

Project Definition Sheets – Q5 Airline Relocations

BCT Number and Project Name as shown in Schedules

7702 : Relocation of Airlines IT Operations

7966 : Operational Readiness

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:	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	Complete
	Step 4a - Green	Complete
	Step 5 - Green	Complete
	Step 6 - Green	Complete
	Step 7 - Green	Complete
	Step 9.1 - Green	Production Design
	Step 9.2 - Green	Explore
	Step 9.3 - Green	Explore

Project Delivery

Cost:			
Total Capital Budget (Outturn):		£21,278,000	
		Q4: £1,200,000	
		Q5: £20,078,000	
<i>Refer to appendix B for cost information detail.</i>			
Time:			
Brief Decision:	Start on Site:	Completion on Site:	Operational Use Commences:
November 2007	March 2008	Spring 2011	July 2008 (As per move sequence 4.0)
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: Enable closure of T2 to support HET delivery Improve the transfer product through collocation of alliances			

<p>Ensure competitive equivalence post T5 opening</p> <p>Ensure robust operations post T5 opening</p> <p>Create opportunities for growth</p> <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> <p>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 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> <p>The Airlines have been consulted and are supportive.</p> <p>Airlines move to agreed schedule.</p> <p>Like for like systems replacement/re-provision only.</p> <p>All Operation requirements are managed through other work streams within the Airline Moves Programme</p> <p>Note: Assumptions stated here are to aid understanding and are not necessarily exhaustive.</p>

Operational Issues

Financial Revenue and Operational Cost (Opex) Impact:		
Revenue / Opex Cost Area:	Revenue (+) / Cost (-) Impact per Annum:	Commentary:
		See Assumptions
Assumptions:		
The following points cover the significant operational assumptions related to this project;		
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

Project Information

Project Name: Airline Relocation Systems
BCT No.: 7702

Cost Information

All information extracted from February 2010 month end process

Base Costs:	£0	0	%
On-Cost:	£21,278,000	100	%
Opportunity	£0	0	%
Risk (R1 Allowance Only)	£0	0	%
Total (As entered into Artemis for Feb 2010 month end)	£21,278,000	100	%

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 4.0 (as at July 09)	
Objectives:		
BAA:	<p>Improve the passenger experience by collocation of Alliance airlines.</p> <p>Allow Airlines and Alliances to grow their business.</p> <p>Enable closure of T2 to support HET delivery.</p> <p>Ensure robust operations post T5 opening.</p>	
Airline:	<p>Airline Alliance Collocation</p> <p>Ensure competitive equivalence post T5 opening.</p> <p>Improve the transfer product through collocation of alliances.</p>	
Status:		
BAA Lead Team:	Airline Engagement:	Strategic Solution or DGS/IGS Stage
Capital & Solutions	Green	Delivery

Project Delivery

Cost:			
Total Capital Budget (Outturn):		£9,838,299	
<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
Assumptions:			
The following points cover the significant delivery assumptions related to this project;			
<p>Majority of capital is capitalisation of staff costs for the Integration. Planning and Ops Trial teams. (Currently FIT/FAM and Migration are revenue costs).</p> <p>Other costs include 3rd party suppliers (ie Premier moves), materials and passenger communications.</p> <p>Funding of “forced” moves for non-aligned airlines and associated support.</p> <p>Does NOT include any project/facility provision or delivery – this sits within other programmes.</p> <p>This project is part of the Airline Moves programme for Heathrow and involves</p>			

the relocation, decommissioning and re-provision of existing IT systems. Relocation agreements are based on the provision of like-for-like facilities and services.

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.

Note: Assumptions stated here are to aid understanding and are not necessarily exhaustive.

Operational Issues

Financial Revenue and Operational Cost (Opex) Impact:

Revenue / Opex Cost Area:	Revenue (+) / Cost (-) Impact per Annum:	Commentary:
		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.

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

Note: Any disagreement noted must be read in the context of the airline engagement status shown above.

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 4.1	oneworld T1 (AY)	27/01/2009	☐
Step 4.2	BA T1 757 Ops, oneworld T2 (IB and XG) from T1 & T2 to T3	25/02/2009	☐
	<i>Complete closure of Queen's Building</i>	09/06/2009	☐
Step 4a	STAR Ph2 (LH, LX, OS, OU, TP) from T2 to T1	11/06/2009 - 16/06/2009	☐
	<i>Early Closure of T2 Stands key to T2A delivery</i>	01/07/2009	☐
Step 5.1	T3 Non-aligned (EY) from T3 to T4	30/09/2009	☐
Step 5.2	T3 Non Aligned (9W, MU) from T3 to T4	14/10/2009	☐
Step 5.3	QF & BA JSA via SIN/BKK from T4 to T3	29/10/2009	☐
Step 5.4	T3 Non-aligned (GF, MH) from T3 to T4	29/10/2009	☐
Step 6 / 7a	Alitalia : AZ, B3, FB, HY, JU, J2, OA, RO from T2 to T4. KE from T3 to T4	10/11/2009	☐
Step 6 / 7b	Servisair : AH, AT, KC, SU, W3 from T2 to T4.	17/11/2009	☐
Step 6 / 7c	Cobalt : AF, FV, HM, IY, LN, OK, RB, TS, TU from T2 to T4	24/11/2009	☐
	<i>Operational closure of Terminal 2, Stands and related Infrastructure</i>	01/12/2009	☐
Step 9.1a	T3 Non-aligned (BG, BI) from T3 to T4	09/03/2010	☐
Step 9.1b	T3 Non-aligned (KU) from T3 to T4	14/04/2010	☐
Step 9.2	T3 Non-aligned (MK, QR, SV) from T3 to T4	24/11/2010	
Step 9.3	T3 Non-aligned (AI) from T3 to T4	24/05/2011	
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	Dec-13

Appendix B: Project Delivery: Cost Information

Project Information

Project Name: Operational Readiness
BCT No.: 7966

Cost Information

All information extracted from February 2010 month end process

Base Costs:	£0	0	%
On-Cost:	£9,838,299	100	%
Opportunity	0	0	%
Risk (R1 Allowance Only)	£0	0	%
Total (As entered into Artemis for Feb 2010 month end)	£9,838,299	100	%

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.