

Modern Slavery & Human Trafficking Statement 2024-2025

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1 Modern Slavery & Human Trafficking Statement

This statement shows how the Civil Aviation Authority (CAA) and its wholly owned subsidiaries obtains assurance that slavery and human trafficking are not taking place in its supply chain and its own business. References to “we”, “us”, “our” and “CAA” are to all of these companies.

The Modern Slavery Act 2015 (the “Act”) came into force in 2015 and whilst the Act does not explicitly apply to us as a public body, we voluntarily publish our modern slavery and human trafficking statement on our website and to the Home Office central government register.

We will not tolerate slavery or human trafficking in our business or within its supply chains. We are committed to improving our policies and practices to play our part in tackling Modern Slavery.

This statement builds on previous annual statements published regarding the activity undertaken to assess the potential risks in our supply chain.

2 Our Role

Initially established in 1972, the CAA is the United Kingdom's aviation and aerospace regulator. The CAA's principal functions and duties are set out in primary legislation (principally the Civil Aviation Act 1982, the Aviation Security Act 1982, the Airports Act 1986, the Transport Act 2000, the Civil Aviation Act 2012 and the Space Industry Act 2018), in secondary legislation (principally the Air Navigation Order 2016), devolved legislation (such as section 6 of the Environment (Wales) Act 2016 and section 2A of the Nature Conservation (Scotland) Act 2004). Assimilated legislation and functions have also been given to the CAA via directions from the Secretary of State for Transport made pursuant to s.6(2) of the Civil Aviation Act 1982, as has the discharge of the United Kingdom's obligations under the Convention on International Civil Aviation done in Chicago on 7 December 1944 ('the Chicago Convention').

The CAA is not part of HM Government or the Crown, and as a statutory corporation it has legal independence.

As the United Kingdom's independent aviation and aerospace regulator, the CAA's main statutory functions are to:

- regulate civil aviation and airspace safety: licensing of airports, aerodromes, pilots, air traffic controllers, aircraft maintenance engineers and commercial UAV operators, licensing and certifying the design, maintenance and repair of aircraft;
- approve sub-orbital rockets and orbital rockets launched from the UK and satellites launched by UK companies;
- advise and assist the Secretary of State on all civil aviation matters, including policy and airspace change decisions for the use of UK airspace so as to meet the needs of all users, having regard for national security, economic and environmental factors and the UK international obligations, while maintaining a high standard of safety, including at airports;
- be the economic regulator of those airports with significant market power and of the provision of certain air traffic services;
- be a concurrent competition powers regulator with the Competition and Markets Authority to use their respective powers to achieve more competitive outcomes in the air traffic and airport operation sectors for the benefit of consumers;
- license airlines, including assuring their financial fitness;
- license air travel organisations;

- enforce general consumer protection law, such as the requirements covering denied boarding and persons with reduced mobility; and
- advise and assist the Secretary of State in relation to the regulation of aviation security and enforcing requirements.

The CAA has two subsidiaries:

- Air Safety Support International Ltd (“ASSI”), a not-for-profit organisation, which provides a cohesive system of civil aviation safety and security regulation in the UK’s Overseas Territories; and
- CAA International Ltd (“CAAI”), the CAA commercial subsidiary, which provides technical advice and training to Civil Aviation Authorities and aviation industry worldwide, as well as examinations for pilots.

Funding of CAA

CAA’s operating costs are primarily recovered from those it regulates. The main mechanism for cost recovery is by way of Schemes of Charges, which set out, for each of the regulatory functions, charges that are to be paid to CAA in respect of those functions.

The CAA also receives Government Grant Funding for the delivery of specific projects or programmes of work.

For more information about what we do and how we do it, please see [our website](#).

Organisational structure

The Secretary of State for Transport is the sponsor of CAA. The CAA employs over 1,500 FTEs (full-time equivalent) employees who operate across the CAA’s functions, primarily in the UK.

For more information about the CAA’s structure and governance arrangements, please see our Corporate Governance Statements (CAP2552).

3 Modern Slavery & Human Trafficking

We will ensure modern slavery or human trafficking are not part of our business, feature within our supply chain activities, corporate policies, terms and conditions, contract management and risk management.

We recognise that human trafficking is of real concern in the aviation industry, and we recognise the significant issue this causes to those we regulate. We support the efforts of our regulated entities who continue to focus on this concern.

Supply Chain

For FY23/24, our total third party spend was with 727 active suppliers, with total spend of approximately £44.6m. We have approximately 417 contracts which are supported by a centralised Procurement Team.

We typically buy a wide range of professional and consultancy services and limited level of physical goods. A small proportion of our spend is transactional and relatively low value and managed via Purchase Orders. For larger spend (e.g. over business case level of £75k), longer term commitments or higher risk, contracts are used.

Of our total active supply chain, approx. 93% are UK based with 7% globally based. Some suppliers we use involve second and third tier supply chains. Whilst visibility regarding those second and third tier suppliers is limited, where appropriate, we will incorporate Modern Slavery contractual conditions into the primary supplier's contract, which will flow through its reciprocal arrangements with a supplier's own supply chain.

We are taking a proportionate and targeted approach to the management of Modern Slavery within our supply chain by focusing on industries or professions where slavery is most prevalent (e.g. provision of manual labour). We continue to work closely with key suppliers where risk may be higher such as facilities management services.

Where practical and possible, we use Government approved routes (e.g. Crown Commercial Services) to conduct sourcing and competitive processes.

Policies

Modern Slavery remains an important corporate responsibility of CAA regarding its own employees, its supply chain, external stakeholders, and regulatory responsibilities. We have several internal policies and procedures that promote diversity and inclusivity in the workplace, reduce modern slavery, promote good working practices, all of which are underpinned with a strong ethical process.

People Policy

From an internal operations perspective, we have several organisation-wide Human Resource (HR) policies which are the formal rules and guidelines covering key aspects including but not limited to; recruitment and employee life cycle management, work processes, staff and workplace conduct in respect to values and behaviours. These policies can support trust, fairness, and inclusivity to enable and sustain a safe working environment for staff.

In addition, we work collaboratively with unions and have an internal Employee Forum which meets regularly to discuss employee related activities.

Procurement Policy

Whilst CAA is categorised as operating within the Public Sector, our financial funding model is unique in the fact that we are funded from charges levied on the Aviation Industry to perform regulatory services. That said, we recognise our responsibility to ensure that procurement activity is managed in accordance with all legislative requirements whilst aligned to Central Government best practice and guidance.

We have a Procurement Policy that clearly sets out the Procurement Team's role in managing spend in a fair and transparent manner that balances quality, cost and commercial risk.

Terms and Conditions

Where appropriate, we will use our own sets of standard terms and conditions for contracting purposes. As standard, each set of terms have a requirement for suppliers to comply with all application laws, statutes and regulations, which must be reciprocated in any supplier third party contracts.

On the occasions where our terms and conditions are not used, we will either use central government terms (such as Crown Commercial Services) or the supplier's. In the event we contract upon a supplier's term, we will undertake sufficient due diligence of terms to ensure the relevant clauses are included from a legislative and commercial risk perspective.

Contract Management

Each contract let by us has a business owner. Each contract will be let with a minimum set of supplier performance controls and measures. For contracts of medium to high risk or value, a member of our Procurement Team will actively support the business area in the management of supplier performance. Similarly, the Procurement team will be involved in managing supplier performance issues.

Risk assessment and management

Due to our operation, we believe there is an extremely low risk of modern slavery and human trafficking practices occurring. However, we remain focused on identifying, reducing risk and managing any occurrences of modern slavery.

We remain committed to monitoring our supply chain and applying Modern Slavery best practice approach into our procurement processes. We will continue to adapt and modify our approach in line with any central Government guidance.

Progress since last year

Where appropriate, we continue to undertake any relevant due diligence required for new suppliers that CAA may wish to do business in regard to Modern Slavery.

Based on our existing supply chain, there has been no practices of Modern Slavery identified.

Whilst CAA's central Procurement team remains responsible for the operational management and oversight of Modern Slavery, CAA has transferred the policy into its Corporate Governance function that sits within our Office of Legal Counsel. This consolidates and embeds the importance of Modern Slavery into CAA's overall ethical standards of acting with integrity and professionalism.

4 Approval

We are making this statement on a voluntary basis in form set out in section 54 of the Modern Slavery Act 2015.

This statement was approved by CAA's Board of Directors on 15th May 2024 and has been signed by CAA's General Counsel and Company Secretary on behalf of the Board.

Signed: Jonathan Spence, General Counsel & Company Secretary, 15th May 2023