



Australian Government
Civil Aviation Safety Authority



2018–19

CORPORATE PLAN

ABOUT THIS PLAN

The Corporate Plan (the Plan) presents the Civil Aviation Safety Authority's (CASA's) direction for the period 2018–19 to 2021–22. It is designed as the principal planning and operational document outlining the purposes of CASA and the strategies to be implemented to achieve our objectives. The Plan details how CASA will meet the Government's and the Australian public's aviation safety expectations. The Plan positions CASA to contribute to the effective and efficient management of aviation safety risks and to improve relationships with the wider aviation community within a strong governance framework.

Key terms used in this Plan

Term	Meaning
Goals	CASA's broader aims
Key performance areas (KPAs)	Specific areas CASA will report against using the performance measures
Key performance indicators (KPIs)	Indicators applied to CASA's performance which will be measured against the KPAs to determine success in terms of meeting CASA's goals
Performance measures	Clear, unambiguous measures, including both qualitative and quantitative measures, against which the progress of each initiative will be tracked and reported
Wider aviation community	Government, commercial, industrial, consumer and other relevant bodies and organisations, including the International Civil Aviation Organization (ICAO) and bodies representing the aviation industry

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LETTER TO THE MINISTER

CHAIR – CASA BOARD

Trim Ref: EF09/23970

18 June 2018

The Hon Michael McCormack MP
Deputy Prime Minister
Minister for Infrastructure and Transport
Parliament House
CANBERRA ACT 2600

Dear Minister

Civil Aviation Safety Authority's Corporate Plan

On behalf of the Board, I am pleased to provide the Civil Aviation Safety Authority's Corporate Plan for the period 2018–19 to 2021–22 for your approval.

The Plan incorporates the Government's Direction Under 12A of the Civil Aviation Act 1988; and has been prepared under the requirements of Subsection 35(1) of the *Public Governance, Performance and Accountability (PGPA) Act 2013* and in accordance with the statutory provisions of Section 44 of the *Civil Aviation Act 1988*.

Yours sincerely



Jeff Boyd
Chair
CASA Board

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INTRODUCTION

I, as the Chair of the Board of the Civil Aviation Safety Authority (CASA) present the 2018–19 to 2021–22 CASA Corporate Plan for the reporting period 2018–19, as required under subsection 35(1) of the *Public Governance, Performance and Accountability (PGPA) Act 2013* and in accordance with the statutory provisions of section 44 of the *Civil Aviation Act 1988*. The Plan incorporates the Government’s Direction issued under section 12A of the *Civil Aviation Act 1988* and in accordance with section 34 of the *PGPA Act 2013*. The Plan is also prepared in accordance with the *Public Governance, Performance and Accountability Rule 2014*.

Jeff Boyd
Chair, CASA Board



CHAIR'S FOREWORD

The Corporate Plan 2018–19 sets out how we will continue our work to safeguard Australia's travelling public and the aviation industry and demonstrates we retain a strong commitment, belief and confidence in our role as the aviation safety regulator.

The Plan describes our three goals and the activities we have identified which will deliver against our key performance areas and address the Minister's Statement of Expectations. It also describes how we will measure our performance and how assurance is provided that the organisation is operating efficiently and effectively to deliver the Government's aviation safety agenda.

First and foremost, our commitment to aviation safety and developing effective regulation remains undiminished. We will work with each industry sector to ensure regulation is proportional to the risks associated with the activity within that sector. Our challenge lies with the diversity across sectors and understanding where regulation is an absolute requirement to maintain safety standards, cognisant of the potential cost impact, and where pragmatic solutions can be achieved by aligning with international standards to achieve effective safety outcomes.

We acknowledge aviators are operating in an increasingly challenging environment. Technology is advancing at an unprecedented rate and we are having to anticipate the risks and associated regulatory impacts faster than ever before. Similarly, we need to meet the expectations of the general public in providing an agile and responsive service and our service delivery transformation project will see significant improvements in the way industry and individuals engage and transact with CASA.

We also want to have effective, respectful and professional relationships with all of our stakeholders. We will continue our work to base our engagements on openness and transparency and a mutual appreciation of roles.

As 2018–19 is expected to be another challenging and exciting year for CASA, we are confident that we are well-equipped to play our part in meeting the challenges ahead. As well as continuing to apply the foundation principles in our regulatory philosophy, we maintain our commitment to provide strong, pragmatic, practical and proportional regulation, and to assure the highest possible standards for the aviation industry.



Jeff Boyd
Chair, CASA Board



DIRECTOR'S PREFACE

CASA's principal role is the safety regulation of civil air operations in Australian territory and the operation of Australian aircraft outside Australian territory. We are also responsible for ensuring that Australian administered airspace is used safely and that the aviation community is encouraged to achieve and maintain high levels of safety.

The Australian public relies on CASA to do its job professionally and diligently and I am proud of CASA's highly professional, knowledgeable and skilled workforce who strive every day to maintain Australia's strong aviation safety record.

Over the past year we have established mechanisms to engage better with the aviation industry to seek their views in a more structured way. Key amongst these is the Aviation Safety Advisory Panel which provides me as Chief Executive Officer and Director of Aviation Safety with informed and objective high-level advice from industry representatives and key aviation stakeholders. We have also established a new consultation hub to CASA which will improve the way feedback is provided on major proposals.

Aviation is a challenging environment. Some of the challenges we are facing over the next 12 months include:

- ▶ the effective management of remotely piloted aircraft systems (drones) to ensure their safe integration into Australian airspace
- ▶ finalising the regulatory program to bring our regulations under the Civil Aviation Safety Regulations while providing cost effective regulatory solutions
- ▶ improving our oversight of aviation safety using a risk-based approach
- ▶ ensuring industry growth is actively managed to the interests of aviation safety
- ▶ improving regional consistency.

The initiatives outlined in this Corporate Plan will assist us in effectively meeting the requirements of industry and the expectations of the Australian public. We will be seeking the support of our diverse range of stakeholders including pilots, operators and maintenance organisations to promote and enhance aviation safety.

This Corporate Plan is a foundational management document which sets out a framework for action over the next year.

We will work diligently towards meeting the expectations of the Government outlined in the Minister's Statement of Expectations to achieve the short and medium-term objectives set out under each goal in this Corporate Plan which covers the period 2018–19 to 2021–22.

Aviation safety is our priority to ensure '*Safe skies for all*'.



Shane Carmody
Chief Executive Officer
and Director
of Aviation Safety



PURPOSE

CASA is Australia's aviation safety regulator and its main purpose is clear from its governing legislation – maintaining, enhancing and promoting the safety of civil aviation, with particular emphasis on preventing aviation accidents and incidents.

CASA is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and was established on 6 July 1995 under the *Civil Aviation Act 1988* (the Act).

Section 9 of the Act sets out CASA's functions which include the core function of conducting the safety regulation of civil air operations in Australian territory and the operation of Australian aircraft outside Australian territory. Section 9A of the Act makes the emphasis CASA places on safety clear:

In exercising its powers and performing its functions CASA must regard the safety of air navigation as the most important consideration.

Under the *Airspace Act 2007*, CASA also has responsibilities for the efficient use of airspace, equitable access to airspace for all users and for the safe administration of Australian administered airspace. The performance of CASA's functions under the *Airspace Regulations 2007* is expressly made subject to section 9A of the *Civil Aviation Act 1988*.

A comprehensive legislative framework exists to manage the safety of civil aviation, structured around the *Convention on International Civil Aviation* of 1944 (the Chicago Convention). Australia was an original signatory of the Chicago Convention, the provisions of which were incorporated as law in 1947 in the *Air Navigation Act 1920*.

CASA meets its legislative requirements in this corporate plan through a range of activities set down for 2018–19 and for the following three-year period. The 'Plan at a glance' (see page 20) provides a summary of CASA's key areas of focus and key performance indicators against each of its corporate goals for the reporting period.

This plan also outlines how CASA intends to meet the Minister's Statement of Expectations (SOE) which was provided to the CASA Board in March 2017 and covers the period until 30 June 2019.

Minister's Statement of Expectations

In addition to the CASA Board's other responsibilities, including strategic direction, risk management and corporate planning, the Minister's expectation is that the **CASA Board** will:

- ensure that CASA makes progress on strategic priorities, in particular the categorisation of operations, emerging risks in aviation such as remotely piloted aircraft systems, and amendments to regulations and other statutory instruments
- facilitate effective interaction between CASA and the industry.

In terms of its **regulatory approach**, the Minister's expectation is that **CASA** will:

- continue to focus on aviation safety as the highest priority
- consider the economic and cost impact on individuals, businesses and the community in the development and finalisation of new or amended regulatory changes
- take a pragmatic, practical and proportionate approach to regulation as it applies to different industry sectors having regard to risk
- implement its regulatory philosophy, with the philosophy being reflected in relevant policies, procedures, manuals, and when CASA personnel are carrying out their day-to-day operations.

The Minister expects that, in conducting its activities as the aviation safety regulator, CASA will have regard to the following **key aviation initiatives**:

- Changes taking place in relation to air traffic services, including Airservices Australia's new operating model and the transition to a new air traffic management system under the OneSKY project
- Workforce planning, including ensuring CASA's training and recruitment strategies provide the organisation with the skills and expertise to meet the current and emerging challenges in aviation safety regulation
- The appropriate sharing and use of safety information by CASA consistent with the Safety Information Policy Statement agreed with the Australian Transport Safety Bureau and informed by 'just culture' principles
- Completing implementation of the remaining parts of the Government's response to the Aviation Safety Regulation Review, including actively progressing regulatory reform in consultation with industry and supported by appropriate safety cases
- Implementation of the recommendations of the review and functions of the Office of Airspace Regulation
- Working with Airservices and the Department of Infrastructure, Regional Development and Cities (the Department) on enhancing the level of controlled airspace in Australian airspace including at major regional airports
- Strengthening international and Asia-Pacific regional aviation safety through:
 - establishment of appropriate mutual recognition arrangements
 - support of the Government's aviation safety initiatives in the Asia-Pacific region
- commitment to the Memorandum of Understanding between CASA, the Department and Airservices, regarding the management of Australia's International Civil Aviation Organization responsibilities

In performing its **stakeholder engagement** functions the Minister expects CASA will:

- Undertake effective and ongoing engagement with the aviation industry to create a collaborative relationship between CASA and industry based on a foundation of mutual understanding and respect
- Consider recommendations by the Industry Complaints Commissioner (ICC) about systemic issues arising from the ICC's investigations
- Communicate regularly with relevant Government agencies, industry and other key stakeholders regarding CASA's activities and functions
- Keep the Secretary of the Department and the Minister fully informed of CASA's actions in relation to the requirements stated in this SOE, and promptly advise about any events or issues that may impact on the operations of CASA, including through the provision of timely quarterly progress reports from the Board against the Corporate Plan
- Work closely with the Department and other Government agencies, including the ATSB, Airservices and the Department of Defence, to deliver integrated and comprehensive safety advice to the Government, the aviation industry and the community.

The SOE is a legislative instrument and is available on the Federal Register of Legislation at: www.legislation.gov.au

OUR KEY ROLE

CASA's key role is to conduct the safety regulation of civil air operations in Australian territory and the operation of Australian aircraft outside Australian territory. While safety of air navigation is the most important consideration, CASA is also responsible for fostering the efficient use of, and equitable access to, Australian-administered airspace.

CASA, the Australian Transport Safety Bureau, the Department of Infrastructure, Regional Development and Cities, Airservices Australia and the Department of Defence constitute Australia's aviation policy and regulatory framework, each with separate and distinct functions, but working together as parts of an integrated system.

In keeping with CASA's fundamental obligations, efforts are maintained and promoted at all times to ensure our decision-making and actions are lawful, fair, reasonable and consistent, and in all cases contribute to optimal safety outcomes, while not unnecessarily impeding the efficient operation of entities that we regulate.

Vision:

Safe skies for all

Mission:

To promote a positive and collaborative safety culture through a fair, effective and efficient aviation safety regulatory system, supporting our aviation community.



Values:

To maintain a highly skilled and motivated workforce that embraces these values:

Excellence:

to strive to excel in all we do.



Courage:

to act with strength of character and conviction while being accountable for our actions.



Integrity:

our actions and behaviour are open, transparent and ethical.



Teamwork:

to work together to promote a strong, cohesive and highly effective workforce.



Innovation:

to challenge existing practices and look for opportunities to support effective continuous improvement.



Fairness:

to ensure our actions and decisions are informed, consistent, risk-based, evidence driven and without bias.



Respect:

to engage with our peers, colleagues and the wider aviation community in a clear, concise and respectful manner at all times.



CASA'S STRATEGIC APPROACH

Key strategic input to this plan

Consistent with CASA's statutory obligations, the corporate plan is informed by direction from the Minister's Statement of Expectations, the CASA Board, CASA Board Audit Committee and governed by the applicable legislation including the *Civil Aviation Act 1988*, *Airspace Act 2007*, *Public Governance, Performance and Accountability (PGPA) Act 2013*, and by the *Regulator Performance Framework*.

CASA has three key goals to deliver and meet its commitments over the life of this plan.

- Goal 1** – Maintain and enhance a fair, effective and efficient aviation safety regulation system
- Goal 2** – Collaborative engagement with the wider aviation community to promote and support a positive safety culture
- Goal 3** – Continuous improvement of organisational performance

FINANCIAL ENVIRONMENT

Table 2 2018–19 Portfolio Budget Statements – income statement for the period ended 30 June

	2018-19	2019-20	2020-21	2021-22
	Budget	Forward estimate	Forward estimate	Forward estimate
	\$'000	\$'000	\$'000	\$'000
EXPENSES				
Employee benefits	126,102	128,610	132,442	136,390
Suppliers	50,058	47,879	47,697	51,396
Depreciation and amortisation	12,362	12,908	13,594	10,006
Total expenses	188,522	189,397	193,733	197,792
LESS:				
OWN-SOURCE INCOME				
Own-source revenue				
Sale of goods and rendering of services	16,500	16,500	16,500	16,500
Interest	1,400	1,500	1,700	1,900
Other	1,000	1,000	1,000	1,000
Total own-source revenue	18,900	19,000	19,200	19,400
Total own-source income	18,900	19,000	19,200	19,400
Net (cost of)/contribution by services	(169,622)	(170,397)	(174,533)	(178,392)
Revenue from Government	169,636	170,408	174,545	178,404
Surplus/(Deficit) attributable to the Australian Government	14	11	12	12
Total comprehensive income/(loss) attributable to the Australian Government	14	11	12	12

Prepared on Australian Accounting Standards basis.

CASA is anticipating small operating surpluses for 2018–19 and forward years. This reflects the demands of continued growth in Australian aviation, particularly of new international passenger growth and low-cost carriers, together with the continued rapid growth and complexity of drones.

CASA expects to absorb the increasing demand for services over the forward year period through the implementation of a service delivery transformation program incorporating new technologies and implementing process efficiencies.

2018–19

CASA is planning a small operating surplus in 2018–19. Expenses in 2018–19 are anticipated to increase by \$8.3m from the 2017–18 estimated actual. This is primarily driven by higher employee expenses (\$5.6m) as a result of increases in accordance with CASA's employee enterprise agreement; a lower average staffing level in 2017–18 due to vacancies; and the new measure for the management of drones in Australia. Australia is experiencing exponential growth in the number of drones being operated both recreationally and commercially, with rapid adoption of innovative drone technologies. This is an emerging and complex sector which requires appropriate consideration and the management of aviation safety risks. The Government recognises these issues and has provided a one off \$2.9m in 2018–19 to enhance CASA's dedicated and skilled in-house team to effectively and efficiently manage the safety standards and compliance of the emerging drone sector in Australia, recognising the aviation safety risks associated with both recreational and commercial drones.

Forward years

CASA is budgeting for small operating surpluses in the forward years in the face of a small increase of 0.3 per cent Ordinary Appropriation from Government and with Special Appropriation for aviation fuel excise forecast to grow at around 3.0 per cent per financial year.

Depreciation expenditure will steadily increase in line with CASA's capital program and employee benefits are expected to continue to increase with pay rises predicted to be included in CASA's next employee enterprise agreement. Revenue from special appropriations is planned to increase by 3.0 per cent per financial year in 2018–19 and into the forward years.

Total expenses in 2018–19 are estimated to be \$188.5m, an increase of \$8.3m when compared to the anticipated outcome for 2017–18. The main movements in the major expense categories are:

- employee expenses are expected to increase by \$5.6m as CASA recruits to its revised funded staff level and the pay rises in accordance with CASA's employee enterprise agreement;
- depreciation expenses increasing by \$0.5m, reflecting the increase in capital expenditure in 2017–18; and
- supplier expenses are expected to increase by \$2.2m as a result of new measure for management of drones in Australia.

Budgeted departmental balance sheet

CASA's net asset (or equity) position for 2018–19 is forecast to be largely unchanged with a small increase compared to 2017–18, consistent with the anticipated small operating surplus and projected capital investment.

Capital investment strategy

During 2018–19 CASA will be investing \$17.6m in capital expenditure. The 2018–19 investments will centre on progression of the service delivery transformation program including phase 1 remotely piloted aerial systems and phase 2 pilots and flight crew licensing. Investment will also be made in the replacement of the surveillance capability and the beginning of fit-out or refit projects for both the Perth and Brisbane offices.

CASA's investment profile for the period of the corporate plan is:

- 2019–20 **\$14.0m** – main investment for this period includes continuation of the service delivery transformation program, major IT upgrades to European Aviation Processing (EAP) and other systems and infrastructure and a refresh of the unified communications system. It also includes finalisation of fit-out or re-fit projects for Perth and Brisbane offices and the beginning of a fit-out project for the Adelaide office.
- 2020–21 **\$3.9m** – investments include an upgrade of multi-media equipment, cloud migration, business system enhancements and the finalisation of the Adelaide office fit-out as well as the beginning of a major fit-out or refit of the Canberra office.
- 2021–22 **\$14.3m** – investments include finalisation of a major fit-out or refit project for the Canberra office as well as a fit-out project for the Cairns office.

RISK OVERSIGHT AND MANAGEMENT

CASA applies an enterprise-wide risk management approach to identify, analyse and manage risks, ensuring that all decisions are risk informed and evidence based and contribute effectively to the achievement of its vision of *Safe skies for all*.

CASA's risk appetite relating to aviation safety is low. Our risk tolerance is proportional to the activity being undertaken. CASA's risk appetite is managed through the application of a risk tolerance matrix contained within the Risk Management Framework. It incorporates applying the 'As Low as Reasonably Practicable' (ALARP) principle to the context in which any decision is being made or activity undertaken. Reducing aviation safety risk to reasonably practicable levels will be a primary consideration in developing business objectives.

CASA also has a low risk appetite in relation to employee health and safety.

CASA has a moderate risk appetite in relation to stakeholder engagement and organisational performance. CASA actively seeks opportunities for improvement across all aspects of the organisation to achieve its goals and vision.

CASA undertakes an annual review and update of its risk management policy and approach to ensure continued alignment with current best practice and accord with the principles outlined in the Australian and New Zealand International Standards Organisation Risk Management – Principles and Guidelines (AS/NZS ISO31000:2009). CASA utilises the annual Comcover risk management benchmarking survey as an independent performance measure of its risk management practices and maturity levels. The organisation achieved a rating of 'Advanced' in 2017, the second highest level of risk maturity.

CASA has an overarching Strategic Audit Plan. This annual audit plan draws on the Corporate Plan, strategic risks and the four year compliance plan and is approved by the Board in June. CASA also has in place cascading planning arrangements that incorporate risk assessment and ensure that CASA's activities are clearly aligned to corporate goals and key performance areas. It ensures that all key risks are identified and transparently documented including strategies to address, manage and mitigate the high risk elements. This is particularly relevant to enable the planning and allocation of resources in the most efficient and effective manner.

CASA has identified 10 strategic risks:

- 1. CASA's regulations are not developed or implemented appropriately or proportional to the aviation industry.**
- 2. CASA does not maintain its standing and reputation as a world class regulator.**
- 3. CASA fails to adapt and provide solutions to emerging and disruptive technologies.**
- 4. CASA fails in its ability and capacity to manage and respond effectively to the growth and complexity of the aviation industry.**
- 5. CASA actions or lack of action are perceived to have contributed to an aviation accident that leads to multiple deaths.**
- 6. CASA does not effectively engage its stakeholders, which impacts negatively on its credibility and relevance within the aviation community.**
- 7. CASA does not attract, manage and retain the right people to deliver its functions and obligations.**

- 8. CASA's governance, internal control framework and enabling capability (including information technology) fails to support the delivery of its work.**
- 9. Long term funding does not provide sufficient resources for CASA to fulfil its obligations and meet stakeholder expectations.**
- 10. The service delivery transformation program does not fully deliver intended benefits realisation.**

The identification, analysis, treatment, monitoring and review of risk are integrated in CASA's functions and contribute directly to the effective and efficient achievement of CASA's corporate goals. Key processes incorporating risk assessment include:

- Business planning
- Entry control
- Surveillance
- Enforcement procedures
- Standards development
- Financial management
- Project management
- Procurement
- Work Health and Safety
- Human factors
- Airspace administration
- Protective security
- Internal audit
- Quality assurance
- Business continuity management.

PERFORMANCE MEASUREMENT

CASA is responsible for a single portfolio outcome outlined in the portfolio budget statements and reported on through CASA's annual report: *Maximise aviation safety through a regulatory regime, detailed technical material on safety standards, comprehensive aviation industry oversight, risk analysis, industry consultation, education and training.*

The three portfolio-level performance indicators are:

- Number of accidents per hours flown is reduced, by industry sector
- Number of incidents per hours flown is reduced, by industry sector
- Clear, open and transparent engagement with the industry to support the continuous improvement of an efficient and effective aviation safety regulation framework

Of these, the accident and incident indicators are addressed in detail in CASA's annual report and are also underpinned by the proposed work activities outlined in the key focus areas under Goal 1. The performance measure on engagement is directly mapped to Goal 2.

As part of its overall performance measurement, CASA has identified the data that will be referenced to assess performance and has targets in place for some key performance indicators where this approach is appropriate.

CASA has developed an operating model which encompasses the breadth of CASA's roles and responsibilities. A range of key performance indicators have been mapped to the operating model to capture CASA's long-term objectives in key operating areas.

Figure 1 CASA's operating model



HOBIST STRUCTURES, SYSTEMS AND PROCESSES SUPPORTING GOOD GOVERNANCE
 Enabling services—Support the achievement of business objectives • Business transformation • Information technology • Financial management • Internal communication

EFFECTIVE ENGAGEMENT

Influence and engage

- Maintain productive working relationships with key stakeholders
- Understand stakeholder perspectives
- Influence policy development and decision making

➤ Collaborative engagement

DEVELOP REGULATORY FRAMEWORK

Identify a need for safety improvements

- Policy direction
- Policy development
- Periodic evaluation
- Environmental scanning

➤ Optimal mutual recognition and international harmonisation
➤ Practical and proportionate safety requirements

Write clear instructions for regulations

- Understand impacts
- Contribute expertise
- Meet government requirements

➤ Adherence to best practice principles

Transition to new rules

- Technical guidance material
- Industry support

➤ Gate reviews

PROMOTE SAFETY AND EDUCATION

Education and guidance for aviation community to:

- Understand CASA's role
- Understand their own responsibilities

Coordinated engagement to:

- Support industry to maintain compliance
- Establish and sustain a 'safety culture'

ENTRY CONTROL

New applications, Regulatory services (renewals and variations):

- Receive
- Assess
- Issue



Service delivery standards

COMPLIANCE ASSURANCE

Risk assessment

- Individual regulated entity relationship
- Aviation sector risk profiles



Risk based development of program

Surveillance planning

- Scheduled (NSSP)
- Response (unscheduled)
- Targeted (campaigns)



Adherence to documented procedures

Implementation

- Identify good practice
- Safety findings

ADDRESS NON-COMPLIANCE

Compliance action

- Assure adherence to corrective action plans



Adherence to documented procedures

Coordinated enforcement

- Administrative action in the interests of safety
- Refer matters for prosecution



Consistency with Regulatory Philosophy

AN ENGAGED WORKFORCE SUPPORTING THE ACHIEVEMENT OF CASA'S MISSION
 Enabling services—Supporting CASA's people • Engagement • Capability • Capacity

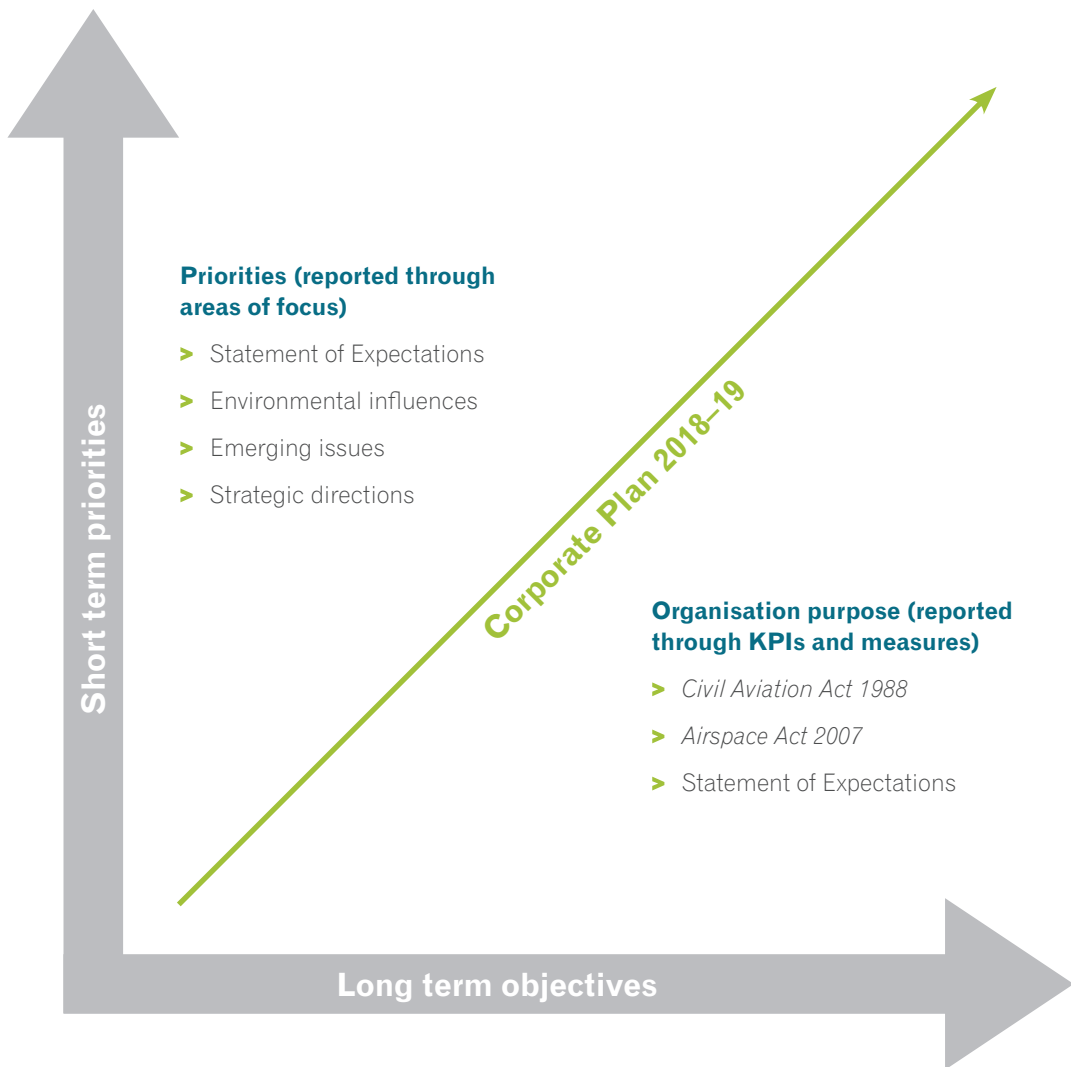
> Relevant, timely and effective deliverables

> Open and transparent dealings

CASA will also measure its performance in key areas of focus. These are also aligned to the operating model and are grouped under each of CASA's three goals and key performance areas. The areas of focus reflect the priorities for the organisation for 2018–19 and for the following three years.

CASA's long-term measures and short to medium term areas of focus are summarised in the 'Plan at a glance' (see page 20).

Figure 2 Key factors influencing CASA's performance



Regulator Performance Framework

In line with the requirements of the Government's Regulator Performance Framework, CASA established an external performance validation panel in June 2016 to provide external validation on performance against six key performance indicators.

The Regulator Performance Framework's key performance indicators are:

KPI 1 – Regulators do not unnecessarily impede the efficient operation of regulated entities.

KPI 2 – Communication with regulated entities is clear, targeted and effective.

KPI 3 – Actions undertaken by regulators are proportionate to the regulatory risk being managed.

KPI 4 – Compliance and monitoring approaches are streamlined and coordinated.

KPI 5 – Regulators are open and transparent in their dealings with regulated entities.

KPI 6 – Regulators actively contribute to continuous improvement of regulatory frameworks.

CASA's panel meets twice a year and provides feedback on the organisation's performance measures in addition to reviewing CASA's Regulator Performance Framework self-assessment report.

The panel comprises a representative from the Department of Infrastructure, Regional Development and Cities, a representative from a comparable regulator (Australian Maritime Safety Authority), a CASA representative and four industry representatives.

The self-assessment report is submitted to the Minister by 31 December each year and published on the CASA website.

PLAN AT A GLANCE

Goal 1

Maintain and enhance a fair, effective and efficient aviation safety regulatory system

Key performance areas	Focus areas	Key performance indicators	Measures of success
Develop regulatory framework	1.1 Promote and improve CASA's regulatory philosophy	CASA is recognised as demonstrating excellence in development of the aviation safety regulatory framework	<ul style="list-style-type: none"> ➤ Regulatory program is achieved within agreed timeframes and in accordance with reasonable assumptions ➤ CASA has initiatives in place to improve the aviation safety regulatory framework ➤ New regulations are developed using a stakeholder engagement process ➤ Collect, analyse and report on trends and issues identified in aviation safety data
	1.2 Ensure the Australian civil aviation safety regulatory regime is complete and optimised for aviation safety performance, taking a pragmatic, practical and proportionate approach to regulation as it applies to risk in different industry sectors		
	1.3 Provide lead regulator role for the OneSKY project*	CASA provides appropriate support for transition to new or revised rules	<ul style="list-style-type: none"> ➤ Industry and CASA assessed as ready for transition during the pre-commencement gate review
Entry control	1.4 Improve the client experience through the provision of regulatory and licensing services	CASA processes applications for authorisations in accordance with documented procedures and within nominated timeframes	<ul style="list-style-type: none"> ➤ Applications for authorisations submitted to the Client Services Centre (CSC) meet service delivery standards ➤ Regulatory service decisions are made in a lawful and timely way ➤ CSC has processes in place and followed to identify approvals which may have been issued in error
	1.7 Provide airworthiness assurance for all Australian aircraft and Australian designed and/or built aircraft operating internationally		
Compliance assurance	1.5 Conduct regulatory services and surveillance of the aviation industry to assure aviation safety performance	CASA's compliance and monitoring approaches are risk based	<ul style="list-style-type: none"> ➤ Annual national oversight program is completed as planned
Address non-compliance	1.6 Develop modern enforcement strategies, policies and practices	Actions undertaken are consistent with CASA's regulatory philosophy	<ul style="list-style-type: none"> ➤ Proportionate enforcement action is taken ➤ Serious breaches of the legislation are referred to the Director of Public Prosecutions (DPP)

Goal 2 Collaborative engagement with the wider aviation community to promote and support a positive safety culture

Key performance areas	Focus areas	Key performance indicators	Measures of success
Effective engagement	2.1 Develop stakeholder relationships	CASA maintains productive working relationships with key stakeholders	<ul style="list-style-type: none"> ➤ Stakeholder satisfaction with CASA's performance in key areas including satisfaction with the Aviation Safety Advisory Panel and its technical working groups and aviation safety seminars
	2.2 Work with Australian partner organisations and other Government agencies 2.3 Work with other overseas regulators 2.4 Contribute to the strengthening of aviation safety in the Asia Pacific	CASA is transparent in its decision making	<ul style="list-style-type: none"> ➤ Processes, guidance and applicable policy manuals (standards, enforcement and surveillance) are available on the website) ➤ All regulatory decisions are accompanied by a statement of reasons where required and where otherwise practicable. ➤ Decisions to cancel certain civil aviation authorisations are published on the CASA website ➤ Number of complaints about CASA not being open and transparent
Promote safety and education	2.5 Provide comprehensive safety promotion programs to the aviation industry and stakeholders	CASA supports industry compliance (and/or understanding of the consequences of non-compliance)	<ul style="list-style-type: none"> ➤ Effective communication to key audience using appropriate channels such as guidance materials, media, and internal communication ➤ Industry forums conducted openly and transparently
		CASA's education and promotion deliverables are relevant, timely, effective and appropriately targeted	<ul style="list-style-type: none"> ➤ Education and promotion activities meet the needs of aviation community and CASA staff ➤ Increased and expanded digital interactions

Goal 3 Continuous improvement of organisational performance

Key performance areas	Focus areas	Key performance indicators	Measures of success
Robust structures, systems and processes supporting good governance	3.1 Continue to improve CASA's governance arrangements and quality of our activities	Governance structures are effective	<ul style="list-style-type: none"> ➤ CASA's governance structures, align with Commonwealth better practice ➤ Continuous improvement towards best practice portfolio, program and project management ➤ Unqualified audit of financial statements
	3.2 Continue to maintain sound financial management		
	3.3 Adopt, develop and drive a digital service delivery environment incorporating contemporary technology environments	CASA has the information and communication technology platform and enabling support to achieve business improvement and transformation	➤ Delivery and management of a transparent ICT work program
CASA continually develops its capability and capacity	3.4 Develop CASA's capability and capacity and implement the capability development framework incorporating structured management and leadership pathways	The proposed benefits of CASA's business transformation programs are realised	➤ The schedule of proposed benefits for each service capability are realised
		CASA maintains the capability and capacity to effectively deliver aviation safety regulation	<ul style="list-style-type: none"> ➤ Maintain four-year Strategic Workforce Plan which is revised annually in response to changes impacting the workforce and business ➤ Training opportunities are provided to all staff each year in accordance with their personal training plan
		CASA maintains staff engagement and builds a culture that enables the achievement of CASA's mission	➤ Biennial staff engagement survey

CASA GOALS, OPERATING ENVIRONMENT AND KEY FOCUS AREAS

Goal 1 – Maintain and enhance a fair, effective and efficient aviation safety regulation system

CASA will focus its efforts on maintaining, enhancing and promoting aviation safety, as set out in the *Civil Aviation Act 1988* and in accordance with all Government directions. CASA's work will centre on enhancing oversight and surveillance, completing the regulatory program, continuing to reform the Australian administered airspace and continuing effective enforcement to secure compliance with safety standards.

Aviation context

CASA is connected through a wide range of activities with more than 100,000 people who are involved in the Australian aviation industry, and with the many millions of passengers whose safety is CASA's primary concern. The constantly changing environment requires close monitoring to ensure the appropriate strategies are implemented to take into account the impact of each of these activities.

Table 1 Summary of areas of change in CASA's operating environment

Number of:	Actual				
	2012–13	2013–14	2014–15	2015–16	2016–17
Registered aircraft (VH registered)	15,100	15,260	15,287	15,347	15,410
Domestic passengers ¹	57,380,000	57,570,000	57,220,000	58,400,000	59,980,000
International passengers ²	30,309,000	31,345,000	34,442,000	36,200,000	39,616,000
Unmanned Operators Certificates ³	~45	139	256	688	1,070
Domestic commercial flights ¹	644,600	642,600	635,700	637,005	638,700
International commercial flights ²	161,019	167,723	175,249	183,207	181,790
Flight Crew Licences (excl. students)	27,384	27,195	36,000	34,380	34,977
Licenced Aviation Maintenance Engineers	7,700	8,000	8,450	8,695	8,780
Sport and recreational pilots ⁴	16,001	16,110	27,263	30,982	29,375
Sport and recreational aircraft ⁴	6,864	7,433	8,380	8,479	7,893

1 and 2: Figures from the Bureau of Infrastructure, Transport and Regional Economics *Aviation Statistics* (as at 31 December 2017).

3. Figures are consistent with CASA annual reports for period 2012–17.

4: This includes pilots and aircraft from Recreational Aviation Australia, Australian Ballooning Federation, Australian Sports Rotorcraft Association, Australian Warbirds Association, Gliding Federation of Australia, and Hang Gliding Federation of Australia. The growth trend is continuing, particularly in the ultralight sector.

A number of trends are evident in the aviation context in which CASA operates. Those that are of most significance to CASA are:

- remotely piloted aircraft systems (RPAS) usage has grown significantly and continues to grow particularly with the application of automated services and through the development of drone system capability
- the recent BITRE GA Study shows activity rates and trends differ significantly between the various areas that have traditionally been referred to as general aviation. General Aviation flying activity as a whole observed a steady increase between the early 1990s to around 2012
- growth in passenger volumes in international air transport operations continues to remain strong and in particular with international operators entering Australia from the Asian region.

To address the operating environment, we must:

- continue to focus on the safety of air navigation as our most important consideration
- afford the highest safety priority to passenger transport operations
- focus resources on RPAS and promote information sharing and discussion across national aviation authorities and other stakeholders
- develop effective communication strategies with the aviation community

- lead discussion on the classification of operations and aviation sector approach to meet the Minister's Statement of Expectations by articulating our risk appetite in relation to safety consequence differentiating between air transport operations (passenger transport and cargo transport), flying for reward (commercial aviation activities) and flying for fun (recreational and sport aviation)
- align regulations and oversight with categorisation of operations and aviation sectors
- take an innovative, holistic and proportionate approach to the development of regulations.

Focus areas

CASA has identified the following key focus areas to meet its short and medium-term priorities for the period of the corporate plan.

1.1 Promote and improve CASA's regulatory philosophy

In 2018–19 we will:

- implement and monitor compliance with the principles of CASA's regulatory philosophy
- refine and extend presentation of regulatory philosophy workshops to include industry and community participants

Over the following three years we will:

- review the extent to which the regulatory philosophy is reflected across CASA practices
- implement a plan to rationalise legislative action and regulatory processes to enable effective and timely responses to an anticipated increase in requests for advice and guidance

1.2 Ensure the Australian civil aviation safety regulatory regime is complete and optimised for aviation safety performance, taking a pragmatic, practical and proportionate approach to regulation as it applies to risk in different industry sectors

In 2018–19 we will:

- finalise the last tranche of the regulatory program
- complete transition to the flight crew licensing suite of regulations
- complete the remotely piloted aircraft systems regulatory roadmap, commence consultation and consider appropriate implementation strategies of the roadmap
- implement agreed safety performance indicators
- maintain CASA's obligations under ICAO and other international agreements.

Over the following three years we will:

- conduct a post implementation review of the flight crew licensing suite of regulations in consultation with industry
- align new regulations to contemporary international standards as far as reasonably practicable, taking into account the needs of individual sectors and the potential benefits of harmonisation
- provide consistent and comprehensive information about how our legislation and regulations operate as well as broad guidance to industry about how they should meet their obligations
- leverage the Aviation Safety Advisory Panel to consult with industry to identify and address improvements to existing regulations, manual of standards and/or guidance material.

1.3 Provide lead regulator role for the OneSKY project*

In 2018–19 we will:

- Oversight the safety aspects of the OneSKY project following contract signature in February 2018

Over the following three years we will:

- Continue to oversight the implementation of the OneSKY project

* OneSKY is a joint Defence/Airservices Australia project to acquire a new air traffic management surveillance data processing and display system.

1.4 Improve the client experience through the provision of regulatory and licensing services

In 2018–19 we will:

- implement digitally-enabled client service tools as part of CASA Service Delivery Transformation
- develop designated aviation medical examiner (DAME) liaison, support and surveillance tools to increase confidence and capacity in the medical certification framework

Over the following three years we will:

- enhance the delivery and management of client services through the service delivery transformation program
- continue to modernise and refine CASA's approach to medical certification

1.5 Conduct regulatory services and surveillance of the aviation industry to assure aviation safety performance

In 2018–19 we will:

- complete implementation of the National Surveillance Selection Process, a nationally coordinated systematic approach to prioritisation of scheduled surveillance activity across CASA
- continuously improve audit methodology to ensure CASA conducts effective, efficient and proportionate oversight of all industry sectors
- foster greater consistency in decision making and regulatory interpretation across CASA offices
- regularly review Australian airspace and implement initiatives identified in the Australian Airspace Policy Statement

Over the following three years we will:

- implement enhancements to the National Surveillance Selection Process
- further develop a National Oversight Plan which will set out our annual risk-based activities across the industry sectors we regulate
- improve service delivery of regulatory service submissions in a timely, efficient and professional manner, by developing and implementing more robust standardised processes while providing industry participants with natural justice and an opportunity to correct deficient or poor-quality submissions before refusing approval
- continue to enhance the appropriate use of third party information to enhance risk-based decision making
- baseline industry compliance with their regulatory obligations

- provide regulatory services as necessary to support major infrastructure developments at aerodromes such as new runways over the next four years and beyond

- develop an airspace design manual

1.6 Develop modern enforcement strategies, policies and practices

In 2018–19 we will:

- publish a proposed revised enforcement framework for CASR Part 13 for public consultation and comment
- publish a discussion paper on the nature and level of penalties in the civil aviation legislation for public comment

Over the following three years we will:

- consistent with the objectives of the State Safety Program for Australia, continue to refine CASA's regulatory policies and practices with a view to the promotion of an open and effective safety reporting culture
- amend CASR Part 13 to implement a revised enforcement framework

1.7 Provide airworthiness assurance for all Australian aircraft and Australian designed and/or built aircraft operating internationally

In 2018–19 we will:

- adopt an international airworthiness strategy in order to identify opportunities for recognition with other National Aviation Authorities (NAAs) across the airworthiness spectrum

Over the following three years we will:

- implement the international airworthiness strategy to establish recognition agreements with other NAAs, maximising benefit for Australian aviation

Goal 2 – Collaborative engagement with the wider aviation community to promote and support a positive safety culture

CASA will continue to maintain a constructive working relationship with other Australian Government agencies and promote effective collaboration through consultation and communication with the wider aviation community. Through its consultative forums, feedback channels, educational efforts and promotional campaigns, CASA is committed to engaging in a clear, open and transparent manner with the aviation industry to continuously improve the regulatory framework and be a partner in supporting and promoting a positive aviation safety culture.

Stakeholder context

The aviation community is diverse and varied. It involves large businesses that are well resourced and sophisticated as well as small family businesses. It includes an increasing number of recreational and sport participants, and RPAS, an innovative and growing sector. Emerging aerospace participants focused on commercial rocket research and development also create new opportunities and cross agency regulatory challenges.

The expectations of the many aviation participants are as varied as is their capacity to manage the requirements and standards in place, and the changes that have been imposed over recent years due to much needed regulatory reform. This has invariably created challenging operating environments in some sectors as CASA has tried to find the right balance in its regulatory and oversight approach.

Through all of these differences, a safe and efficient aviation environment is a common goal and one that underpins community confidence, whether for the travelling public or for those who consider aviation a sport or hobby.

There were 156.3 million passenger movements according to BITRE airport traffic data* in 2016–17 alone, with an average passenger traffic growth of 2.6 per cent over the past five years.

CASA recognises that a constructive and collaborative relationship with the aviation community is essential if we are to maintain the health of the aviation sector while sustaining Australia's high level of aviation safety.

In order to find the right balance between supporting innovation, growth and equitable access to airspace while protecting the Australian travelling public, we must work closely with the stakeholders we regulate.

A key focus for the organisation in developing stronger relationships is continuing to place emphasis on developing a shared understanding of current and emerging risks and safety issues in each segment of the industry – being clear about the problem we are trying to fix. Too often, the driver for change or new regulation has not been well understood.

With the issues clear, agreement on, or at least understanding, of the policy approach CASA is taking is an area where we see significant opportunity for improving our engagement.

We recognise that with such a diverse set of stakeholders, we need to tailor and adapt the ways we consult and a number of initiatives will be delivered during the period of this corporate plan to address this challenge.

* https://bitre.gov.au/publications/ongoing/airport_traffic_data.aspx

CASA will continue to build and maintain a constructive working relationship with other Australian Government agencies and parliament to deliver complementary and collaborative services to the aviation community and the public.

Throughout these efforts, CASA is committed to engaging in a clear, open and transparent manner with the aviation industry to continuously improve the regulatory framework and promote a positive aviation safety culture.

Effective stakeholder engagement underpinned by targeted communications plays a critical role in how we can influence the perception and behaviours of our own staff as well as external stakeholders and clients.

A change in digital platforms means we must also adapt to changing stakeholder expectations about the way in which we consult and collaborate.

* Statistics derived from the Bureau of Infrastructure, Transport and Regional Economics *Airport Traffic Data 1985–86 to 2016–17*

To address our operating environment, we must:

- listen, consult and communicate with all interested parties on aviation safety issues
- ensure we are providing information to stakeholders in a way that encourages and facilitates engagement, particularly regarding regulatory and safety issues
- ensure international collaboration is aligned with broader government foreign policy priorities and foster development of safe aviation practices in the region

Focus areas

CASA has identified the following key focus areas to meet its short and medium-term priorities for the period of the corporate plan.

2.1 Develop stakeholder relationships

In 2018–19 we will:

- further develop the Aviation Safety Advisory Panel and associated technical working groups to allow for agile, strategic and constructive engagement

Over the following three years we will:

- continue to implement best-practice consultation
- implement an effective Customer Relationship Management system to allow us to better capture, record and track all client and stakeholder interactions and engagement and be better informed about our stakeholder and client needs and perceptions before, during and after specific engagement activities

2.2 Work with Australian partner organisations

In 2018–19 we will:

- collaborate with Federal, State and local government organisations on local and national safety issues such as remotely piloted aircraft systems and airport-related issues

Over the following three years we will:

- maintain relationships with government, other agencies, media and industry groups
- continue to review and improve sponsorship arrangements with partner organisations

2.3 Work with other overseas regulators

In 2018–19, we will:

- focus on building strong relationships with the Civil Aviation Authority of New Zealand to support Tran-Tasman policy outcomes, including collaboration on medical certification and flight crew authorisations
- expand formal international, regional and multi-lateral arrangements with counterpart like-minded agencies that recognise mutual safety outcomes to reduce regulatory duplication and costs to Australian industry
- respond to aviation risks from emerging technologies including through participation in relevant International Civil Aviation Organization (ICAO) forums

Over the following three years, we will:

- continue to engage with National Aviation Authority counterparts to streamline and standardise civil aviation safety regulatory outcomes, where appropriate, through new and updated multi-lateral arrangements

2.4 Contribute to the strengthening of aviation safety in the Asia Pacific

In 2018-19, we will:

- partner with regulatory counterparts in Indonesia, Papua New Guinea and the Pacific to deliver projects to improve aviation safety oversight capacity in the region

Over the following three years we will:

- continue to offer and coordinate appropriate regulatory education, training assistance, and advice in support of Australia's engagement in the Asia Pacific region

2.5 Provide comprehensive safety promotion programs to the aviation industry and stakeholders

In 2018-19, we will:

- continue to develop and implement safety communication strategies in response to identified priority areas
- maintain a strong focus on developing plain-English regulatory guidance material

Over the following three years we will:

- assess the impact of safety promotion programs and strategies and adapt to changes in communications channels and technologies

Goal 3 – Continuous improvement of organisational performance

CASA closely monitors its organisational performance and seeks to continually improve its operational activities, regulatory services and other support functions. CASA is adopting a quality framework to drive continuous improvement across all facets of the organisation.

CASA operates in an environment of ever increasing technological change and advancement which requires the appropriate processes, technology and capability to provide contemporary service offerings to CASA staff and the aviation industry. In order to support the effective implementation of change and the realisation of investment benefits, CASA has enhanced governance arrangements and project assurance processes. CASA continues to require a workforce with significant aviation industry experience and a strong knowledge of safety regulations to successfully administer the *Civil Aviation Act 1988*. CASA's workforce is geographically spread across Australia and provides aviation safety services to metropolitan and regional areas.

Our workforce

It is through the attributes, skills, knowledge and experience of our people that we will successfully deliver our vision. The skills and experience required to ensure aviation safety and the safety of the travelling public requires that we draw our aviation experts from a competitive and specialist resource market. Emerging technologies that impact aviation and aviation safety provide a further challenge to our capability requirements. This results in a workforce that spans multiple generations and continues to face challenges of building a diverse workforce (particularly one with gender balance), that is adaptable and change ready. As a consequence, CASA must continue to review its capability requirements and explore new and different ways to attract, select, grow

and retain high quality employees across both our operational and enabling functions. We must also support our managers to role model and embed our values and support all employees to be the best that they can be.

Our information technology

The constant evolution in technology provides an opportunity for CASA to leverage proven changes in technology to provide greater business benefits through improved client experience and simplifying the way our workforce operates. There is increasing industry demand to engage digitally with CASA through contemporary technologies, and CASA staff expect the same capability from internal systems through the provision of mobile, seamless, flexible, and modern technology solutions. Our key strategic outcomes are to:

- simplify and modernise CASA's ICT landscape
- deliver client permission and licencing services digitally
- improve client service delivery
- provide Internal and external collaboration capability
- make CASA information available from any device, anywhere, anytime

To address our operating environment, we must:

- attract and retain the right capability at the right time
- provide continual development opportunities to enable our people to be qualified, competent and capable
- establish collaborative and consultative interactions with CASA's stakeholders, clients and safety partners

- continue to enhance CASA's governance arrangements through the provision of appropriate structures and balanced environment to achieve organisational goals
- define and guide a period of consolidation, rationalisation and enhancement that delivers improved reliability and simplified useability of CASA's ICT systems.

Focus areas

CASA has identified the following key focus areas to meet its short and medium-term priorities for the period of the corporate plan.

3.1: Continue to improve CASA's governance arrangements and quality of our activities

In 2018–19 we will:

- continue to implement a quality framework with a particular focus on supporting continuous improvement and improved quality measurement and reporting

Over the following three years we will:

- refine and develop our approach to quality management and continuous improvement
- enhance benefits management measurement, monitoring and achievement

3.2 Continue to maintain sound financial management

In 2018–19 we will:

- contribute to the Government's consideration of funding arrangements for CASA
- progress development of simplified cost recovery arrangements

Over the following three years we will:

- implement the simplified cost recovery arrangements
- maintain a sustainable funding profile to fulfil our obligations and meet stakeholder expectations

3.3 Adopt, develop and drive a digital service delivery environment incorporating contemporary technology environments

In 2018–19 we will:

- deliver enhanced digital capability in accordance with CASA's Service Delivery Transformation

Over the following three years we will:

- transform our digital services client offering to align clients' needs, services and priorities across contemporary client service channels
- continue to rationalise and harmonise CASA's ICT operating environment

3.4 Develop CASA's capability and capacity and implement the capability development framework incorporating structured management and leadership pathways

In 2018–19 we will:

- continue to implement CASA's workforce plan

Over the following three years we will:

- define CASA's future work environment and workforce to plan and build future capability needs

COMPLIANCE TABLE

The Corporate Plan has been prepared in accordance with the statutory provisions of:

- > Section 44 of the *Civil Aviation Act 1988*
- > Section 35(1) of the *Public Governance, Performance and Accountability Act 2013*
- > *Public Governance, Performance and Accountability Rule 2014*

CASA has an obligation to provide details of the following matters:

Requirement	Page(s)
Statement of preparation	1
Purposes of the entity	6
Operating environment	23–24, 27–28, 30–31
CASA's performance measures	24–26, 28–29, 31
Risk oversight and management	14

NOTES

Lined area for notes with horizontal lines.



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