

The Civil Aviation Authority (CAA)

Gyroplane Commercial Licences

RPC rating: validated

Description of proposal

The CAA provides details of a change in its policy to allow for the creation of a Gyroplane Commercial Pilot Licence (GCPL). Gyroplanes are flying vehicles similar in shape to helicopters. The introduction of a commercial licence, in conjunction with changes in process and guidance, is as a result of a request from the aviation industry. Currently, gyroplanes can only be operated for private recreational use. There are only three such certified gyroplanes in the UK. Changes will create a market for gyroplanes to be used for commercial purposes, such as in aerial photography or surveying work. Licensing conditions will be broadly equivalent to those for commercial pilot qualifications in other sectors, such as helicopters.

Impacts of proposal

The CAA explains that revisions would result in a cost to individuals and businesses who wish to hold GCPLs. Based on the number of private gyroplane licences and recreational gyroplanes in circulation, the regulator assumes that 200 to 225 active pilots are likely to seek a GCPL. To be eligible to apply for a commercial gyroplane licence, pilots must hold a Private Gyroplane Pilot Licence and have completed 155 hours as a pilot in command. The assessment notes that, following these regulatory changes, business will not be required to change their practices. Only those firms that choose to apply for a commercial licence will incur the cost of the licence. The CAA expects that only businesses that expect commercial benefits to exceed licence costs will apply for the licence, making costs permissive in nature.

The CAA has not been able to provide quantification of the additional costs and benefits to businesses identified in the assessment. The expectation, however, is that these would be minimal and in line with those equivalent to other aircraft sectors.

The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of £0.0 million.

Quality of submission

The CAA has identified the impacts of the changes, both direct and indirect. The assessment has not, however, provided any monetised costs and benefits of

obtaining a licence. Whilst the approach is permissive in character, the assessment would have benefited from detailing the costs incurred in obtaining both private and commercial pilot's licences and completing the required piloting experience. In the absence of specific costs, a proxy for costs could have been obtained by considering an equivalent licence from other aircraft sectors.

Although the regulator expects the scale of impacts to be minimal and notes a high level of uncertainty associated with benefits, the assessment would have benefitted from qualitative assessment of the regulations' impacts on market participants. The creation of a market may provide businesses with a net benefit overall. However, as there are few expected beneficiaries, in this instance the RPC can validate the measure.

The CAA cites anecdotal evidence from the gyroplane industry. Further detail about this evidence, as well as on the level of support for a GCPL from business, would have improved the submission.

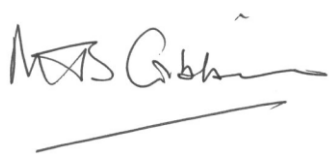
Given, however, the uncertainty over the level of licence take up and the minimal potential costs to business, the RPC, in this specific case, validates the measure.

Departmental assessment

Classification	Qualifying regulatory provision (IN)
Equivalent annual net direct cost to business (EANDCB)	Not quantified
Business net present value	Not quantified

RPC assessment¹

Classification	Qualifying regulatory provision (IN)
EANDCB – RPC validated	£0.0 million
Business impact target score	£0.0 million



Michael Gibbons CBE, Chairman

¹ For reporting purposes, the RPC validates EANDCB and BIT figures to the nearest £100,000