

Appendix F: PDS – IT / Systems

Project Definition Sheets

BCT Number and Project Name as shown in Schedules

- IT01 : Airport Operational Systems
- IT02 : Infrastructure Renewal
- IT03 : Business Planning & Support IT Solutions

Header Information

BCT No.	IT01
Op No.	Various
Project Name:	Airport Operational Systems

Project Overview, Objectives and Status

Overview:	
Description:	Value delivery of a portfolio of systems to support the operational needs of Heathrow Airport in terms of passengers, airlines, Baggage handlers, other business partners and BAA staff. Key strategic programmes within the IT01 portfolio for Q5 include: <ul style="list-style-type: none"> ▪ Real Time Heathrow (previously Total Airport Management System – TAMS) ▪ Heathrow Baggage Infrastructure
Ref. Drawings / Images:	None
Objectives:	
BAA:	<ul style="list-style-type: none"> ▪ Simplify and rationalise the existing operational systems ▪ Enable delivery of an integrated airport management system to <ul style="list-style-type: none"> ○ Maximise the flow of information for operations, management and security. ○ Improve the efficiency, performance and robustness of the airport, thus improving our service to the Airlines, passengers and ground handlers. ○ Deliver IT Infrastructure to support the Heathrow integrated Baggage Programme ○ Reduce operational costs for IT solutions ○ Support improvement in airport operational KPI's.
Airline:	Airline priorities and strategic objectives are consulted via the quarterly IT Stakeholder Board and monthly IT Working Group

Project Benefits:

Each project has different benefits – all link through to Heathrow Strategic intents such as Making every journey better e.g. by improving Passenger Information and reducing baggage miss-connect rates

Status:

Programme:	Project Gateway Stage:
IT	Various

Airline Engagement:

All projects/programmes are presented & consulted with our airline representatives via the monthly IT Working Group and then at the quarterly strategic IT Stakeholder Board (airline CIO level).

Latest submission to the IT Stakeholder Board on 3rd March 2011 included Real Time Heathrow and Integrated Baggage presentations.

Through these consultation bodies we are able to share learning and best practice to ensure value of delivery.

Full audit trail of individual consultation timetable and minutes available on request

Project Delivery

Current Control Budget:			
Total Capital Budget (<i>Estimated At Completion</i>):		£29,691,201	
<i>Refer to appendix B for cost information detail.</i>			
Schedule:			
Brief Decision:	Start on Site:	Completion on Site:	Operational Use Commences:
n/a	n/a	n/a	n/a
Assumptions:			
The following points cover the significant delivery assumptions related to this project:			
<ul style="list-style-type: none"> ▪ This portfolio is an allowance for works done in a range of business areas ▪ Individual projects within this portfolio will be subject to IT Investment Governance processes and the BAA financial approvals process so have differing schedule dates 			
<i>Note: Assumptions stated here are to aid understanding and are not necessarily exhaustive.</i>			

Operational Issues

BAA Financial Revenue and Operational Cost (Opex) Impact:		
Revenue / Opex Cost Area:	Revenue (+) / Cost (-) Impact per Annum:	Commentary:
N/A	N/A	See Assumptions: assessed on a per project basis
Assumptions:		
The following points cover the significant operational assumptions related to this project:		
<ul style="list-style-type: none"> ▪ Investments are aimed at reducing operational impact of IT solutions when asset refreshes take place and minimising additional operational costs for any new business improvement solutions. ▪ Value for Money is targeted through OJEU competition and the new IT Outsourcing Contract will deliver operational cost reductions for Q5. ▪ Projects such as CARZ and RMS will make savings in the business units around headcount 		

Airline Financial Revenue and Operational Cost (Opex) Impact:		
Revenue / Opex Cost Area:	Revenue (+) / Cost (-) Impact per Annum:	Commentary:
N/A	N/A	None
Assumptions:		
The following points cover the significant operational assumptions related to this project:		
A number of the projects within this CIP funding line will have an operational impact on both BAA and Airlines e.g. CUSS, Baggage/Bag Messaging		

Average Asset life:	
Average Asset Life:	5 Years
Commentary:	
None	
<i>Note: Asset lives are subject to a number of complex variables and therefore information is indicative only.</i>	

Impact on User Charges:	
Estimated Per Passenger Cost Impact:	N/A
Commentary:	
Various Projects	
<i>Note: Impact on User Charge is subject to a number of complex variables and regulatory decisions and therefore information is indicative only (see Section 5.3 for further details)</i>	

Non Construction Risk:
The following points cover any significant areas of risk for the Airline Community regarding this project:
None

Appendix B: Project Delivery: Cost Information:

Project Information

Project Name: Airport Operational Systems
BCT No.: IT01

Cost Information

All information extracted from March 2011 month end

Base Costs:	£29,691,201	100	%
On-Cost:	£0	0	%
Opportunity	£0	0	%
Risk (R1 Allowance Only)	£0	0	%
Total	£29,691,201	100	%

Cost Benchmark Comparisons:	
Project Name:	IT01 – Airport Operational Systems
Total Capital Budget (<i>Nominal Prices</i>):	£29,691,201
Guidance Notes:	
All IT projects & programmes either go through formal OJEU tender compliant Procurement Process or use framework suppliers who have been appointed through such OJEU compliant tendering to ensure value.	
As part of the IT Outsourcer OJEU competition, project and programme work may be awarded to CapGemini on a “preferred” basis (i.e. without further competition) provided that it is able to demonstrate that it delivers value for money and is competitive.	
Additionally, through Monthly and Quarterly Airline Consultation we are able to compare experience and cost for similar work with our Airline Partners.	
<i>Note: Assumptions stated here are to aid understanding and are not necessarily exhaustive.</i>	

Header Information

BCT No.	IT02
Op No.	Various
Project Name:	Infrastructure Renewal

Project Overview, Objectives and Status

Overview:	
Description:	Value delivery of a portfolio of systems to renew centralised IT Infrastructure required to run IT business systems and applications at Heathrow. The procurement hardware to maintain data centres and licences are also funded from IT02 Key strategic programmes within the IT02 portfolio for Q5 : <ul style="list-style-type: none"> ▪ Technology Programme (Spartan) ▪ Radio Infrastructure ▪ Node Room Remediation ▪ Data Centre Refresh
Ref. Drawings / Images:	None
Objectives:	
BAA:	<ul style="list-style-type: none"> ▪ Refresh and rationalisation of BAA's desktop technology & infrastructure ▪ Reduce the number of applications at Heathrow ▪ Remediate and rationalise all node rooms at Heathrow to address health and safety and security issues and to reduce operational cost ▪ Mitigate current Health and Safety issues with the Radio infrastructure at Heathrow ▪ Implement rack based chilling for server rooms & data centres at Heathrow to sufficiently reduce
Airline:	Airline priorities and strategic objectives are consulted via the quarterly IT Stakeholder Board and monthly IT Working Group

Project Benefits:
Each project has different benefits – all link through to the Heathrow Strategic intents such as Making every journey better e.g. by mitigating Health & Safety issues with the Radio infrastructure and Reduced Cost of Service through refresh and rationalisation of desktop and applications

Status:	
Programme:	Project Gateway Stage:
IT	Various

Airline Engagement:
All projects/programmes are presented & consulted with our airline representatives via the monthly IT Working Group and then at the quarterly strategic IT Stakeholder Board (airline CIO level). For example, Spartan was endorsed at IT Working Group on 08/06/2010 and Radio Programme on 03/08/2010.

Through these consultation bodies we are able to share learning and best practice to ensure value of delivery. They are also a further chance for airlines to raise concerns e.g. to ensure changes to Radio do not impact Airline changes in similar areas by disrupting frequencies.

Full audit trail of individual consultation timetable and minutes available on request

Project Delivery

Current Control Budget:			
Total Capital Budget (<i>Estimated At Completion</i>):		£53,100,585	
<i>Refer to appendix B for cost information detail.</i>			
Schedule:			
Brief Decision:	Start on Site:	Completion on Site:	Operational Use Commences:
N/A	N/A	N/A	N/A
Assumptions:			
The following points cover the significant delivery assumptions related to this project:			
<ul style="list-style-type: none"> ▪ This portfolio is an allowance for works done in a range of business areas ▪ Individual projects within this portfolio will be subject to IT Investment Governance processes and the BAA financial approvals process so have differing schedule dates 			
<i>Note: Assumptions stated here are to aid understanding and are not necessarily exhaustive.</i>			

Operational Issues

BAA Financial Revenue and Operational Cost (Opex) Impact:		
Revenue / Opex Cost Area:	Revenue (+) / Cost (-) Impact per Annum:	Commentary:
N/A	N/A	See Assumptions: assessed on a per project basis
Assumptions:		
The following points cover the significant operational assumptions related to this project:		
<ul style="list-style-type: none"> ▪ Investments are aimed at reducing operational impact of IT solutions when asset refreshes take place and minimising additional operational costs for any new business improvement solutions. ▪ Value for Money is targeted through OJEU competition and the new IT Outsourcing Contract will deliver operational cost reductions for Q5. 		

Airline Financial Revenue and Operational Cost (Opex) Impact:		
Revenue / Opex Cost Area:	Revenue (+) / Cost (-) Impact per Annum:	Commentary:
N/A	N/A	None
Assumptions:		
The following points cover the significant operational assumptions related to this project:		
Projects/programmes such as Radio/Cellular remediation and Node Room Remediation could have an operational impact on airlines around coverage and as part of consultation and project due diligence engagement is initiated and managed.		

Average Asset life:	
Average Asset Life:	5 Years

Commentary:	
None	
<i>Note: Asset lives are subject to a number of complex variables and therefore information is indicative only.</i>	
Impact on User Charges:	
Estimated Per Passenger Cost Impact:	N/A
Commentary:	
Various Projects	
<i>Note: Impact on User Charge is subject to a number of complex variables and regulatory decisions and therefore information is indicative only (see Section 5.3 for further details)</i>	

Non Construction Risk:
The following points cover any significant areas of risk for the Airline Community regarding this project:
None

Appendix B: Project Delivery: Cost Information:

Project Information

Project Name: Infrastructure Renewal
BCT No.: IT02

Cost Information

All information extracted from March 2011 month end

Base Costs:	£53,100,585	100	%
On-Cost:	£0	0	%
Opportunity	£0	0	%
Risk (R1 Allowance Only)	£0	0	%
Total	£53,100,585	100	%

Cost Benchmark Comparisons:	
Project Name:	IT02 Infrastructure Renewal
Total Capital Budget (<i>Nominal Prices</i>):	£53,100,585
Guidance Notes:	
All IT projects & programmes either go through formal OJEU tender compliant Procurement Process or use framework suppliers who have been appointed through such OJEU compliant tendering to ensure value.	
As part of the IT Outsourcer OJEU competition, project and programme work may be awarded to CapGemini on a "preferred" basis (i.e. without further competition) provided that it is able to demonstrate that it delivers value for money and is competitive.	
Additionally, through Monthly and Quarterly Airline Consultation we are able to compare experience and cost for similar work with our Airline Partners.	
<i>Note: Assumptions stated here are to aid understanding and are not necessarily exhaustive.</i>	

Header Information

BCT No.	IT03
Op No.	Various
Project Name:	Business Planning & Support IT Solutions

Project Overview, Objectives and Status

Overview:	
Description:	Value delivery of a portfolio of systems to meet the needs of back office business areas of Heathrow Airport such as HR, Finance, Commercial and Programme Controls. Key strategic programmes within the IT03 portfolio for Q5 include : <ul style="list-style-type: none"> ▪ Back Office Improvement Programme (BOIP) ▪ Commercial Management Systems including eCommerce & Property Management ▪ Capital Programme Controls ▪ Asset Management
Ref. Drawings / Images:	None
Objectives:	
BAA:	<ul style="list-style-type: none"> ▪ Enable Q6 works by delivering tactical improvements in Asset Management ▪ Maximise business return from our core Oracle platform (delivered under the BOIP project) which should be the first choice solution for other major projects such as Capital Programme Controls, mitigating risk to the CIP delivery and also making savings ▪ Deliver vanilla (non-bespoke) solutions wherever possible ▪ Enable exploitation of management information and ▪ Enable collaborative working opportunities with business partners. ▪ Coordination of Asset Management ownership
Airline:	Airline priorities and strategic objectives are consulted via the quarterly IT Stakeholder Board and monthly IT Working Group

Project Benefits:

Each project has different benefits – all link through to Heathrow Strategic intents such as Reduced Cost of Service through exploitation of management information, collaborative working and vanilla processes and solutions

Status:

Programme:	Project Gateway Stage:
IT	Various

Airline Engagement:

All projects/programmes are presented & consulted with our airline representatives via the monthly IT Working Group and then at the quarterly strategic IT Stakeholder Board (airline CIO level).

For example, Back Office Improvement Programme progress was presented to the IT Stakeholder Board on 3rd March 2011 and Programme Controls Options Decision case went to IT Working Group on 8th March

Through these consultation bodies we are able to share learning and best practice to ensure value of delivery.
Full audit trail of individual consultation timetable and minutes available on request.

Project Delivery

Current Control Budget:			
Total Capital Budget (<i>Estimated At Completion</i>):		£38,886,034	
<i>Refer to appendix B for cost information detail.</i>			
Schedule:			
Brief Decision:	Start on Site:	Completion on Site:	Operational Use Commences:
N/A	N/A	N/A	N/A
Assumptions:			
The following points cover the significant delivery assumptions related to this project:			
<ul style="list-style-type: none"> ▪ This portfolio is an allowance for works done in a range of business areas ▪ Individual projects within this portfolio will be subject to IT Investment Governance processes and the BAA financial approvals process so have differing schedule dates 			
<i>Note: Assumptions stated here are to aid understanding and are not necessarily exhaustive.</i>			

Operational Issues

BAA Financial Revenue and Operational Cost (Opex) Impact:		
Revenue / Opex Cost Area:	Revenue (+) / Cost (-) Impact per Annum:	Commentary:
N/A	N/A	See Assumptions: assessed on a per project basis
Assumptions:		
The following points cover the significant operational assumptions related to this project:		
<ul style="list-style-type: none"> ▪ Investments are aimed at reducing operational impact of IT solutions when asset refreshes take place and minimising additional operational costs for any new business improvement solutions. ▪ Value for Money is targeted through OJEU competition and the new IT Outsourcing Contract will deliver operational cost reductions for Q5. ▪ Projects such as Programme Controls and BOIP will make savings in the business units e.g. around headcount 		
Airline Financial Revenue and Operational Cost (Opex) Impact:		
Revenue / Opex Cost Area:	Revenue (+) / Cost (-) Impact per Annum:	Commentary:
N/A	N/A	None
Assumptions:		
The following points cover the significant operational assumptions related to this project:		
It is not expected that projects in this area will impact Airport operational expenditure or processes		

Average Asset life:	
Average Asset Life:	5 Years
Commentary:	
None	
<i>Note: Asset lives are subject to a number of complex variables and therefore information is indicative only.</i>	

Impact on User Charges:	
Estimated Per Passenger Cost Impact:	N/A
Commentary:	
Various Projects	
<i>Note: Impact on User Charge is subject to a number of complex variables and regulatory decisions and therefore information is indicative only (see Section 5.3 for further details)</i>	

Non Construction Risk:
The following points cover any significant areas of risk for the Airline Community regarding this project:
None

Appendix B: Project Delivery: Cost Information:

Project Information

Project Name: Business Planning & Support IT Solutions
BCT No.: IT03

Cost Information

All information extracted from March 2011 month end

Base Costs:	£38,886,034	100	%
On-Cost:	£0	0	%
Opportunity	£0	0	%
Risk (R1 Allowance Only)	£0	0	%
Total	£38,886,034	100	%

Cost Benchmark Comparisons:	
Project Name:	IT03 Business Planning & Support IT Solutions
Total Capital Budget (<i>Nominal Prices</i>):	£38,886,034
Guidance Notes:	
All IT projects & programmes either go through formal OJEU tender compliant Procurement Process or use framework suppliers who have been appointed through such OJEU compliant tendering to ensure value.	
As part of the IT Outsourcer OJEU competition, project and programme work may be awarded to CapGemini on a "preferred" basis (i.e. without further competition) provided that it is able to demonstrate that it delivers value for money and is competitive.	
Additionally, through Monthly and Quarterly Airline Consultation we are able to compare experience and cost for similar work with our Airline Partners.	
<i>Note: Assumptions stated here are to aid understanding and are not necessarily exhaustive.</i>	