

Light Aircraft Association

Governance: Guidelines and Terms of Reference for Standing Committees, Working Groups and Staff Teams

Introduction and Hierarchy.

The LAA Board of Directors provides strategic oversight; setting the Associations' values and standards; entrepreneurial leadership; setting strategic goals; ensuring that the necessary human and financial resources are available to achieve objectives; reviewing management performance; ensuring that obligations to shareholders and other stakeholders are understood and met.

Expertise in key areas of planning, strategy and specialist action is provided by formal Standing Committees comprising Board members, LAA staff and other LAA members or non-members co-opted as necessary. The Board may also set up Working Groups for specific purposes.

Standing Committees will report directly to the Board. Formal committee reports will be regular items on the Board's agenda and will normally be submitted according to a schedule approved by the Board and published annually. Committee chairmen are responsible for advising the Board of any issues affecting the Governance of the Association. Note: the Chairman of the board may attend any Standing Committee

Working Groups will have more limited remits and may be temporary. Working groups may report directly to the Board or to the **Chief Executive Officer** (CEO). Terms of Reference for working groups which report to the Board must be approved by the Board and will be included in this document. Working group reports will be presented at Board as requested by the Chairman.

Staff Teams deliver the day-to-day activities of the Association. They are responsible to the CEO, who reports to the Board of Directors via the Chairman. The Chief Executive Officer is the nominated CAA Accountable Manager. Nominated persons under the LAA's CAA approvals remain individually responsible for the areas under their remit, reporting via the CEO as required.

(For guidelines for Membership of Board Committees and Working Groups, please see Appendix 1).

BOARD STANDING COMMITTEES

1. Governance Strategy and Process Committee.

Chairman: Chairman of the LAA. Members: CEO, Vice Chairmen and one other Board member

On behalf of the Board, to:

- Review and oversee the LAA's operations and annual Strategic Planning process, to ensure that it operates effectively, taking account of the business and regulatory environment, and of membership needs.
- Develop and propose to the Board, for discussion and approval, any necessary changes in the LAA's governance arrangements, core business processes and management responsibilities to achieve the strategic objectives agreed.
- Retain an oversight of the litigation and liability position of the Association, as reported by Risk and Audit Committee.

2. Finance Committee.

Chairman: Treasurer of the LAA. Members: CEO, and one other Board member.

plus act as a point of approval for CEO special expenditures.

NOTE: The CEO is accountable for delivering the approved business plan within the financial budget and for reporting progress to the Board at regular intervals.

On behalf of the Board, to:

- Develop and propose to the Board for approval, any changes to financial policy, required to fulfil the stated goals of the LAA .
- Review the KPIs and budget variances of the LAA on a regular basis and assist the CEO to develop business plans and annual financial budgets consistent with the LAA Strategic Plan, taking account of other committee reports and proposals.
- Liaise with the LAA auditors in the preparation of the annual accounts and review the draft accounts, presenting them to the Board for discussion and approval.
- Review and approve any additional expenditures above the CEO's discretionary spending limits or outside the terms of normal business operations.

3. Airworthiness Oversight Committee.

Chairman: Member of the Board or nominee as agreed by the Board. Members: CEO, Chief Engineer, Chief Inspector and Quality Manager. Other staff members may be opted as required.

NOTE: The purpose of the Airworthiness Oversight Committee is to act as an intermediary on behalf of the LAA Board to oversee and monitor the activities of the organisation in respect of airworthiness matters. It is not an executive body and does not have such powers.

The Committee will, on behalf of the LAA Board:

- Review the operation of the LAA's regulatory airworthiness approvals and, where appropriate, propose any changes necessary to fulfil the stated goals and strategy of the LAA.
- Ensure effective oversight of compliance with the current and future regulations relevant to recreational aviation and propose to the Board any change in policy or activity in respect of liaison with regulatory or governmental bodies.

- Develop an annual forward plan for airworthiness activity associated with recreational aircraft development, including the approval of new types.
- Agree key performance indicators (KPI) and annual quality audit plans for the airworthiness activities of the LAA as set by the CEO, Chief Engineer and the Quality Manager, in co-ordination with the CAA's external audit programme of the LAA approvals.
- Review, in conjunction with the Quality Manager, audit reports relating to Engineering and Inspection processes management and associated quality assurance issues. Agree and monitor proposals for corrective action to address any identified issues.
- Co-ordinate its activities in conjunction with the LAA Safety Group on matters of engineering and operational safety.
- Provide the LAA Board, annually, with a summary of its activity.

4. Risk and Audit Committee.

Chairman: CEO. Members: at least two Board members .

- Maintain a continuous review the issues of risk, liability, insurance and litigation as they affect the LAA.
- Respond as necessary to urgent emerging issues relating to the LAA's liabilities and report to the Board at the earliest opportunity.
- Maintain oversight of the LAA's Risk Register. Examine ways in which risk to the association can be mitigated and prepare mitigation plans as necessary,
- Develop and propose to the GS&P Committee and Board for discussion and approval, any necessary changes to the LAA's financial reporting and disclosure activities, statutory position and governance processes, regarding risk, liability and litigation.

5. Nominations Committee.

Current LAA Chairman and Vice Chairmen plus one other Board member.

To ensure that an optimum mix of skills and experience is maintained within the Board, through continuous long-term succession planning, positive activity to identify potential board candidates and a formal and transparent nomination process, for the election of Board members.

- Put in place a process designed to identify suitable candidates for nomination for election to the Board. To this end the committee will:
- Maintain data on the skills and experience, together with length of service and election dates of the current Board members.
- Develop a Skills Matrix to identify the optimum skills and experience needed to maintain full Board effectiveness and compare this with current data on Board members.
- Based on the Skill Matrix, present annually an initial Succession Plan to the Board, six months before the AGM, identifying proposed candidates.
- After Board approval of the initial Succession Plan, identify and encourage suitable candidates to meet the committee in order to confirm their skills and experience.
- Submit to the Board for approval, those candidates considered acceptable for nomination, at least three months before the next AGM.

NOTE: In accordance with the Articles of Association of the LAA, nominations for election to the Board may be made without reference to this process. Candidates will, however, be encouraged to

use this process in order to gain the support of the committee. In the interests of transparency those candidates that have the support of the committee will be clearly identified during elections at the AGM.

WORKING GROUPS

1. Safety Group.

Chairman: agreed nominee. Members: CEO, Staff, Board Members and LAA members as required.

- Maintain an overview of all safety issues connected with the LAA.
- Promote and promulgate safety information and initiatives to members, liaising directly with LAA Member Clubs as necessary.
- Liaise with the LAA Engineering and Airworthiness Team and the Airworthiness Review Committee on matters of safety relating to LAA activity.
- Prepare and regularly review safety guidelines and requirements for LAA events, promulgate these to LAA member clubs as necessary.
- Keep oversight of safety-related incidents, formally reporting to the Board at least annually.

2. Human Resources Working Group.

Chairman: CEO. Members: Chairman and the Vice Chairmen.

Reports directly to the board through the CEO.

- Take an overview of HR matters connected with the Association, taking account of relevant employment legislation.
- Review staff performance, development and associated targets (individual targets, etc. to be set through management process which is a CEO responsibility).
- Review and agree staff remuneration arrangements.
- Oversee recruitment activities and undertake short-listing and interviewing of candidates when necessary.
- Consider any staff disciplinary matters, including warnings and dismissal, reporting urgent issues as necessary to the Association Chairman.

3. Pilot Coaching Scheme (PCS) Working Group.

Chairman: PCS Chief Coach (Jon Cook). Members: CEO, at least one other Board or staff member.

Reports directly to the Board through a sponsoring Director.

- Develop PCS activities to meet the needs of Association members.
- Ensure the safety and effectiveness of the PCS, reporting to the Board regularly.
- Ensure that all PCS activities, processes and persons engaged in PCS activities are fully and properly approved by the relevant regulatory authorities.

4. Rally Working Group.

Chairman: Agreed nominee. Members: CEO, LAA members, LAA staff as required.

Reports to the Board as required

- Plan, organise and manage the LAA Rally safely, efficiently and to budget, reporting to the Board on plans and progress as necessary.
- Liaise with external organisations and partners on behalf of the LAA as necessary to plan and present the LAA Rally.

5. Awards Working Group.

Chairman: a nominee to be agreed who is an experienced LAA member. At least one other who is a Board member. Reports directly to the Board through a sponsoring Director.

- Review members eligible for any aviation award that may be available for which LAA can expect to make submission. Ensuring subject to Chairman's approval that such appropriate submissions are made.
- Oversee the presentation of LAA awards ensuring as far as possible fair and proper assessment of such awards as are made
- The working group decisions are independent of the board and are not subject to challenge

6. Events Working Group.

Chairman: CEO. Members: Experienced LAA members.

Reports to the Board via the CEO .

- Maintain oversight of LAA events and related activities ensuring the board is aware of such activities.
- Liaise, as appropriate, with parties involved in planning and operation of major LAA events

7. Consultation and Advocacy Working Group.

Chairman: CEO and LAA members approved by the Board to include at least one other Board

- Monitor regulatory developments which impact upon sports and recreational flying, reporting to the Board regularly.
- Develop position papers and consultation responses to progress agreed LAA policy in respect of regulation.
- Attend and influence relevant meetings with EU, Government, regulatory bodies, other aviation bodies and associations, to communicate, promote and progress agreed LAA policy.
- Prepare LAA policy briefings for members to assist them in lobbying of Government ministers, MPs etc. on key issues.
- Develop and maintain effective advocacy relationships with key figures in EU, UK Government, regulatory bodies and industry, etc. to influence regulatory policy formulation.

CEO-LED STAFF TEAMS

1. Engineering and Airworthiness Team.

Membership: CEO, CE, Deputy CE, CI, Quality Manager and others at the discretion of the CEO.

The CEO as Team Leader will report to the Airworthiness Oversight Committee and the Board as necessary on the activities of the team.

NOTE: The Chief Executive Officer is the nominated CAA Accountable Manager and the nominated persons under the LAA's CAA approval remain individually responsible for the areas under their remit.

- Review incidents/accidents and safety performance data and develop action plans to maintain an agreed safety standard.
- Review the operation of LAA's delegated regulatory approvals and propose any changes necessary to fulfil the stated goals and strategy of the LAA
- Review the operation of the LAA's inspection and continuing airworthiness activities at appropriate intervals.
- Provide effective oversight of current and future regulations, relevant to recreational aviation and propose policies and activities in respect of engagement with regulatory and government bodies.
- Set and review Key Performance Indicators for all core engineering processes and provide regular performance reports for the Board.
- Review engineering airworthiness and quality issues and develop improvement plans.
- Co-ordinate its activities with the LAA Airworthiness Review Committee and LAA Safety Committee on matters relating to their respective remits .

2. Member Services and Marketing Team.

Members: CEO, Office Manager, Magazine Editor and others at the discretion of the CEO.

The CEO as Team Leader will report to the Board as necessary on the activities of the team.

- Oversee PR, marketing activities and related external communication.
- Ensure implementation of the agreed marketing and member services policies.
- Propose marketing and member services policies, including recommendations for membership categories and charges , to fulfil the goals and financial plans of the LAA.
- Manage applications for strut/branch/type club status.
- Take general oversight of the Association magazine, including editorial policy, advertising and publication arrangements.
- Prepare an annual marketing budget for the LAA and LAA events (including the LAA Rally) for approval by the Board
- Co-ordinate and facilitate LAA event marketing activities, including co-ordination with event working groups and LAA Member Clubs.
- Annually review subscription levels, membership and emerging/future issues
- Conduct membership surveys as necessary to identify the interests, views and requirements of LAA members.

APPENDIX 1.**Guidelines for Membership of Board Committees and Working Groups**

Membership and chairmen of all committees (and working groups which report directly to the Board) will be proposed to the Board by the LAA Chairman and will be subject to Board approval.

All Board members will normally be expected to be active on at least one standing committee and/or working group. At least one Board member should serve on every standing committee.

Others (including if appropriate non-members of the LAA) may be co-opted to serve on committees and working groups, as expert advisers, etc.

Committees will be chaired by either a Board member, the CEO or exceptionally another individual approved by the Board.

Committee or working group chairmen will be responsible for reporting to the Board Delete

LAA staff may serve as members of committees and working groups.

LAA staff may attend meetings of committees or working groups to participate or to take notes, etc., at that committee chairman's invitation.

CHANGES LIST

Version 7. 01.11.2016

- a) Minor revisions following review at GS&P Committee meeting

Version 6. 26.10.2016

- a) Revision of general content to better reflect actual committee status

Version 5 18/1/16

- a) Revise ToRs of Finance Committee to align with CEO's ToRs
- b) Introduce Safety Group chaired by CEO to replace Safety Committee

Version 4 14/08/15

- a) Introduce Airworthiness Oversight Committee to replace Engineering and Airworthiness Committee.
- b) Amend ToRs of Engineering and Airworthiness Team

Version 3 7/10/14

- a) Major revision. Increased scope and new title.
- b) Definition of Staff Team introduced in addition to Committee and Working Group, to describe staff working groups headed by CEO.
- c) Finance committee membership reduced and role reduced.
- d) Risk and Audit Committee introduced and Risk Management WG removed
- e) Financial audit function assigned to Risk and Audit Committee
- f) Removed Consultation and Advocacy committee, replaced with working group chaired by CEO.
- g) Removed Engineering and Airworthiness Committee, becomes Engineering and Airworthiness Team
- h) Removed Member Services and Marketing Committee, becomes Member Services and Marketing Team
- i) Added new Nominations Committee
- j) Consultation and Advocacy Committee becomes a Working Group chaired by the CEO.
- k) Revised Safety and Environment Committee responsibility for investigating incidents with Engineering and Airworthiness Team
- l) Changes to membership of Awards WG
- m) Changes to membership and reporting of Events WG.

Version 2d 22/08/14

- a) Risk Management Working Group becomes a committee of the Board, entitled the Risk Management Committee. Additional duty to develop risk mitigation plans.

Version 2c 13/12/13

- a) Add audit committee activities to Finance Committee TORs
- b) Change Insurance and Liability WG to Risk Management WG, and add Risk Register responsibilities to its TORs.