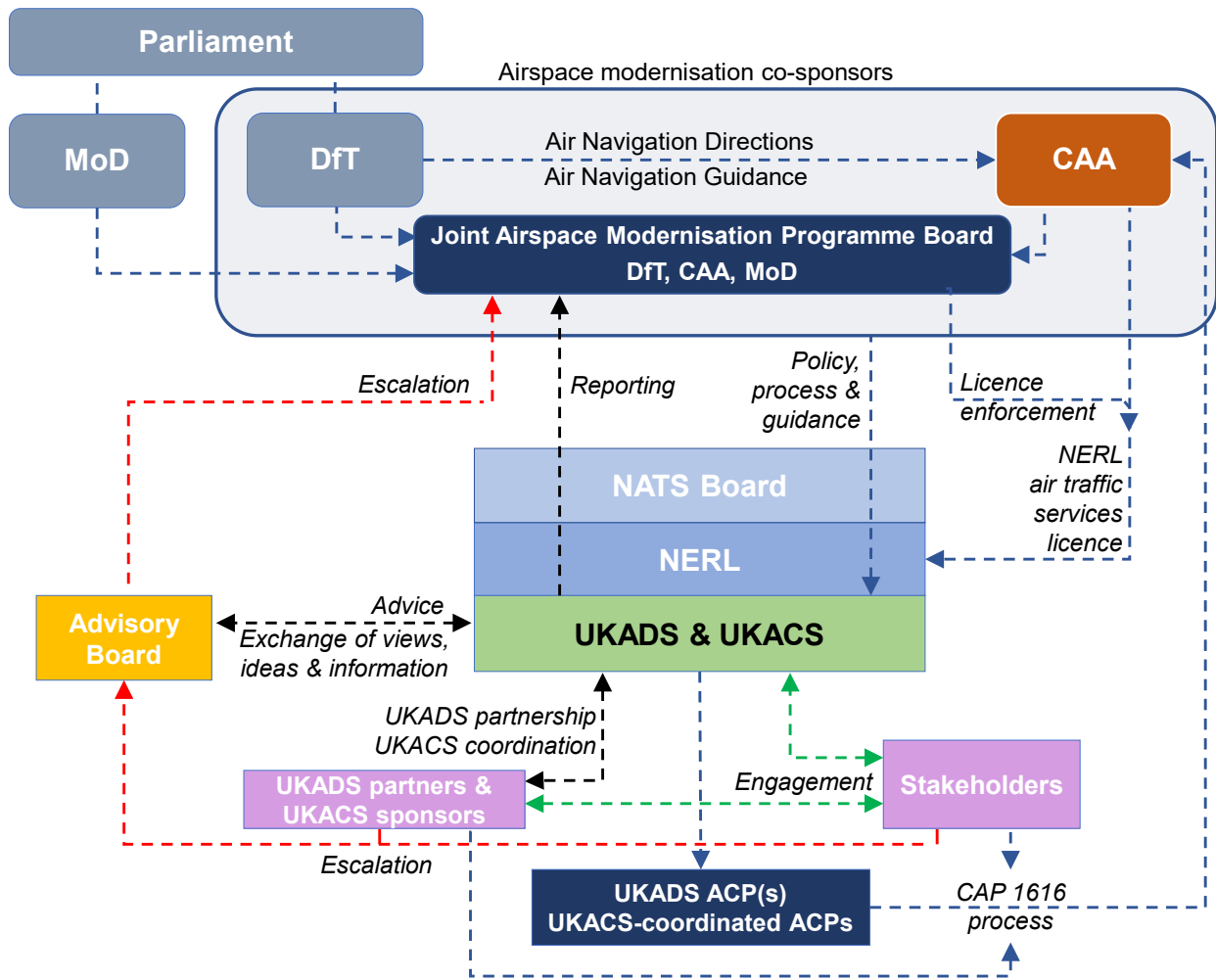
- B10 Management information on NERL's progress of its UKADS and UKACS (see below) will form part of the Joint Airspace Modernisation Programme Board's regular reporting, coordinated by the CAA's airspace modernisation oversight team.

Oversight meetings

- B11 In addition to the Joint Airspace Modernisation Programme Board, at a working level, existing, regular oversight meetings between NERL, the DfT and CAA that monitor delivery of specific delivery elements of the AMS will also monitor NERL's ongoing UKADS and UKACS performance.
- B12 These meetings will be supported by appropriate information (including information specifically requested by the DfT and CAA in accordance with the terms of NERL's licence), such as timelines, milestones, risk logs and resource plans. This information will feed into regular reporting to the Joint Airspace Modernisation Programme Board and annually into the Airspace Modernisation Strategy progress reports by the CAA to the Secretary of State.

UKADS and UKACS positioning in the Airspace Modernisation Strategy governance structure

- B13 Figure 1 summarises the governance of NERL as UKADS and UKACS provider by the Advisory Board and by the DfT and CAA via the Airspace Modernisation Strategy governance structure (and ultimately the licence enforcement mechanisms).



Key:

Blue arrows = Policy, process or direction
 Black arrows = information flow
 ACP = airspace change proposal

Green arrows = engagement
 Red arrows = escalation route

Note:

The diagram is described at the end of this annex.

Figure 1 Governance arrangements for the UKADS and UKACS

Transparent reporting

- B14 The perception by stakeholders of the success of UKADS and UKACS relies in part on transparency of information relating to their various activities. This should include a process for transparent and regular reporting between NERL and the DfT and CAA.
- B15 Regular reporting is used to hold NERL to account for the performance and delivery of the UKADS and the UKACS; to monitor non-discrimination; and to inform future policy development, including any potential amendment to the

Secretary of State's strategic objectives for NERL's delivery of the UKADS and UKACS (such as any broadening of the scope of the UKADS in the future). Notwithstanding NERL's licence condition to provide any information relevant to the Licensee's performance of the UKADS and UKACS, we envisage that this reporting would use data that NERL is already collecting and using for its own purposes.

- B16 The detail of reporting, including any key performance indicators, will be determined by the DfT and CAA in discussion with NERL through the working-level arrangements mentioned above.
- B17 Reporting should include:
- the strategic delivery plan and the stakeholder engagement plan, and any updates to those plans
 - progress in delivering the airspace change proposal(s) that the UKADS has been tasked with or that the UKACS has been tasked with coordinating against the priorities and key milestones in the relevant strategic delivery plan, including key stakeholders' ability and appetite to deliver
 - early visibility of any barriers to delivery or other emerging risks, challenges or issues, including whether the UKADS and UKACS have sufficient resources and capabilities to deliver the plan, issues with funding, technology, process or new policy and proposed mitigations and solutions
 - issues where escalation to the Joint Airspace Modernisation Board may assist with NERL's delivery of UKADS and UKACS
 - any dependencies for delivery, including interdependencies with other elements of the Airspace Modernisation Strategy, whether or not NERL is responsible for the programmes concerned
 - anticipated and realised benefits from the UKADS and UKACS deliverables linked to the strategic objectives of the Airspace Modernisation Strategy, identifying the beneficiary stakeholder(s)
 - information to support effective and informed engagement between the UKADS and the CAA, DfT or other stakeholders
 - information about organisational changes within NERL affecting the UKADS or UKACS
 - information to fulfil any statutory or parliamentary reporting requirements, including for example select committee inquiries, parliamentary questions and the CAA's annual Airspace Modernisation Strategy progress report to the Secretary of State

- information in support of regulatory interventions that might be required (for example, the use of powers under the Air Traffic Management and Unmanned Aircraft Act 2021).

B18 In addition, the DfT and CAA may commission reviews or other information to provide them with assurance in relation to NERL's provision of the UKADS and UKACS. The DfT and CAA will discuss the terms of such reviews with NERL on a case-by-case basis.

Consultation question 5: Do you have any comments on the CAA/DfT governance arrangements for NERL providing the UKADS and UKACS, bearing in mind the outcome of the October 2024 UKADS consultation?

- ☐ about right
- ☐ minor modifications needed
- ☐ major modifications needed
- ☐ don't know

Please explain the reasons for your answer.

Written descriptor of Figure 1: Governance arrangements for the UKADS and UKACS

Figure 1 shows the organisational structure of the governance arrangements for NERL's provision of the UKADS and UKACS.

At the top, DfT and MoD (overseen by Parliament) and the CAA are members of the DfT/CAA Co-sponsors Joint Airspace Modernisation Programme Board. DfT gives Air Navigation Directions and Air Navigation Guidance to the CAA.

Below this, two blue boxes labelled NATS Board and NERL are stacked with a green box labelled UKADS and UKACS. The UKADS and UKACS provide reporting (upwards arrow) to the Joint Airspace Modernisation Programme Board which in turn provides them with guidance on policy and process (downwards arrow).

The CAA issues NERL with an air traffic services licence, which contains the obligation for NERL to provide UKADS and UKACS and can ultimately be enforced by licence enforcement mechanisms, represented by an arrow from the Joint Airspace Modernisation Programme Board to NERL via its air traffic services licence.

An orange box labelled Advisory Board is linked by a two-way arrow with the UKADS and UKACS box. The Advisory Board provides advice to NERL regarding its delivery of the UKADS and UKACS while exchanging views, ideas and information. An arrow marked Escalation goes from the Advisory Board to the Joint Programme Board.

Two purple boxes sit underneath the UKADS and UKACS box. One is labelled UKADS partners and UKACS sponsors, which is connected by arrows to the UKADS and UKACS box, the arrows being labelled UKADS partnership and UKACS coordination. The second purple box is labelled Stakeholders and is connected by two-way engagement to the UKADS and UKACS box and to the UKADS partners and UKACS sponsors box. There is also an escalation arrow from both purple boxes to the Advisory Board box.

At the bottom of the organogram is a dark blue box labelled UKADS ACP(s) and UKACS-coordinated ACPs, to which an arrow runs from the UKADS & UKACS green box above.

Arrows labelled CAP 1616 process run from both purple boxes and the dark blue box to the CAA at the top of the organogram.