

Project Definition Sheets – Q5 Airline Relocations

7966 : Operational Readiness

7702 : Relocation of Airlines IT Operations

Header Information

Project Name:	Airline Relocations
Name on Schedule:	7966 : Operational Readiness

Project Overview, Objectives and Status

Overview:		
Description:	Airline Relocation Programme – relocation of airlines between terminals as per the agreed airline relocation sequence	
Ref. Drawings / Images: <i>(Refer to Appendix A)</i>	Latest sequence version 3.1 (as at Jan 09)	
Objectives:		
BAA:	<ul style="list-style-type: none"> Improve the passenger experience by collocation of Alliance airlines. Allow Airlines and Alliances to grow their business. 	
Airline:	<ul style="list-style-type: none"> Airline Alliance Collocation 	
Status:		
BAA Lead Team:	Airline Engagement:	Strategic Solution or DGS/IGS Stage
Capital & Solutions	Green	Delivery

Project Delivery

Current Control Budget:			
Total Capital Budget (<i>Constant Prices</i>):			£10,500,000
<i>Refer to appendix B for cost information detail.</i>			
Time:			
Brief Decision:	Start on Site:	Completion on Site:	Operational Use Commences:
N/A	Various	Various	Various
<i>Refer to appendix C for programme information detail.</i>			
Assumptions:			
The following points cover the significant delivery assumptions related to this project;			
<ul style="list-style-type: none"> Majority of capital is capitalisation of staff costs for the Integration. Planning and Ops Trial teams. (Currently FIT/FAM and Migration are revenue costs). Other costs include 3rd party suppliers (ie Premier moves), materials and passenger communications. Funding of “forced” moves for airlines and associated support. Does NOT include any project/facility provision or delivery – this sits within other programmes. <p>This project is part of the Airline Moves programme for Heathrow and involves the relocation, decommissioning and re-provision of existing IT systems. Relocation agreements are based on the provision of like-for-like facilities and services.</p> <ul style="list-style-type: none"> Airlines / Handling Agents will fund any changes required to their operation in their new Terminal as per commercial principals; HAL operational impacts (roster changes etc) will be facilitated by the Operational teams. 			
<i>Note: Assumptions stated here are to aid understanding and are not necessarily exhaustive.</i>			

Operational Issues

Financial Revenue and Operational Cost (Opex) Impact:		
Revenue / Opex	Revenue (+) /	Commentary:

Cost Area:	Cost (-) Impact per Annum:	
		Alliance co-location and enabling of T2A introduce complex changes to opex and revenue which is generally covered either by specific projects elsewhere in the CIP or through general business planning.
Impact on User Charges:		Not included in CIP 2009 Publication
Estimated Per Passenger Cost Impact:		
Commentary:		
None		
<i>Note: Impact on User Charge is subject to a number of complex variables and regulatory decisions and therefore information is indicative only.</i>		
Assumptions:		
The following points cover the significant operational assumptions related to this project;		
None		

Areas of Disagreement

The following points cover any significant areas of disagreement between BAA and the Airline Community regarding this project.
None
<i>Note: Any disagreement noted must be read in the context of the airline engagement status shown above.</i>

Appendix A: Overview: Reference Drawing / Image:

Step Name	Move Description	Date of 1st Op. in New Term.	Notes / ✓ = Completed
Switch 1	BA T1 exc 757, T4 short haul, & T3 MIA from T1, T3 & T4 to T5	27/03/2008	✓
Switch 2	BA T4 long haul exc JSA via SIN/BKK from T4 to T5 (Now delivered in 3 sub-switches)	2.1 - 05/06/08 2.2 - 17/09/08 2.3 - 22/10/08	✓ ✓
Step 3	STAR Phase 1 (UA & NZ) from T3 to T1	04/07/2008	✓
Step 4	BA T1 757 Ops, oneworld T1 (AY), oneworld T2 (IB), and XG from T1 & T2 to T3	27/01/2009	
	Complete closure of Queen's Building	01/06/2009	
Step 4a	STAR Ph2 (LH, LX, OS, OU, TP) from T2 to T1	16/06/2009	
	Early Closure of T2 Stands (203, 205, 207 and 236)	01/07/2009	
Step 5	T3 Non-aligned Ph1 (9W, GF, MH) from T3 to T4	QF & BA JSA via SIN/BKK from T4 to T3	w/b 26/10/2009 Exact move dates to be advised.
Step 6 / 7	SkyTeam (AF, AZ, SU, OK & KE) from T2 & T3 to T4	T2 Non-aligned from T2 to T4	w/b 27/10/2009 Mini sequence will be prepared for Step 5/6/7.
	Operational closure of Terminal 2, Stands and related Infrastructure except for Stands 209, 210, 212, 214 and 215	01/12/2009	
Step 9	T3 Non-aligned Phase 2 (BG, BI, KU, MK, QR, SV) from T3 to T4	09/02/2010	
	Complete closure of T2 stands inc. 209, 210, 212, 214 and 215	16/02/2010	
Step 9a	T3 Non-aligned Phase 3 (AI & EY) from T3 to T4	30/08/2010	
Step 10	Balance BA Ops (on opening of T5C) between T3 and T5	Apr-11	
Steps 11 / 12	STAR Phase 3 from T1 & T3 to T2A	Balance BA Ops (best use of T3) between T3 and T5	Nov-13 Includes 4 months OR

Appendix B: Project Delivery: Cost Information:

Project Information

Project Name: Operational Readiness
BCT No.: 7966 OP No.:

AFC Cost Information:

All information extracted from February 2009 month end process

Base Costs:		0 %
On-Cost:	£10,338,300	100 %
Risk (R1 Allowance only)		0 %
Total (As entered into Artemis for Feb 09 Month End)	£10,338,300	

Commentary:

Essentially all costs associated with this project are BAA staff or other on-cost type allowances. This project does not fund any physical construction activity and therefore the standard descriptions above do not apply.

Header Information

Project Name:	Airline Relocation Systems
Name in Schedule:	7702 : Relocation of Airlines IT Operations

Project Overview, Objectives and Status

Overview:		
Description:	Works on airline IT systems to enable Airline Relocations	
Ref. Drawings / Images: <i>(Refer to Appendix A)</i>	None	
Objectives:		
BAA:	<ul style="list-style-type: none"> Improve the passenger experience by collocation of Alliance Airlines. Allow Airlines and Alliances to grow their business. 	
Airline:	As BAA's	
Status:		
BAA Lead Team:	Airline Engagement:	Strategic Solution or DGS/IGS Stage
IT	Step 3 - Green	Complete
	Step 4 - Green	Integrate & Learn
	Step 4a - Green	Manufacture & Assembly
	Step 5 - Green	Production Design
	Step 6 - Green	Production Design
	Step 7 - Green	Production Design
	Step 9 - Green	Explore
	Step 9a - Green	Explore

Project Delivery

Current Control Budget:			
Total Capital Budget <i>(Constant Prices)</i> :			£25,200,000
<i>Refer to appendix B for cost information detail.</i>			
Time:			
Brief Decision:	Start on Site:	Completion on Site:	Operational Use Commences:
11/2007	03/2008	08/2010	07/2008 (As per move sequence 3.1)
<i>Refer to appendix C for programme information detail.</i>			
Assumptions:			
The following points cover the significant delivery assumptions related to this project;			
The project was developed as part of the overall strategy to deliver the Airline Moves Programme. The business objectives of Airline Moves are to: <ul style="list-style-type: none"> Enable closure of T2 to support HET delivery Improve the transfer product through collocation of alliances Ensure competitive equivalence post T5 opening Ensure robust operations post T5 opening 			
Create opportunities for growth			
This project is part of the Airline Moves programme for Heathrow and involves the relocation, decommissioning and re-provision of existing IT systems. Relocation agreements are based on the provision of like-for-like facilities and services.			
The scale of these works and the potential for operational disruption is greater than any prior systems project at Heathrow, as the works contain Airline, Terminal, Ground			

<p>Handler and Airport related activities. The airlines cannot fulfil their operational activities and run their business without their supporting IT systems. Many Airlines share the same hosting services and the same service providers and ground handlers. Relocation agreements are based on the provision of like-for-like facilities and services. As a result the Airline Moves programme requires a supporting Systems work-stream, both to prove systems operationally and to relocate airlines with minimal operational disruption.</p> <ul style="list-style-type: none"> • The Airlines have been consulted and are supportive. • Airlines move to agreed schedule. • Like for like systems replacement/re-provision only. • All Operation requirements are managed through other work streams within the Airline Moves Programme <p><i>Note: Assumptions stated here are to aid understanding and are not necessarily exhaustive.</i></p>

Operational Issues

Financial Revenue and Operational Cost (Opex) Impact:		
Revenue / Opex Cost Area:	Revenue (+) / Cost (-) Impact per Annum:	Commentary:
		See Assumptions
Impact on User Charges: Not included in CIP 2009 Publication		
Estimated Per Passenger Cost Impact:		N/A
Commentary:		
None		
<i>Note: Impact on User Charge is subject to a number of complex variables and regulatory decisions and therefore information is indicative only.</i>		
Assumptions:		
The following points cover the significant operational assumptions related to this project;		
o Like for like provision assumes no increase in Opex.		

Areas of Disagreement

The following points cover any significant areas of disagreement between BAA and the Airline Community regarding this project.
None
<i>Note: Any disagreement noted must be read in the context of the airline engagement status shown above.</i>

Appendix B: Project Delivery: Cost Information:

Airline Relocations Systems (23198)			
Construction Decision (Phase 3)			
PROJECT COST PLAN SUMMARY		m2 GFA =	
	Anticipated Final Cost (£k)	Cost/m² GFA (£/m2)	%
Total Project Costs			
Project Specifics			
Airline Costs per step:			
Pre Step 3 (TAM)	300		1%
Step 3	1,098		5%
Step 4	2,115		9%
Step 4a	782		4%
Step 5	1,339		6%
Step 6	-		0%
Step 7	2,552		11%
Step 9	772		3%
Step 9a	327		1%
T4 Common Infrastructure	2,659		12%
Airline Paging System (APS)	2,750		12%
Project Specific Cost Sub-Total	14,694		66%
Project Design & Management Costs			
BAA			
Technical & Solution Assurance	238		1%
HAL IT Systems	235		1%
Heighten Support	250		1%
Programme Management, Delivery & Controls	950		4%
Programme Development	505		2%
Systems Integration	1,870		8%
D & M Cost Sub-Total	4,048		18%
Risks	3,172		14%
Inflation	349		2%
TOTAL PROJECT COST	22,263		100%

Note: The total AFC in this support information does not match that in the schedules. This project is in the process of preparing for revised funding approval and has revised AFC, downwards, since February month end.