Comment 1: The Honourable Company of Air Pilots has been closely involved and supportive of the high standard of the UK display industry. The Shoreham accident was a very tragic event and the Company has great sympathy for those affected. It is therefore appropriate that the circumstances of this accident should be reviewed to identify if any appropriate changes should be made whilst recognising that there have been no public fatalities at an air show for over 60 years. One could argue that the review is broader than one accident but the actions from it need to be proportionate and the full impact of such changes fully considered.

We are deeply concerned at the regulatory changes and the associated tremendous charge increases the CAA is seeking to introduce in such a rushed manner and with little notice even before the findings of the Shoreham accident and inquests have been completed. It is not appropriate, nor usually permitted within government policy, (cf Better Regulation Framework Manual - Practical Guidance for UK Government Officials March 2015) to introduce increases of 100%-500% all at once, nor at such short notice.

Furthermore and also contrary to government policy, the regulatory and financial impact of the proposed changes do not seem to have been subject to a proper impact assessment and are in great danger of causing major financial damage to Britain's important aviation sector and alienating those participants the CAA seeks to regulate. Without the benefit of a proper impact assessment, these changes could have unintended adverse impacts on the safety of flight and public safety in UK.

Comment 2: The increased regulatory burden, fees and costs to comply with new regulations on DAs, DAEs, FCC members, FDDs and organisers runs the great risk that many will simply give up and the loss of that experience will have a serious negative effect on safety, a deplorable impact of the proposed changes. A reduction in airshows will reduce the CAA income from this sector.

As was recognised at the EASE GA Safety Conference 2014, the cost of regulation has a direct impact on the amount of flying practice a pilot can afford. CAA should assess the potential unintended adverse safety impact before proceeding with this proposal.

Comment 3: The CAA’s own figures show the budget to the end of March 2016 was £200k but this was forecast to be exceeded with an actual spend of £324k. The proposed budget for the year ending March 2017 simply adds the £250k for additional administration to the overspent position with no recognition of the one off element of the review or that many air show sites have already had an Enhanced Risk Assessment, so future permissions would be an update of the previous ERA. There is no evidence of analysis of the overspend and fiscal discipline to bring it under control or whether others areas are being subsidised by cross funding. The lack of regulatory impact of the proposed charges on the industry and the late notice and rushed way it is being introduced, after the industry has already budgeted for the
season, would seem to indicate an arbitrary and unaccountable use of regulatory powers.

Document 4: CAA Air Display Charges 2016/17 Consultation Document
Paragraph 4: Chapter 3 introduction
Comment 4: The current proposal to increase CAA charges with only a 29 day consultation period which commenced after monthly aviation magazines had gone to press, therefore meaning they will miss covering the consultation period, has many worrying factors:
- All fees double as a minimum with little notice and well after the display industry has completed planning for the season. Under government guidelines/policy regulators, even those tasked with running at a profit, have to justify increases including in regard to inflation and the activity they undertake, especially as part of the justification for increased charges is regulation/policy change from the Air Display Review.
- The introduction of a new retrospective charge is weighted for a larger number of display items; some events face increases in there order of 500%. There is no justification of what additional work the CAA is required to do post event other than raise an invoice.
- Further increases are hidden with the proposed approach by removing discounts for repeat applications and limiting those discounts to a much shorter time period without any justification as to why this will create greater work for the CAA.
- The doubling of costs for the issue or upgrade of DAs will discourage pilot development exacerbated by the increase for Rule 5 exemptions to develop and maintain their skills for the specialist low level display environment.
- Increases are a fact of life but are to be expected more along the lines of inflation or GDP growth.
- As the increased charges work their way through the system, it will drive up ticket prices for air show attendees, thereby driving the public to watch from outside airshow sites, increasing the risks the CAA is seeking to see controlled.
- Beyond the financial impact on the display industry (pilots, operators, engineers and maintenance companies) the CAA fee increases risk having a heavy economic impact on those businesses that benefit from air shows such as traders, hotels, restaurants, pubs, etc.

The existing regulations have worked well for many years but recent events have highlighted the issue of public safety for those outside the event. CAP 1371 states that Enhanced Risk Assessments will be carried out for every display site and conditions imposed for the FDD address. It is well known that it is a major issue to control areas outside the show ground, even with police co-operation and the CAA appears to simply wish to pass the problem onto the display organiser without providing any mechanism or legal backing. As a minimum this will involve greater cost to try to discharge that responsibility and without support or greater powers, the only real option is to stop displays in the event the public choose to stand in those areas with consequential damage to the sustainability of that event.

Document 5: CAA Air Display Charges 2016/17 Consultation Document
Paragraph 5: Chapter 3 para 3.1
Comment 5: There have been expressions that many air shows will no longer be viable under the increased regulatory burden and major increases of CAA fees. Those shows that survive have provided major donations to charities in the past and will now see that income diverted to pay CAA fees with the resulting loss of volunteers (caused by the reduced benefit to a charity) making it harder to run the event and maintain safety standards. CAA should assess the potential unintended adverse safety impact before proceeding with this proposal.
The loss of air shows and those remaining shows reducing display items to tailor their budgets to increased CAA fees will have a further knock on effect:

- Reduce the CAA budgeted income to cover the increased administration causing a further financial imbalance driving further increases in the review planned for 2017.
- Reduce events and therefore reduce income, allied to increased CAA fees for DA issues and upgrades, Rule 5 exemptions for practice and individual events, means that display pilots will have less currency than before.
- CAA should assess the potential unintended adverse income and safety impacts before proceeding with this proposal.

Document 6: CAA Air Display Charges 2016/17 Consultation Document
Paragraph 6: Annex A
Comment 6: The CAA should be seeking to support rather than penalise the display community which acts as a showcase for aviation, stimulating interest in all sectors:

- Introducing aviation to children and driving STEM engagement
- Generate interest to help address the growing pilot shortage
- A vehicle for engineer recruitment

The Honourable Company of Air Pilots is greatly concerned by the way the CAA is seeking to change the regulation of displays and significant increase of the charges it applies to the display industry. It does not seem to be proportionate or justified and lacks the regulatory impact assessment that should be undertaken prior to any changes being proposed. It risks severely damaging the display industry economically and driving away the experienced people required to drive safety. The CAA risks alienating the very industry it should work with to ensure high safety levels and the Air Pilots strongly urges the CAA to reconsider the proposed charges and carry out a proper regulatory impact assessment.