



- 3.2 CL reiterated the propriety guidance contained within the Statement of Approach: *The consultation on the revised draft airports NPS is now closed. Government is now considering responses and cannot entertain any privately made representations on the merits or content of the revised draft airports NPS.*
- 3.3 [REDACTED] updated the Board on HAL's new commercial delivery partner process. Heathrow Airport is launching a pitch process to encourage potential commercial development partners to share their innovative ideas on how to deliver expansion in the event that expansion goes ahead. The Expression of Interest (EoI) for this process will be released on 29 May and proposals will then be evaluated by both HAL and an independent panel. [REDACTED] set out that the panel who would evaluate final bids would also include independent representation. EG emphasised that this process aims to align with the timeline for expansion, but that this is dependent on the number of interested parties and the content and scale of the proposals received. [REDACTED] stated that it would be sensible for the CAA to ensure this process is in line with the content of their April CAP1658 Consultation, which sets out an expectation for HAL to engage with third parties.
- 3.4 HAL have also written to Arora Group drawing their attention to this process and asking for further information on Arora Group's current terminal design proposals for expansion. HAL plan to commission the IFS to carry out a comparison of Arora Group's proposals with HAL's scheme proposals to identify areas of overlap/difference. JG asked [REDACTED] if the IFS had the capacity to undertake this additional task and [REDACTED] agreed to check in on IFS capacity.
- 3.5 HAL and DfT then talked through the NPS Dependencies:
- 3.5.1 **Blight Contract:** The main outstanding points are now the timing of the termination clause and the inclusion of "make whole" provisions. CL also emphasised the need to reach agreement on contingent liability. EG and CL agreed to have a meeting following PCB to discuss the Blight Contract in more detail.
  - 3.5.2 **RFD:** TC and JG agreed that the RFD was now close to being finalised, with a small number of drafting issues currently outstanding.
  - 3.5.3 **Programme & Delivery Plans:** [REDACTED] confirmed that Costain have now provided their assurance report on HAL's programme and delivery plans to the DfT. [REDACTED] thanked HAL for their cooperation throughout this process.
  - 3.5.4 **Finance & Funding:** Rothschild have now carried out their independent assurance around HAL's ability to privately finance the scheme and have produced a final report. Again, JG thanked HAL for their cooperation.
  - 3.5.5 **M25 HoTs:** HE have sent a letter to HAL's General Counsel setting out their formal position on future proofing the M25 works that form part of the potential Heathrow expansion scheme. This states that including future proofing in the HoTs is consistent with HE's statutory obligations. EG said that HAL along with the CAA

are looking at the extent to which HE's statutory requirements fit with the requirements of the regulatory framework. CL confirmed that DfT is going to their internal board this week to check whether agreeing the commuted sum contribution post any potential designation was feasible.

- 3.6 [REDACTED] summarised the content of the IPA's initial Routemap report which was circulated to the Board for sign off. [REDACTED] felt that an important next step was to establish more clarity on the CAA's role in any expansion process and more specifically, PCB. [REDACTED] agreed to suggest wording for inclusion in the IPA's final report. The Board had no further comments on the report and agreed its content.

**ACTION: 180514/02- [REDACTED] to suggest a form of words for inclusion in the initial IPA Routemap report, clarifying the CAA's role in PCB and the expansion process.**

#### **4.0 Dashboard/Forward Look/Consultation Timeline**

- 4.1 PCB members were content with the Dashboard, Forward Look and Consultation Timeline.

#### **5.0 Surface Access Deep Dive**

- 5.1 [REDACTED] presented a paper updating the Board on HAL's surface access plans. Key points were as follows:

- 5.1.1 HAL have carried out interim modelling that identifies which scenarios allow HAL to achieve the surface access mode share targets in the revised draft Airports NPS. These targets, as well as HAL's pledge that landside airport-related traffic is no greater than today, are driving the development of the surface access strategy. They are also considering responses from HAL's 'Consultation One'.
- 5.1.2 In order to achieve targets, HAL is looking at both "push" and "pull" factors to encourage passengers onto public transport. "Push" measures include initiatives such as charging and "pull" factors include incentives such as affordable public transport fares and the introduction of new public transport services (such as the Elizabeth line). HAL is testing the impact of both push and pull measures by looking at a range of different scenarios and their impacts.
- 5.1.3 [REDACTED] enquired as to whether HAL would be monitoring the impact of the introduction of the Elizabeth Line to establish whether this leads to an increase in the use of public transport. [REDACTED] confirmed they would and that if the Elizabeth Line is successful in taking people off the roads and onto public transport then this gives confidence in HAL's surface access plans and their ability to meet the mode share targets within the Revised Draft Airports NPS.

- 5.1.4 CL asked whether HAL's modelling allows them to model congestion levels and the associated impacts up to 2030. HAL is able to model congestion and overcrowding in this way, which is helping to shape their surface access strategy.
- 5.1.5 EG voiced that the HS2 interchange at Old Oak Common should be designed with Heathrow Airport passengers in mind, in order to create an optimum interchange for passengers. DfT agreed to ensure that HS2 colleagues are considering this matter.

**ACTION: 180514/03- DfT to ensure HS2 colleagues and HAL are joined up on the design of the HS2 interchange at Old Oak Common**

- 5.1.6 The expansion of the coach network serving Heathrow has been successful at increasing public transport mode share to around 11%. Further growth will be secured through investment in existing routes, alongside the development of new routes, which will require a detailed understanding of catchment areas.
- 5.1.7 CL asked what the timescales for the development and implementation of HAL's surface access strategy were. HAL is looking at developing a prospectus which they will take to industry in late 2018 detailing their Surface Access strategy and identifying areas where industry can help to develop and facilitate their plans. The final strategy will be produced in advance of Consultation Two.
- 5.1.8 HAL will be using charging initiatives to encourage behavioural change and an uptake in the use of public transport. This could be introduced in stages, using existing charging mechanisms (initially focusing on emissions).
- 5.1.9 [REDACTED] expressed that charging mechanisms could lead to a large revenue stream for HAL. There is therefore the possibility for pushback from airlines on an income stream which is outside of the single till. [REDACTED] felt that more thinking needs to be done on the level of charging and how the money is used and that this process should be as transparent as possible. EG agreed.
- 5.1.10 HAL has carried out a study on the number of colleagues who work regular hours and drive to the airport, of which there are a significant amount. This cohort have been identified as a priority target for Heathrow, as they are more likely to be persuaded to use public transport as a result of their working hours.
- 5.1.11 CL enquired as to what additional measures HAL were implementing in order to meet their "no new traffic" pledge. These include more efficient use of vehicles accessing the airport (i.e. through taxi backfilling), specific freight measures (consolidating freight activities) and charging initiatives.
- 5.1.12 [REDACTED] felt it was important that where HAL's presentation references the CAA's approach to determining funding contributions, it

should be made clear that the scheme should be essential for the delivery of expansion in order to guarantee economic regulatory cover.

- 5.1.13 CL thanked HAL for their presentation and asked for the next Surface Access update to include further information on HAL's plans for local roads. EG agreed to this.

**ACTION: 180514/04- HAL to include an update on Local Roads as part of their next Surface Access Update**

**6.0 Communications Update:**

- 6.1 [REDACTED] and [REDACTED] took the Board through HAL and DfT's current communications plans. Key points were as follows:

6.1.1 DfT and HAL's comms teams ensure they touch in regularly to identify clashes and overlaps in any communication plans. These meetings take place in line with the guidance contained within the Statement of Approach.

6.1.2 [REDACTED] confirmed that HAL has a three phased communications plan leading up to any potential vote on any final proposed NPS. This plan firstly aims to mobilise political support in advance of any potential vote by meeting and briefing MPs and other key political stakeholders. As any potential vote date approaches, HAL's focus would include reassuring key local and regional stakeholders as to the benefits of expansion and building public confidence in HAL's ability to deliver their expansion plans and commitments. Finally, in the event that the NPS is designated, HAL's focus will switch to publically reinforcing the deliverability of their plans and rebutting opposition messaging.

6.1.3 DfT is also actively engaging with business groups as well as looking at opportunities for Ministers to reinforce the positive messages associated with potential expansion. This engagement is carried out in line with the propriety guidance contained within the Statement of Approach. Subject to any decision by the Secretary of State, the focus would be on preparations for the potential laying of any final NPS including the drafting of parliamentary statements, summary documents and press notices.

6.1.4 CL thanked both teams for their work on this.

**7.0 S.53, Direct Action and Community protest update:**

- 7.1 [REDACTED] provided an overview of Heathrow's security plans in preparation for a potential vote on any final proposed Airports NPS and beyond.

**8.0 AOB**

- 8.1 The PCB thanked [REDACTED] for his contribution to the Board since its inception and wished him the best of luck in his new role.