

Airport Capacity Programme Board (ACPB)

9th May 2018

Attendees

Board Members		
Caroline Low	Sacha Hatteea	Philip Andrews (item 5)
Jill Adam	[REDACTED] (for Jack Goodwin)	Brett Welch
[REDACTED]	[REDACTED]	Tony Poulter
Sarah Bishop	[REDACTED] (item 7)	[REDACTED]
Rupesh Mehta	Roger Jones	[REDACTED]
[REDACTED]	[REDACTED]	James Adutt
Other attendees		
[REDACTED] (item 3)	[REDACTED] (item 6)	[REDACTED] (item 4)
[REDACTED] (item 8)	[REDACTED] (item 5)	
[REDACTED] (for [REDACTED], Secretariat)	[REDACTED] (Secretariat)	[REDACTED] (observing)
Apologies		
Farha Sheikh, [REDACTED], Lucy Chadwick, [REDACTED], Tim Stamp, Jack Goodwin, [REDACTED]		

Note

1. Minutes & Actions

- 1.1. Caroline Low (CL) welcomed everyone to the meeting and invited the Board's comments on the minutes from the 14 March meeting. It was noted that Brett Welch (BW) should have been included in the apologies section and that [REDACTED] and Roger Jones (RJ) were listed twice. There were no comments on the actions log.

2. Programme update

ACPB Dashboard

- 2.1. [REDACTED] then presented the ACP dashboard, [REDACTED]. In addition the Rothschild report was received on the 30 April and advice on the Costain early assurance review was sent to Ministers on 03 May for review.

[REDACTED]

2.2. [REDACTED] drew the Board's attention to the key programme risks, noting that the same six risks that were escalated to the previous ISE Board remained present, therefore there were no changes to note.

2.3. An update on the programme KPI's was provided by [REDACTED] who informed that the M25 Heads of Terms deadline of the 30 April had been missed, an update would be provided later as part of the roads update.

2.4. [REDACTED]

2.5. [REDACTED] highlighted that in the programme resources table there were four additional vacancies in the AC policy team partly due to transition planning.

2.6. Jill Adam (JA) questioned the number of vacant posts in AC policy, commenting that it is disproportionate to the rest of programme. CL requested for the PMO to check resourcing figures ahead of the next Board.

Action 180509/1: PMO to check programme resource.

Risk Register

2.7. [REDACTED]

2.8. [REDACTED]

2.9. [REDACTED]

[REDACTED]

2.10. [REDACTED] enquired if there will be comms released at the time of the potential designation of the NPS, to which Sarah Bishop (SB) informed the Board that future growth at airports will be included in the Aviation Strategy Green Paper in the autumn and took the following action.

- [REDACTED]
- 2.11. On the Key Decisions Forward Look, [REDACTED] advised that teams are on track and that next month there will be an in depth look at post NPS decisions, before asking for comments.

Action 180509/4: Post NPS decisions to be reviewed in depth ahead of next months ACPB

- 2.12. CL highlighted that it is worth noting that 18 July is an absolute back stop date if NPS designation is to take place before summer recess. [REDACTED] enquired as to how we control this, to which CL advised that the whips determine when a vote is held, and we are working with the whips to confirm a date.
- 2.13. JA asked for CL's views on what her key worries were and whether there was a need for anyone on the Board to assist. CL cited the challenging political environment and constraints on parliamentary time. [REDACTED]

3. Communications update and 'Win the Vote' Campaign

- 3.1. CL introduced [REDACTED] to present the communications update to the Board.
- 3.2. In terms of upcoming stakeholder activity, [REDACTED] reported that roundtable meetings are being lined up between the Aviation Minister, businesses and local authorities, with the SoS having a roundtable with Chief Executives of business groups. In addition, Baroness Sugg is speaking at a construction conference to invite support for the Aviation Strategy and further to this will be visiting Scotland.
- 3.3. [REDACTED] went on to note the upcoming Southern Rail market engagement.
- 3.4. [REDACTED] reported that Simon Baugh and [REDACTED] furthermore a 5 June grid slot has been secured for use in the event of a decision to lay the final NPS.
- 3.5. [REDACTED] informed the Board that HAL had started their advertising campaign today (9th May) with a page in the Guardian with the strapline 'The World is Waiting' and that there are more campaigns in the pipeline including advertising across Westminster tube station. In addition to this HAL are in the process of finalising their report on plans for expansion, which has been created in collaboration with the British Chamber of Commerce.
- 3.6. CL enquired as to how close working with Press Office will be enabled. [REDACTED] informed the Board that they were currently working to ensure that Press Office know who the points of contact will be for any potential lines of enquiry.

3.7. SB highlighted that the consultation on the noise action plan will be published next week.

3.8. [REDACTED] requested that the graphic (colour coded grid) depicting the potential voting scenarios to be updated for the next Board.

3.9. [REDACTED] asked if visuals will be being produced this time to avoid the press creating their own visuals of HAL's scheme, and it was agreed that [REDACTED] would obtain some visuals.

Action 180509/5: [REDACTED] to update graphic and obtain an update [REDACTED] on how MPs might vote in the event the NPS proceeds to a vote.

Action 180509/6: [REDACTED] to obtain visuals [REDACTED] ahead of next board meeting.

4. NPS Modelling overview

4.1. CL introduced [REDACTED] to present the NPS Modelling Overview. [REDACTED] outlined that a range of models had been used to support the NPS, outlining that they interact with each other and exchange data in several ways.

4.2. [REDACTED] advised the Board that the key model that supports the NPS is the Aviation Modelling Suite; which feeds data into the models used to assess Air Quality and Noise and includes the aviation carbon model component. The key component of the Aviation Model that influences the outputs across the NPS is the National Air Passenger Allocation Model (NAPAM).

4.3. CL commented that this paper has been welcomed as it allows the Board to have a greater understanding of risks and how the models triangulate with others.

4.4. TP questioned whether there has been external assurance on the links between the models. [REDACTED] noted that some links have been assured, however those that go outside of the dotted line have not been assured.

4.5. TP enquired whether the models will be published, to which [REDACTED] informed the Board that the key outputs are published in different areas, for example pollution is included in the AoS.

4.6. TP questioned whether there is a need for further assurances, to which CL noted that although the models have been heavily assured, it will be important to conduct further assurances on the links between the models, and that [REDACTED] should assess whether there is any further assurances that can be completed.

4.7. JA asked what the overall position in terms of analytical assurance was. [REDACTED] replied that there was medium high analytical assurance in the dashed area, whilst outside of the dashed area there is medium low analytical assurance in certain elements, which has resulted in the department using more conservative figures. [REDACTED] informed the Board that processes are in place to quality assure the numbers and that 'we have got the best evidence with the best models', however it is worth

[REDACTED]

noting that there will always be individuals who challenge a model. RM advised that he considered the numbers used by the department to be sound and reliable.

4.8. [REDACTED]

Action 180509/7: [REDACTED] to consider further assurance of model links and assessment of wider suite of models, and provide an update to the Board in September / October.

4.9. [REDACTED] raised three comments around; generalised costs (agreed to take comments offline), domestic connectivity (agreed to take comments offline) and whether any new numbers were being published. SH noted that there will be no new numbers in the NPS, whilst there will be new numbers in AoS, which are seen as negligible.

4.10. RM informed the Board that there are changes to the Updated Appraisal Report due to revisions which resulted in costs marginally changing and that this will be released at the time of publishing any final NPS. RM reiterated that changes will be clearly communicated upon publishing.

5. Financing and Commercial Confidence Recommendation

5.1. CL introduced [REDACTED] to present the Financing and Commercial Confidence Recommendation to the Board. [REDACTED]

5.2. [REDACTED]

[REDACTED] Leading the department to conclude that the scheme can be financed without government support.

5.3. [REDACTED]

5.4. [REDACTED]

5.5. [REDACTED] commented that Rothschild's assessment was very thorough. He enquired as to whether the wording had changed in the report since the CSG saw an early draft. [REDACTED] informed the Board that Rothschild report will now provide words that can be directly used in the [REDACTED]. [REDACTED] highlighted that it is important to have consistent wording and timeframes, and to understand the reality that although there is confidence with the scheme finance, there will always be a level of uncertainty. [REDACTED]

5.6. [REDACTED]

6. Relationship Framework Document update

6.1. [REDACTED] provided an update on the Relationship Framework Document (RFD). [REDACTED] outlined the RFDs purpose, of helping to deliver programme strategic objectives and a shared vision. It will be an outward facing document, replacing the previous Statement of Principles and will be legally non-binding whilst setting out how DfT and HAL will work together.

6.2. [REDACTED] highlighted that the original intention was to seek ACP Board approval today. However, although all outstanding issues had now been agreed in principle with HAL, there remained some outstanding minor drafting issues that needed to be finalised. As such final sign off will be sought at the Commercial Steering Group (CSG) next Wednesday (15/05), as it was previously agreed that ACP Board would devolve sign off powers to the CSG. The RFD would then be submitted to the Secretary of State and circulated to the ACPB for endorsement by correspondence. CL enquired as to whether the RFD [REDACTED]

6.3. [REDACTED] noted that the RFD had made a lot of progress and sets out governance requirements, behaviours, benefits management and ongoing strategic input to airspace.

6.4. [REDACTED] commented that the change in going up a level was useful as it put an emphasis on the relationship.

7. Rail update

7.1 [REDACTED] provided an update on rail activities outlined in table. Drawing the Boards attention to the opening address that SoS will be providing an address at the Heathrow Rail Access Industry Day on the 24 May. Network Rail will be commencing their Statutory Consultation for Western Rail Link to Heathrow (WRLtH) on Friday 11 May and [REDACTED]

7.2 [REDACTED] noted that there is a Project Hexagon Steering Group meeting on Monday 14 May to consider future governance. CL noted that she was unable to attend, but would ensure ACP attendance.

7.3 TP asked for the context as to why the Industry Day would focus on Southern Rail Access only. [REDACTED] explained that the market engagement exercise for Western Rail requires a very targeted audience to inform the OBC development. Therefore

[REDACTED]

the Industry Day is being used as an opportunity to generate support for Southern Rail and to look at how to take proposals forward.

- 7.4 [REDACTED] posed the question as to when [REDACTED] expected [REDACTED] [REDACTED] and questioned whether we are missing the opportunity to capitalise on senior level meetings with HAL at this time. [REDACTED]
- [REDACTED]

8. Roads Update

- 8.1. Philip Andrews (PA) updated the Board on the meeting between Lucy Chadwick and John Holland-Kaye, [REDACTED]
- [REDACTED]

- 8.2. PA asked the Board to provide a decision on next steps with the Heads of Terms (HoTs) agreement, Highways England (HE) and HAL. [REDACTED]
- [REDACTED]

- 8.3. [REDACTED]
- [REDACTED]

- 8.4. [REDACTED]
- [REDACTED]

- 8.5. [REDACTED]
- [REDACTED]

- 8.6. RM mentioned that HE should respond to the current CAA consultation.

[REDACTED]

8.7. [REDACTED]

[REDACTED]

9. AOB

9.1. CL noted that the Arora Group has published its plans for terminal design. CL also noted the CAA's message in its April consultation that it expects HAL to stand by its commitment of engaging in good faith with credible third parties. In response to the CAA, HAL has launched a process to identify 'commercial delivery partners' to help identify and drive further efficiencies. [REDACTED]

9.2. [REDACTED] commented that assurance of other plans may be necessary. CL questioned how much additional time would be required, noting that the impact of the programme delays would need to be considered. SH took an action to consider how this would feed into the planning process and impact on the programme.

Action 180509/9: SH to consider how proposals by third parties would feed into the planning process

9.3. TP enquired whether the Costain report would be published. CL informed the Board that a decision has been sought from SoS. [REDACTED]

9.4. [REDACTED]

Action 180509/10: PMO to meet with [REDACTED] to seek clarification and provide a response [REDACTED]