



Department for Transport

From the Secretary of State
The Rt. Hon. Grant Shapps

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Our Ref:
Your Ref:

Huw Merriman MP
Chair, Transport Select Committee
House of Commons
London
SW1A 0AA

07 May 2020

Dear Huw,

I am writing to inform you that, after a full, open and fair public appointments process, I have chosen Sir Stephen Hillier DFC, CBE as my preferred candidate for the important role of the next Chair of the Civil Aviation Authority. The Prime Minister has confirmed his support for the appointment. The process was conducted by an independent advisory assessment panel in accordance with the Cabinet Office Governance Code for Public Appointments, and with the oversight of the Office of the Commissioner for Public Appointments.

Sir Stephen Hillier has a distinguished record of service in the Royal Air Force from 1980 to 2019 that includes being Head of the Royal Air Force. He has served on many boards relating to defence investment, equipment and infrastructure. He has also been a qualified pilot and flying instructor.

I anticipate that the appointment will take effect from 1 August 2020, subject to a pre-appointment hearing by your committee. I intend to appoint Sir Stephen Hillier as a Non Executive Director of the CAA for the period between the Transport Committee's confirmation of the appointment and 1 August 2020.

In May and June of 2019 the Department for Transport consulted the Transport Committee of the previous parliament on the job description for this post. The person specification for the CAA Chair was subsequently published. I attach these details in Annex A to this letter along with the salary. In summary I sought a Chair who would be a force for building strategic consensus across the Board; ensuring that, whilst the CAA operates in a complex, safety and security critical environment, it continues to put consumers' needs first

After carefully considering the independent advisory panel's advice, and meeting all the appointable candidates, I strongly consider that Sir Stephen meets these requirements and is an excellent choice for the role of CAA Chair – having the skills, experience and track record needed to undertake this challenging role very well at a time of continuing reform, challenge and innovation in the aviation sector.

Turning to the further detail of the process, I have mentioned the fair and open competition we conducted. This was launched on 23 July 2019 and ran for just over ten weeks, with a further week being added at the end of that period to ensure that a good pool of candidates was identified.

This department is taking steps to improve the diversity of selection for ministerial appointments. We maintain a pool of interested candidates, we will be giving feedback and engagement opportunities to “near miss” candidates and we are considering additional ways of advertising future vacancies.

My predecessor identified a long list of 12 individuals from the 47 who applied based on the advice of the independent advisory assessment panel. An executive search company – selected following competitive tender – interviewed those candidates and recommended a short list of six candidates which I accepted. However, as noted above, two short listed candidates withdrew from the competition for personal reasons before the interviews.

The independent advisory assessment panel interviewed the remaining four candidates and concluded that three were appointable. References were taken up for the short listed candidates and detailed due diligence carried out. I met each of the appointable candidates and selected Sir Stephen Hillier. His CV is at Annex C.

I look forward to receiving the Transport Committee's views on Sir Stephen Hillier following its pre-appointment hearing. My officials stand ready to assist both the committee and Sir Stephen in preparing for that hearing. Andy Kirby [REDACTED] and Steve Whyman [REDACTED] will continue to be in contact with the committee clerks in that regard.

Yours ever,

A handwritten signature in black ink, appearing to read 'Grant Shapps', written in a cursive style.

Rt Hon Grant Shapps MP
SECRETARY OF STATE FOR TRANSPORT

Annex A

The Chair's work

1. Strategic development and policy oversight

- Work proactively with the board and with Government to keep the strategic objectives under continual review so that the CAA has clear direction and leadership
- Build strategic consensus across the board and guide strategy development and delivery
- Provide strong and constructive challenge to the executive, ensuring policy delivery follows strategic direction
- Whilst the CAA operates in a complex, safety and security critical environment, you will ensure that it continues to put consumers' needs first

2. The board members

- Manage the non-executive board members to ensure strong performance and engagement
- Maintain a well-informed, authoritative and cognitively diverse board
- Make optimum use of board member's skills and experience through appropriate allocation to sub-committee of other work. You will develop their skills and appraise their performance, as well as lead on succession planning, recruitment and induction
- Work closely with the Remuneration Committee to review and secure the performance and continuing development of executive board members

3. Board business

- Chair board meetings to deliver collegiate decision-making and consistent application of policy
- Ensure robust board scrutiny of executive recommendations. Drive shared understanding of complex issues and deliver decisions informed by appropriate papers, well-founded through balanced engagement between board and executive. This will permit the Board to appropriately meet their statutory duties
- Plan and lead the board's business according to strategic priorities and support the Board to be accountable
- Understand and balance the CAA's various duties set out in legislation
- Ensure good governance is in place, maintained and reviewed
- Lead the CAA Board, developing this high-performing team and lead by example, including demonstration of the CAA's established Values and Behaviours: Clarity, Integrity, Respect, Collaboration, Learning and Energy.

4. Stakeholders

- Ensure that the CAA's responsibilities to Parliament are delivered, including protecting its independence
- Maintain and develop relationships with the Department for Transport and relevant parliamentary bodies to further the interests of the CAA, consumers and other key stakeholders

- Deal effectively with parliamentary, media and public scrutiny and where necessary adopt a public profile as the CAA's spokesperson
- Maintain a network of agreed stakeholder relationships both across the UK and internationally to support the CAA's strategic and business objectives. To include maintaining strong and effective relationships with government ministers, senior officials, parliamentary members and committees and international institutions

5. Senior Leadership through change

- Ensure appropriate succession planning is in place for key executive and board roles
- Make sure board members (particularly non-executives) understand and deliver on their roles and responsibilities, especially during periods of change or uncertainty
- Take the lead on the recruitment of any Chief Executive

Terms of Appointment

Time commitment and salary £130,000 for a time commitment of two days a week.

Contract

Appointments are made by the Secretary of State from among a short list of appointable candidates for a fixed term of four years, with the option of extension. Appointments may be renewed, subject to satisfactory appraisal and ministerial approval, but this is not automatic.

Annex B

A full breakdown of the diversity of the field can be seen in the table below.

	Applied	Short Listed	Appointable
Number of Candidates	48	6	3
Monitoring forms returned	45	6	3
Gender			
Female	9	2	0
Male	35	4	3
Self Description	0	0	0
Prefer not to say	1	0	0
Disability			
Declared Disability	0	0	0
No disability	44	6	3
Prefer not to say	1	0	0
Ethnicity			
White	40	6	3
Asian – Asian British	3	0	0
Black	1	0	0
Prefer not to say	0	0	0
Age			
16-24	0	0	0
25-34	2	0	0
35-44	6	0	0
45-54	9	0	0
55-64	20	6	3
65-74	6	0	0
75-84	0	0	0
85 or over	0	0	0
Prefer not to say	2	0	0
Sexual Orientation			
Bisexual	0	0	0
Gay or Lesbian	1	0	0
Heterosexual	39	6	3
Other	0	0	0
Prefer not to say	5	0	0
Religion			
Buddhist	0	0	0
Christian	28	4	2
Hindu	2	0	0
Jewish	0	0	0
Muslim	2	0	0
Sikh	0	0	0
Other	0	0	0

No religion or Atheist	11	2	1
Prefer not to say	2	0	0
<i>Principal Employment</i>			
Mostly Civil Service	2	0	0
Mostly Private Sector	24	3	1
Mostly Third Sector	1	0	0
Mostly wider Public Sector	4	1	1
Mixed	13	2	1
Other	0	0	0
Prefer not to say	1	0	0
<i>Is this your first Ministerial appointment</i>			
Yes	27	1	2
No	17	4	1
<i>Ministerial appointments currently held</i>			
Yes	13	4	1
No	31	2	1
Did not reply			1
<i>Political Activity</i>			
Political Activity undertaken	1	1	1
No political activity	44	3	2
Prefer not to say			

Annex C

Sir Stephen Hillier CV

Chief of the Air Staff – Head of the Royal Air Force July 2016 – July 2019

- Chair of the Air Force Board Executive (5 military and one civilian executive, 4 civilian NEDs)
- Co-Chair (with the Secretary of State) of the Air Force Board of the Defence Council, with 4 other Ministers also in attendance
- Initiated a Board Effectiveness Review and then led a significant Board change programme
- Leadership of 40,000 Regular, Reserve and Civilians
- Personally and legally accountable for minimising all risks to life within a highly regulated and inherently high-risk safety environment
- Delivered RAF's highest level of commitment to global air and space operations in a generation
- Transformed performance against People goals, achieving best RAF outcomes in 10 years, and best performance in Defence
- Led growth in front-line capability, whilst delivering major productivity and financial efficiencies within a highly challenging budget environment
- Led RAF100, an enormously successful series of headline national and international events, including a major national STEM programme reaching nearly 2 million schoolchildren
- Managed a £7Bn+ annual budget, spanning people, equipment, support and infrastructure
- Extensive international engagement on Defence and Prosperity agendas – 41 countries in 3 years

Deputy Chief of Defence Staff January 2012 – January 2016

- Principal adviser to the Secretary of State, Ministers and the Defence Board on military capability-based balance of investment decisions
- Chair of the Military Capabilities Board and the Defence Infrastructure Joint Committee
- Developed Future Force and Strategic Balance of Investment plans, with recommended budget allocations, for all areas of Defence capability, working closely alongside the Director General Finance
- Member of the Defence Board Investment Approvals Sub-Committee and the Defence Board People Sub-Committee
- Member of the Defence Infrastructure Organisation Board and the Defence Nuclear Executive Board
- Non-Executive Director of the Defence Equipment & Support Board (bespoke trading entity and arm's length body of the Ministry of Defence, 12,000 people, £16Bn annual budget)
- Accountable for the Ministry of Defence's 10 year, £170Bn Equipment Programme
- Senior Responsible Owner of the Carrier Enabled Power Projection programme, a £12Bn+ programme of headline national significance with benefits measured over 5 decades
- Led the Defence Strategic Programmes portfolio, including the Nuclear Submarine Enterprise, with programme planning out to the 2070s
- Together with DG Finance, designed and delivered a transformed operating model for this area of Defence
- Led the Defence capability and balance of investment input to various Spending Reviews, including the 2015 Strategic Defence and Security Review
- Regularly held to account by Public Accounts Committee, Defence Select Committee, the Cabinet Secretary and the Treasury

Director Information Superiority August 2010 – January 2012

- Planned and delivered a portfolio of major information system acquisition programmes, including holding budget management responsibility
- Accountability included SRO for the Defence Information Infrastructure programme, at that stage the largest Government IT programme

Air Officer Commanding 2 Group August 2008 – August 2010

- Led 14,000 RAF and Civil Servants
- Responsible for all the RAF's large aircraft capabilities, including passenger-carrying aircraft, air-refuelling, airborne intelligence, and aircraft protection and security
- Planned and operated fully trained and capable people and aircraft, which were then deployed extensively on operations in the UK and overseas
- Led a major base rationalisation programme, affecting several thousand people and their families

EARLIER EXPERIENCE

- Defence equipment acquisition
- Planning and programming
- Leadership at all levels
- Front-line pilot and flying instructor
- Significant overseas service on operations

BOARD LEVEL EXPERIENCE

Most recent

- Co-Chair (with Secretary of State) of the Air Force Board of the Defence Council, including 4 Ministers
- Chair of the Air Force Board Executive – 5 military and one civilian executive, 4 civilian non-executive
- Member of the Armed Forces Committee and the Chiefs of Staff Committees
- Chair of the RAF100 Board, as well as numerous other Committees

Previous

- Chair of the Defence Military Capabilities Board – bringing together and reconciling powerful stakeholders from each of the Armed Services
- Principal adviser on military capability and balance of investment decisions to the Secretary of State chaired Defence Board
- Chair of the Military Capabilities Board and the Defence Infrastructure Joint Committee
- Member of the Defence Board Investment Approvals Committee and the Defence Board People Committee
- Member of the Defence Infrastructure Organisation Board and the Defence Nuclear Executive Board
- Non-Executive Director of the Defence Equipment & Support Board (bespoke trading entity and arm's length body of the MOD, 12,000 people, £16Bn)

RECENT PROFESSIONAL DEVELOPMENT

- Windsor Leadership Trust 2008 to Present
- Defence Strategic Leadership Programme 2007
- Higher Command & Staff Course 2005
- Royal College of Defence Studies 2004

ACADEMIC QUALIFICATIONS

- MA (Defence Studies) King's College London 1998
- BA Open University 1999

OTHER ACHIEVEMENTS

- Highly qualified and experienced (40 Years) pilot and flying instructor

Sir Stephen Hillier 4

- Knight Commander of the Order of the Bath (KCB)
- Commander of the Order of the British Empire (CBE)
- Distinguished Flying Cross (DFC), for courage and devotion to duty on operations
- United States Legion of Merit (Commander), for exceptionally meritorious conduct
- United States Bronze Star, for meritorious service in a combat zone
- Gold Cross of Honour of the German Bundeswehr, for exemplary and meritorious service
- Patron: Baird of Bute Society (inspiring young people) and Skylab (inspiring young people in STEM)
- President: Forces Pension Society
- Trustee: Veterans' Aid (homelessness charity)
- Vice-President: RAF Benevolent Fund, RAF Association