



Department
for Transport

Tim Johnson
Policy Director,
Civil Aviation Authority
Aviation House
Crawley
West Sussex,
RH6 0YR

David Harding
Deputy Director, General Aviation,
Safety, Skills and CAA, DfT
Great Minster House
33 Horseferry Road
London
SW1P 4DR

Tel: [REDACTED]

29/04/2020

Dear Tim,

General Aviation Programme- Electronic Conspicuity Grant for IT Solution

1. In accordance with the Secretary of State's powers under section 12(1) of the Civil Aviation Act 1982, the Department for Transport will provide funding to the CAA in 2020/21, to complete work on an IT system, which when completed will allow pilots to apply for Electronic Conspicuity equipment online, have their entitlement confirmed, and be subsequently reimbursed for the equipment they purchase. The CAA are expected to commence work on the project from 30 April 2020. The total sum of funding is £378,559. A break-down of the budget is as follows:
 - £307,440 for the Project including any operational costs;
 - £71,119 for the development costs including design and website testing.
2. The Department will arrange for the payment of funds in arrears to be made on receipt of an invoice and supporting evidence of work having been undertaken towards meeting the key performance indicators listed in the table below. A maximum of one payment per calendar month may be claimed unless otherwise agreed with the Department.
3. The IT system developed should be as described in Annex A as the 'Recommended solution' and should be ready to process applications for grant funding from 1 September 2020. The system will be used for an Electronic Conspicuity aircraft device grant scheme, however as noted in Annex A will also be suitable for use in alternative or additional grant schemes operated by the CAA. The precise criteria for the aircraft device grant scheme will be set out in a further letter.

4. The CAA is directed to use this budget only as detailed above and is therefore required to provide evidence on a monthly basis, to demonstrate, that the KPIs have been met and the budget has been spent on relevant activity.
5. The CAA is also expected to keep a record of the expenses it incurs, and if it appears that there will be a shortfall in the funding, the CAA should contact the DfT promptly to agree remedial options, including the possible request of an additional grant or a reduction in agreed activities.
6. Conversely if it appears that there will be an underspend then the DfT must be informed promptly as the resource could be used to offset overspends elsewhere in the programme.

List of eligible expenditure

7. This grant will cover the following types of expenditure and costs associated with:
 - Recruitment and employment of staff, including job advertisement.
 - Consultancy and hiring consultants.
 - The purchase of equipment previously agreed with the Department to be necessary for the IT solution.

2020 /21 KPIs

KPI	Completion date
The CAA to develop a robust online system able to securely process applications for grant funding.	<ul style="list-style-type: none"> • System able to process applications by 1 September 2020.
System able to process as a minimum 10,000 applications per annum.	<ul style="list-style-type: none"> • CAA should monitor system performance on an ongoing basis.
Online system to adhere to the Public Sector Bodies (websites and mobile applications) Accessibility Regulations 2018.	<ul style="list-style-type: none"> • CAA should monitor on an ongoing basis.
The system should be able to provide an efficient and clear user experience to applicants.	<ul style="list-style-type: none"> • On an ongoing basis, CAA to monitor, identify and rectify faults. • The CAA should record all formal complaints received regarding the system and make this available to DfT on request.
The CAA to provide on a monthly basis information on progress in the project including spending and risk mitigation.	<ul style="list-style-type: none"> • Information to be provided by the 10th working day of each month in regard to the previous month, those named at paragraph 9 below.

The CAA will not exceed the budget for the 2020/21 financial year.	<ul style="list-style-type: none"> • 31 March 2021.
DfT will agree with the CAA the criteria for grant schemes processed through the portal.	<ul style="list-style-type: none"> • Ongoing.

8. As with all CAA funding we will review grants over the course of the coming year and reserve the right to revisit future sums, which are subject to wider decisions on government spending and departmental budgets.

9. The details of this letter can be modified in writing by mutual consent. Please direct any queries in first instance to [REDACTED] (Emerging Aviation Technology Policy Team), [REDACTED] (Head of Programme and Financial Oversight) and [REDACTED] (Grant Programme Manager).

Yours sincerely,

[REDACTED]

David Harding
Deputy Director for General Aviation, Safety, Skills and CAA, DfT

Annex A – CAA Electronic Conspicuity Rebate Proposal v.2 document dated 10 March 2020.