



Heathrow Expansion Board Meeting Minutes: 12 th September 2018	
Members	Non-Members
James Adutt (JA), DfT Legal Advisers	[REDACTED], DfT, (Verbal Communications Update)
Sarah Bishop (SB), DfT	[REDACTED], DfT, (Paper 09)
[REDACTED], IPA	[REDACTED], DfT via phone (Paper 09)
Michael Fox (MF), DfT	[REDACTED], DfT (Paper 10)
Jack Goodwin (JG), DfT	[REDACTED], DfT (Paper 11)
Roger Jones (RJ), DfT	[REDACTED], DfT (Paper 11)
Caroline Low (CL), DfT, (Chair)	[REDACTED], DfT (for [REDACTED] Paper 12)
[REDACTED], HM Treasury	[REDACTED], DfT (Secretariat)
Tony Poulter (TP), Non-Executive Director	[REDACTED], DfT (Secretariat)
Ros Smith-Reid (RSR), DfT	[REDACTED], DfT (Secretariat)
Jonathan Saks (JS), DfT	Apologies
Stuart White (SW), DfT	Jill Adam, DfT
Brett Welch (BW), DfT Legal Advisers	Philip Andrews, DfT
	[REDACTED], DfT
	Lucy Chadwick, DfT
	Tim Stamp, DfT

1. Introductions, minutes and actions from last meeting

- 1.1 Caroline Low (CL) welcomed attendees and invited comments from the Board on the minutes from the last meeting. No comments were received and minutes were agreed.
- 1.2 [REDACTED] presented the Actions Log (Paper 02) and explained that the majority of outstanding and open actions will be covered at this and future HEB meetings. In particular, [REDACTED] drew the Board's attention to the following open actions:

ACTION 13 - 23/02/17: To be considered as part of assurance scoping work now led by [REDACTED] team.

ACTION 7 - 09/05/2018: [REDACTED] from the Aviation Appraisal and Modelling Team will be coming to the October HEB meeting to present an update on Surface Access modelling. **ACTION OPEN.**

ACTION 4 - 11/07/2018: This action will be covered under the Domestic Connectivity Update Paper at this meeting. **ACTION CLOSED.**

2. Programme Update

2.1 [REDACTED] presented the Programme Dashboard (Paper 03) and summarised the following points to the Board.

- Summary grounds of defence for the six claims for Judicial Review have been submitted and we are in the process of preparing witness statements. We are expecting a decision on permission in late October. (*Note: A directions order was received during the meeting - see further update under AOB below.*)
- Work on the M25 arrangements is progressing and a more substantial update will be provided under the Strategic and Local Roads update. This includes a draft BICC paper to seek endorsement of the Heads of Terms and Cost Principles between Highways England (HE) and Heathrow Airport Limited (HAL) for works on the Strategic Road Network.
- Work is continuing between the Department, CAA and HAL on the proposals for new sub boards feeding into the Programme Co-ordination Board (PCB). It is expected that these Boards will be in place by October. Work is ongoing with HAL to implement elements as detailed in the Relationship Framework Document.
- There was a PCB dinner on the 6th September and on 25th September, the SoS, Permanent Secretary, Lucy Chadwick and CL will be meeting with HAL shareholders.
- Work is ongoing with HAL to draft the Terms of Reference for the IPA Project Initiation Routemap exercise. This is scheduled to start in October.
- The Programme met with the NAO in August for a programme update and general fact finding exercise to understand the key risk areas for the Programme.
- The Programme will be undertaking a Critical Friend Review scheduled to take place between the 25th to 27th September. The Programme Office held a planning meeting with the Review Team to agree Terms of Reference and finalise interviewees.
- HAL has received the first claim for blight. The Community Engagement Team is monitoring progress on this. A research project on the Community Compensation Fund has now been launched.
- On Wider Aviation, a submission was provided to Baroness Sugg on Airspace Governance and the further work NATS have completed on their feasibility assessment into Airspace Modernisation.



- The Programme is undertaking a Q2 Forecast exercise for in-year spend. [REDACTED]
- It was flagged to the Board last month that HAL are currently reviewing their timelines and delivery schedule. At the last PCB, HAL provided an update stating that they are finalising their schedule internally and will share with the Programme shortly. Once confirmed the Programme will update the SoS and Aviation Minister. CL added that the submission to Ministers will be factual and based on the updated information provided by HAL.

ACTION 1 - 12/09/2018: Programme Office to circulate HAL submission and updated timeline to Board members when finalised. COMPLETED. ACTION CLOSED.

- 2.2 Tony Poulter (TP) asked whether at the 25th September dinner, the Department will be able to engage HAL at official level. [REDACTED]

2.3 [REDACTED]

- 2.4 [REDACTED] noted that he expected to see the [REDACTED] listed under displaced user marked on the plan. Roger Jones (RJ) noted that there are some updates to the rail milestones and that he would follow up with the Programme Office outside of the meeting.

- 2.5 [REDACTED] noted that the Programme Office is in the process of updating the Programme key performance indicators, risks, key milestones and deliverables now that the Programme is post NPS designation.

ACTION 2 - 12/09/2018: Programme Office to have a revised set of KPIs and risks ready for October HEB meeting.

- 2.6 [REDACTED] presented the HEB BICC and ExCo Forward Looks (Paper 06) and highlighted the following updates since the last meeting
- ExCo: Heathrow Legal Challenge Update in November date TBC.
 - ExCo: Heathrow Expansion Innovation Update on 11th December.
 - ExCo: Programme Confidence Update in November or December (possibly as part of either of the above).
 - BICC: HAL contribution to WRLtH October date TBC.
- 2.7 [REDACTED] presented the Key Decisions Forward Look (Paper 07). [REDACTED] highlighted that there should be reconciliation between the Key Decisions document and BICC/ExCo Forward look.
- 2.8 [REDACTED] confirmed to the Board that there will be a HEB “special” meeting on 17th September to review the role of the Board, its membership, management information presented and other areas including Governance.
- 2.9 [REDACTED] presented the Programme Risk Register (Paper 05) and apologised for the late circulation. This was due to the timings for updates made to the Department Management Information System being out of synch with the Board meeting. [REDACTED] invited comments from the Board. None were received.

(Due to an error on agenda timings, the agenda proceeded as follows)

3. Airports National Policy Statement: Review Protocol

- 3.1. CL indicated that the Programme has received two requests to review the Airports NPS and that a clear process needs to be in place. [REDACTED] introduced the paper (11) and welcomed the Board’s comments on the proposal and process going forward. [REDACTED]
[REDACTED] The next step will be to take on any comments received from the Board during today’s meeting, [REDACTED], before sending the Review Protocol to the SoS and Aviation Minister for approval.
- 3.2 In relation to the draft Review Protocol, Board members raised some questions [REDACTED]
[REDACTED] queried whether the Board has a different role now that the NPS has been designated - is the Board a decision making body or body to provide steer and comment? [REDACTED]
[REDACTED]



[REDACTED]

3.3 [REDACTED] added further work is required on the flow chart to show the granularity of each step. [REDACTED]

3.4 Sarah Bishop (SB) queried how the process will be managed. [REDACTED] indicated that there is no alternative other than to deal with requests as they come in. Michael Fox (MF) asked whether the Programme has the right level of resource to deal with review requests. [REDACTED] believes the Programme has sufficient resource, this will be closely monitored depending on the types of requests received.

3.5 There was a short discussion on the role of the Board in relation to decisions on whether to review the NPS. It was noted the ultimate decision to review the NPS is a decision for the SoS. [REDACTED] indicated that requests will go through HEARP and Deputy Directors first to be challenged. The Board was of the view that it should not play a formal role in advice going to Ministers. It was noted that it would be helpful to clarify the role of the Board in the NPS Review Process prior to the special meeting on 17th September.

ACTION 3 - 12/09/2018: Clarification required on the role of the Board in deciding whether an NPS should be reviewed. COMPLETED. ACTION CLOSED.

4. Preparations for EU Exit and potential impacts on Heathrow Expansion

4.1 [REDACTED] introduced the paper (13) which provides observations and considers what impacts Brexit could have on the Programme.

4.2 [REDACTED]
[REDACTED] This led to a short discussion on IATA guidelines, slots and EU regulations.

4.3 With reference to Paragraph 13, CL highlighted that the frequency of meetings with the SoS have now changed since the NPS has been designated. This could create a risk that, if something does not go according to plan, there is a less regular relationship (as there was during the lead up to NPS designation) to resolve the situation. It was noted that Brexit was a big priority for the Department which was drawing on a lot of resource.

4.4 [REDACTED] commented that the Brexit agenda is handled by various parts of Government and it was very helpful for sight of the paper. [REDACTED]

added that we should not overlook the opportunities that EU Exit may bring. A shared narrative on global interactions and connectivity will be important.

It was agreed that this topic should be revisited again if there is no deal on Brexit by November.

ACTION 4 - 12/09/2018: [REDACTED] and Communications Team to return to the Board with a paper in December if no deal. NEW ACTION.

5. Communications Update

- 5.1 [REDACTED] provided a verbal update on where the Programme was from a Communications perspective. Publically, it has been relatively quiet however there is a sense that Heathrow Expansion is building back up the agenda. [REDACTED] highlighted the Sunday Telegraph article on Arora's plans for a DCO application, and The Sun in Scotland article on Regional Connectivity, to the Board.
- 5.2 CL will be interviewed for Civil Service World and Civil Service Quarterly to talk about the Programme.
- 5.3 [REDACTED] noted that there are 3 pillars to the Comms Team work: Heathrow Expansion, Airspace Modernisation and Aviation Strategy. [REDACTED] noted lessons are being learnt from HS2 around maintaining the case for expansion and keep up comms activity.
- 5.4 TP asked what HAL is doing from a Communications perspective. [REDACTED] noted that HAL did a good job in the run up to the vote and we now need to understand their plans for party conferences. For the London First Summit, Emma Gilthorpe will be on the panel setting out the case for expansion. There will also be an opening video featuring John Holland-Kaye.
- 5.5 There was a discussion on the recent developments regarding Arora Group's proposal to pursue a DCO and IAG on affordability. Jack Goodwin (JG) noted that Willie Walsh is meeting with the SoS this week.
- 5.6 [REDACTED] noted that there is a CAA financial model online and you can join a group to see who has viewed it. [REDACTED] noted that it may be worth the Comms Team/Commercial Team speaking to the CAA about whether they are prepared for queries on this.

ACTION 5 - 12/09/2018: Commercial Team / Comms Team to talk to CAA re. CAA financial model lines to take ([REDACTED] and [REDACTED]). NEW ACTION.

5.7 [REDACTED] noted that a Comms handling plan for the legal challenge is being prepared.

5.8 SB noted that a Comms handling plan will be required for Heathrow's airspace consultation planned in the next few months.

6. Strategic & Local Roads Update and M25 Heads of Terms

6.1 [REDACTED] was dialled into the Board meeting. [REDACTED] presented the paper and noted the close working relationship with Highways England (HE) and engagement with CAA in relation to the M25 Heads of Terms.

6.2 RSR noted that HAL provided some feedback on M25 junction options they are considering at the last PCB, including how these options assess costs and benefits.

6.3

[REDACTED]

6.4 [REDACTED] gave an update on the HE/HAL M25 Heads of Terms. This is due to go for HE Executive sign off on 26th October and HAL is expected go to their Board on the same day. This will be considered by BICC on 8th October.

6.5 The Board discussed when the Framework Agreement would be finalised. RSR noted that the BICC paper sets out a target date of 30th November. CL was keen to understand this, so that the Programme can be in a position to influence before the document is finalised.

6.6 CL noted that when the team return to the Board and HSRB on the Framework Agreement, they should consider being able to answer the following questions: "How are you building for the future?" and "How disruptive will the works be?".

It was noted that HAL are undertaking a series of stakeholder events which HE will be attending. CL asked the team to clarify the role HE will play prior to HAL's Con 2.



ACTION 6 - 12/09/2018: Roads Update in October to include clarity on the Framework Agreement timeline. NEW ACTION.

- 6.7 On local roads [REDACTED] asked for an update to know what HAL are planning to do with regards to the A4 and requested an update for the October HEB meeting.

ACTION 7 - 12/09/2018 - [REDACTED] to provide update on what HAL planning to do with the A4 at next Board. NEW ACTION.

7. Domestic Connectivity Update

- 7.1 [REDACTED] presented the paper (12). [REDACTED] confirmed that the paper will be approved by the Aviation Strategy Board. The new policy has been developed by working closely with Aviation Policy colleagues.

- 7.2 [REDACTED] explained the criteria to the Board. A key objective of the proposed approach is to enable DfT to make more robust decisions on proposed PSOs, whilst maintaining and enhancing the availability of the tool for use at hub airports such as Heathrow. The next steps are to take the policy to the Aviation Strategy Board for clearance [REDACTED].

- 7.3 JG highlighted that this new policy should correlate and support the Strategic Case for Heathrow expansion and what the SoS is committed to. The Board noted that we need to be clear on the commitments made by the SoS and consider this wording carefully. JG confirmed his team is currently compiling a log to record the SoS commitments and track developments.

- 7.4 [REDACTED] commented that it was a great paper and gave a good insight to the Aviation Strategy. [REDACTED]

- 7.5 CL raised a question on how the Board should integrate with the Aviation Strategy work and what questions the Programme should be asking. It was suggested that this be revisited as part of the HEB special meeting on 17th September.



8. Rail Update

- 8.1 [REDACTED] presented the paper (10) and talked through the update. On WRLtH, Network Rail are working closely with HAL to resolve design options and have adopted a one day a week co-location working arrangement between the teams. A grant letter has been sent to Network Rail in order to establish a team on SRLtH and market engagement outcomes. The Board discussed the process and timing for briefing the SoS on the outcome of the market engagement exercise.
- 8.2 Stuart White (SW) added there is a ramping up of activity and the team is working closely with Network Rail to monitor their activity and resourcing. The proposed co-location working is a positive sign and will help to ensure they are aligned with the Department to work on internal design, finance and PPP options.
- 8.3 The Board expressed their thanks and gratitude to [REDACTED], who will be leaving the Department to take up a new role.

9. AOB

[REDACTED]