



Chief Executive's Office

Martin Rolfe
Chief Executive
NATS (En Route) plc
5th Floor South
Brettenham House
Lancaster Place
London
WC2E 7EN

15 March 2018

Dear Martin,

CONDITION 10.7 OF THE AIR TRAFFIC SERVICES LICENCE GRANTED TO NATS (EN ROUTE) LTD ON 28 MARCH 2001 UNDER SECTION 10.7 OF THE TRANSPORT ACT 2000 ("THE LICENCE")

On 21 December 2017, David Phelps sent to Rod Gander a copy of NERL's Service and Investment Plan (SIP 18) submitted in accordance with Condition 10 (3)(a) of the licence.

Firstly, as previously, we consider the report by Grant Bremer, NERL Independent Reporter, to be a valuable contribution to the SIP process. We note Mr Bremer's findings, in particular that customers are seeking further engagement on Oceanic plans; that the People Plan is a positive inclusion; and that NERL should continue to closely engage with airports to deliver the Airspace Plan.

We have a few comments on the SIP. We consider that:

- the form of the SIP should be largely in the form of a Word document (for example a fully up to date Update on the RP2 Capital Investment Plan) with, if necessary, a short presentation;
- as also highlighted by Mr Bremer, where intermediate deadlines for a project are not met, a full explanation of the mitigations and why the final completion date would or would not be met should be provided; and
- it would be useful if there was more evidence around NERL's efforts (and the outcome of those efforts) to improve performance against its self-imposed safety target.

However, we recognise that the large improvements on the form of the SIP and the level of detail it contains that took place in 2017 have been continued in SIP 18, so the CAA hereby grants its approval to the form, scope and level of detail of SIP 18 in accordance with Condition 10 (14) of the licence.

We expect that you will take account of our comments when you produce the interim SIP 18 due by 30 June 2018.

Yours sincerely

A handwritten signature in black ink that reads 'Andrew Haines'.

Andrew Haines
CHIEF EXECUTIVE