Final Report
July 2026

Early costs scrutiny for Heathrow expansion

Civil Aviation Authority
Our ref: 24949403
Client ref: Contract 3634 - 2B

Final Report
July 2026

Early costs scrutiny for Heathrow expansion

Prepared by:

Steer
14-21 Rushworth Street
London SE1 0RB

+44 20 7910 5000

www.steergroup.com

Prepared for:

Civil Aviation Authority
11 Westferry Circus,
Canary Wharf, London
E14 4HD

Client ref: Contract 3634 - 2B

Our ref: 24949403

Contents

Figures

Tables

Appendices

Executive Summary

This report presents Steer's technical scrutiny of early expansion costs submitted by Heathrow Airport Limited ("HAL") and Heathrow West Limited ("HWL"). The scrutiny has been undertaken to support the Civil Aviation Authority's ("CAA") final decision on the regulatory treatment of early expansion costs associated with Heathrow expansion.

The scrutiny is targeted and high-level in nature. It does not constitute a full cost audit, detailed commercial efficiency review, site-specific property valuation exercise or ex-post efficiency assessment. The findings are based on the information provided by promoters and made available to Steer at the time of review.

This report presents an initial high-level review of the submitted early expansion costs. Stakeholders have not had the opportunity to comment on Steer's findings at this stage and, therefore, the report has not benefited from further review or refinement following stakeholder comments on those findings.

Steer has assessed the submitted costs using a Pass / No pass framework it developed specifically for this work. A 'Pass' indicates that the cost line passes the technical scrutiny tests on the basis of the information reviewed. A 'No pass' indicates that the cost line does not pass one or more of the scrutiny criteria on the basis of the information reviewed. A 'No pass' result does not necessarily mean that the underlying activity is unnecessary or inefficient. In several cases, it reflects insufficient or insufficiently mature information to confirm whether the cost meets the technical scrutiny tests.

The overall scrutiny results do not determine the regulatory treatment of the submitted costs. The CAA will decide the appropriate regulatory treatment, taking account of Steer's scrutiny, the evidence provided by promoters, stakeholder responses and its wider statutory duties. Where further evidence is required, this report identifies the information and outputs that would support both a 'Pass' result in the high-level scrutiny and a future ex-post review.

For HAL, the high-level scrutiny considers the July 2025 submission of £319.8m and the May 2026 submission of £130.5m; an aggregated HAL submission of £450.3m in 2024 CPI prices. The scrutiny indicates that a number of HAL's early-cost activities pass the technical scrutiny tests on the basis of the information reviewed. These are primarily activities linked to DCO preparation, programme mobilisation, scheme development, planning, consenting, airspace change and digital consultation.

The high-level scrutiny results in £208.1m of HAL costs, in 2024 CPI prices, being assessed as 'Pass'. The full £208.1m relates to the July 2025 submission. No costs from the May 2026 submission have been assessed as 'Pass' under the technical scrutiny tests, based on the information reviewed.

Several material HAL cost lines have been assessed as 'No pass'. This includes costs where the information reviewed does not sufficiently demonstrate that they need to be incurred in the early-cost period, where the scope and outputs are not sufficiently clear with the information available at this stage, or where the information available does not remove the risk of potential overlap with other cost categories or with costs recovered through other regulatory routes. This is particularly relevant for programme accommodation, programme systems, programme contingency, Modernising Heathrow reallocations, property-related costs, property acquisition, non-airport design development and security-related costs.

For property-related costs, the scrutiny recognises that preparatory work may be required to develop a DCO application and support the compulsory acquisition case. However, it is not an absolute requirement to acquire land or properties ahead of obtaining the DCO. The evidence reviewed does not clearly demonstrate why the proposed acquisitions, option payments or access arrangements need to be incurred or committed during the early-cost period, rather than later in the planning or delivery process. The CAA may wish to consider the appropriate balance between allowing costs before DCO approval and, therefore, accepting a risk of sunk costs if approval is not granted and facilitating a shorter delivery period for expansion, if the DCO is granted. We understand that the CAA is considering consulting on this matter later in 2026.

For HWL, the high-level scrutiny considers submitted costs of £4.3m in 2025 nominal prices, equivalent to £4.1m in 2024 CPI prices. These are costs incurred up to November 2025 related primarily to the development of HWL's expansion proposal, including its July 2025 report / proposal to the Department for Transport and subsequent responses to Department for Transport / CAA questions. The high-level scrutiny indicates that HWL's submitted costs pass the technical scrutiny tests on the basis of the information reviewed.

1 Introduction

1.1 This report presents Steer's technical scrutiny of the early expansion costs (known as "early costs") incurred in 2025 and 2026 by Heathrow Airport Limited ("HAL") and between January and November 2025 by Heathrow West Limited ("HWL").

1.2 The Civil Aviation Authority, CAA, requested this scrutiny following the publication of its draft decision on the regulatory treatment of early expansion costs in April 2026, CAP3238.[1] The purpose of this work is to support the CAA's final decision on the cap to early expansion costs that HAL incurred in 2025 and 2026, and the cap to the early expansion costs that HWL incurred up to November 2025[2].

1.3 The high-level scrutiny considers whether the early expansion costs submitted by promoters appear, on the basis of the information provided, to be:

- justified,
- relevant,
- appropriately timed,
- supported by sufficient evidence, and
- delivering the expected outputs considering the scope of the early expansion activities expected to take place in the 2024 and 2025 period.

1.4 The review of property-related costs focuses on the appropriateness of the purchase scheme, approach and cost allowances at a high level, rather than undertaking property valuations or site-specific valuation advice.

1.5 This report does not constitute a full cost audit, site-specific valuation exercise, or ex-post cost efficiency assessment. The CAA expects to undertake a cost efficiency assessment on an ex-post basis at a subsequent date. The scrutiny presented here is, therefore, focused on the apparent need, relevance, timing, traceability and evidential support for the submitted early expansion costs.

Context

1.6 The CAA's April 2026 draft decision, CAP3238, considered the regulatory treatment of early costs associated with capacity expansion at Heathrow Airport. The CAA's draft decision should be read alongside Appendix C, CAP3238B, which

[1] CAP3238: Draft Decision on the regulatory treatment of early costs of capacity expansion at Heathrow airport | UK Civil Aviation Authority

[2] November 2025 is the date in which the Department for Transport announced the preferred scheme to inform the new Airports National Policy Statement (now renamed Heathrow Expansion National Policy Statement).

sets out the associated proposed licence modifications. The CAA also published Steer's previous technical and cost efficiency scrutiny of Heathrow expansion plans alongside its draft decision on early costs.

1.7 Steer's high-level scrutiny of the early costs proposed by HAL and HWL has been undertaken in the context of the wider Heathrow expansion policy and regulatory framework. In June 2026, the Department for Transport published proposed amendments to the Airports National Policy Statement, including a change in name to Heathrow Expansion National Policy Statement, HENPS. The draft HENPS applies to the expansion at Heathrow Airport through a Northwest Runway scheme and expansion of the facilities within the existing airport perimeter and includes consideration of surface access. The Department for Transport has also confirmed that the draft revised Airports National Policy Statement, now renamed the HENPS, was laid before Parliament on 22 June 2026, with Parliamentary scrutiny running to 26 November 2026.

1.8 This policy context is relevant because a future Heathrow expansion proposal is likely to require substantial work regarding planning, consenting, environmental, land, surface access, operational and scheme development. However, the existence of this policy context does not, in itself, demonstrate that specific costs submitted by a promoter are justified, relevant, appropriately timed, supported by sufficient evidence, and delivering the expected outputs. Those matters depend on the evidence provided by promoters and the CAA's regulatory judgement.

Information reviewed

1.9 This scrutiny is based on information provided by promoters and made available to Steer at the time of this high-level scrutiny. The information reviewed includes promoter submissions, supporting documentation, cost breakdowns (as made available by promoters), clarifications provided through the Question and Answer (Q&A) process run by the CAA, and relevant contextual information from earlier technical and cost efficiency scrutiny of expansion plans.

1.10 The table below summarises the main groups of information reviewed for this scrutiny. It is presented with the most recent information first. The full list of documents reviewed as part of the early costs' scrutiny is provided in Appendix A. Where the information provided was incomplete, unclear or not sufficiently disaggregated, this has been identified in the relevant scrutiny section.

Table 1.1: Information reviewed

Information reviewed	Source of information	Date / period	Relevance to the scrutiny of early costs
Promoter responses to CAA questions and clarification requests	HAL / HWL	June 2026	Provides additional clarification on the scope, timing, evidence base and rationale for submitted costs, where available. This includes clarification on cost categorisation, price base, activity scope, timing, promoter's

Information reviewed	Source of information	Date / period	Relevance to the scrutiny of early costs
			rationale for the costs, and outputs delivered.
Modernising Heathrow need scrutiny working note	Steer / CAA	June 2026	Provides relevant context on the Modernising Heathrow programme, including potential interfaces with early expansion costs, programme scope, timing and need case. This is relevant to the scrutiny of potential overlap, reallocation and incrementality between the Modernising Heathrow programme and expansion early costs.
HAL further submission / re-baselined early expansion cost position	HAL	May-2026	Provides additional information on HAL's updated early expansion cost position, including changes, additions, reallocations or further cost requests relative to the original £320.0m submission. This includes costs associated with Modernising Heathrow reallocations, property-related allowances and site-specific assets.
CAA draft decision on the regulatory treatment of early expansion costs, CAP3238	CAA	April-2026	Sets out the CAA's draft decision on early expansion costs, including the proposed treatment of HAL and HWL costs and the early cost caps considered in this scrutiny.
Proposed licence modification associated with CAP3238, CAP3238B	CAA	April-2026	Provides the proposed licence framework associated with the CAA's draft decision on early expansion costs.
Government policy material relating to the ANPS / HENPS review	Department for Transport	2025-2026	Provides policy context for Heathrow expansion, including the Government's position on the scheme to inform the ANPS / HENPS review and the relevance of DCO-related activities. This material provides context but does not, in itself, demonstrate the need, timing, or efficiency of individual cost lines.
HWL information on costs potentially	HWL	November 2025 to December	Provides information relevant to any scrutiny of HWL costs beyond November 2025, subject to the CAA's

Information reviewed	Source of information	Date / period	Relevance to the scrutiny of early costs
incurred after November 2025		2026, where available	position on the eligible cost recovery period.
HWL early expansion cost submission supporting the £4.3m cap	HWL	Costs incurred up to November 2025	Provides the main HWL cost submission reviewed in this scrutiny, including costs incurred in progressing HWL's expansion proposal up to November 2025. HWL submitted these costs in 2025 nominal prices, which have been converted to 2024 CPI prices for this scrutiny.
HAL early expansion cost submission supporting the £320.0m cap	HAL	July 2025 / 2025-2026 period	Provides the main HAL cost submission reviewed in this scrutiny, including early expansion activities across planning, consenting, programme mobilisation, property, technical workstreams and other categories. HAL's submission is in 2024 CPI prices.
HAL supporting breakdown for the £320.0m early cost submission	HAL	July 2025 / 2025-2026 period	Provides supporting information on the composition of HAL's early expansion costs, where available, and forms the basis for the mapping exercise against Steer's cost categories.
HAL information on Modernising Heathrow, were relevant to early expansion costs	HAL	H8 Business Plan and subsequent information	Provides contextual information on potential overlap, incrementality and boundary issues between early expansion costs, H8 expenditure and Modernising Heathrow activity.
Initial technical and cost efficiency assessment of capex expansion plans for Heathrow Airport	Steer / CAA	CAP3238A	Provides relevant context on Heathrow expansion proposals, scheme maturity, technical workstreams and the approach used in previous technical reviews Steer conducted for the CAA related to the expansion of Heathrow airport. This material has been used to understand potential areas of duplication.
Pre-2020 Heathrow expansion material and subsequent	HAL / CAA / Planning Inspectorate /	2017 to Q1 2020, with subsequent 2021	Provides historical context on previous Heathrow expansion development work, including Category B planning costs, Category C

Information reviewed	Source of information	Date / period	Relevance to the scrutiny of early costs
evidence on pre-2020 expenditure	airline stakeholders	evidence on pre-2020 expenditure	pre-DCO costs, property, design, DCO scoping, environmental assessment, surface access, stakeholder engagement, airline engagement, programme management and colleague costs. This material is relevant to understanding potential reliance on previous outputs, potential duplication with earlier work, and whether current early-cost activities are incremental to previous expansion activity.

Source: Steer

1.11 The information reviewed varies in its level of detail. Some documents provide high-level cost categories only, while others provide more detailed supporting breakdowns or narrative explanations. Where costs are not supported by activity-level detail, supplier or internal team information, timing, deliverables, or evidence of incrementality, Steer has not sought to infer these details. Instead, the scrutiny identifies the evidence gap and, where relevant, the further information that would be required to support a more definitive view.

1.12 The detailed reconciliation of promoter submissions is presented in Chapter 2. The reconciliation should be read alongside the information review in the table above, as it identifies how the documents reviewed have been mapped to harmonised cost categories.

Basis of the scrutiny

1.13 The purpose of this scrutiny is to support the CAA in reaching a final decision about the recovery of early costs that HAL incurred in 2025 and 2026 and of early costs that HWL incurred up to November 2025. The scrutiny focuses on whether the submitted costs appear to be justified, relevant, appropriately timed, supported by evidence, and deliver the expected outputs, considering the scope of the early expansion activities expected to take place in the 2024 and 2025 period.

1.14 For HAL, the scrutiny considers whether the £320 million cap, in 2024 CPI prices, for the period 2025 and 2026, is set at an appropriate level and whether the costs included within that cap and the requested uplift of £130.5m (2024 CPI) appear justified, relevant, and delivering the expected outputs. The review has regard to the types of early expansion activity expected at this stage, including planning, engagement with the Department for Transport, preparation for a Development Consent Order (DCO) application, and development of HAL's approach to property planning and acquisition.

1.15 For HWL, the scrutiny considers whether the £4.3 million cap, in nominal prices of 2025, is set at an appropriate level and whether the costs incurred up to November 2025 appear justified and relevant. Costs incurred by HWL after November 2025 are outside the scope of this high-level scrutiny.

1.16 The scrutiny is targeted and high-level in nature. It does not constitute a full cost audit, detailed commercial efficiency review, site-specific property valuation exercise, or ex-post efficiency assessment.

1.17 The review of property-related costs focuses on the appropriateness of the purchase scheme, approach and costs at a high level, rather than undertaking property valuations or site-specific valuation advice.

1.18 The findings in this report are based on the information provided by promoters and made available to Steer at the time of review. The absence of sufficient evidence should not be interpreted automatically as evidence that a cost is unnecessary or inefficient. Equally, the inclusion of a cost in a promoter submission should not be interpreted as demonstrating that the cost is necessary, efficient, appropriately timed, incremental, or suitable for regulatory recovery.

1.19 Where the information provided at this stage does not allow Steer to confirm that a cost line meets the scrutiny tests, the cost line is assessed as 'No pass'. This does not necessarily mean that the cost is unnecessary or inefficient. Rather, it means that the information reviewed is insufficient or insufficiently mature to support a 'Pass' result at this stage. In these cases, this report identifies:

- the issue preventing a 'Pass' result, including whether this relates to need, timing, cost build-up, duplication / double-recovery risk, alternative options, or scope and outputs;
- the further information that would be required to form a final view about the need and efficiency of the costs incurred; and
- the outputs that, from a technical point of view, Steer would expect promoters to evidence for the level of cost incurred.

1.20 The CAA will determine the appropriate regulatory treatment of submitted costs, taking account of the evidence provided by promoters, Steer's technical scrutiny, stakeholder responses, and the CAA's wider statutory duties.

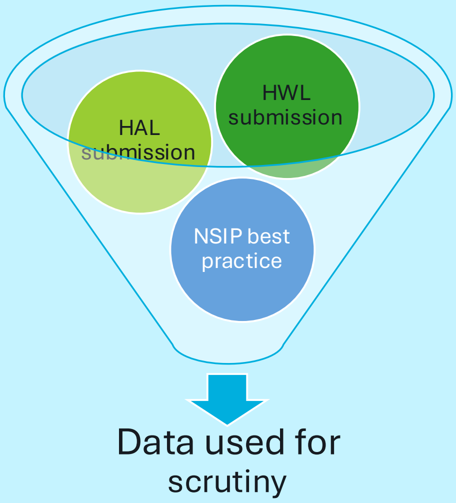
Scrutiny methodology

1.21 The scrutiny methodology has been designed to provide a transparent and traceable view of the submitted early expansion costs. The approach combines line-by-line reconciliation of promoter submissions with category-level scrutiny of the need, timing, evidence base and potential risks associated with the costs.

1.22 The scrutiny has been undertaken in four stages, as described below.

Figure 1.1: Scrutiny methodology

Step 1: Data screening



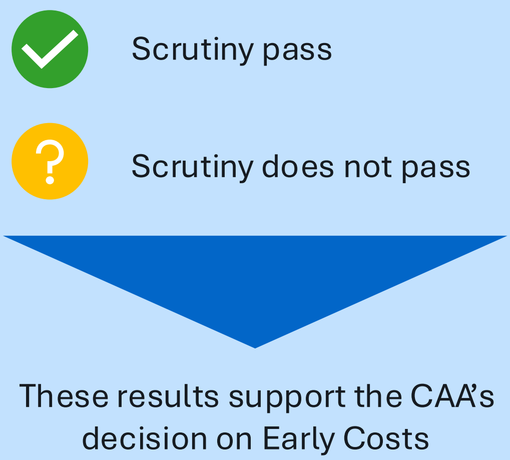
Step 2: Cost mapping

Harmonised Categories
Programme management, governance and controls
Planning, consenting and statutory process
Detailed Design
Property planning
Property acquisitions and site-specific assets
Opex and other costs

Step 3: Need and efficiency tests

	Test	Pass condition	No pass condition
Need tests	Needed at DCO milestone or start of operations	• DCO Approval • Start of operations but not required for DCO	• Not required for expansion
Need tests	Criticality	• Critical	• Not critical
Need tests	Needed in 2025–2026?	• Yes	• No
Efficiency tests	Basis of cost buildup	• Yes	• No
Efficiency tests	Duplication / double-recovery risk	• No	• Yes
Efficiency tests	Alternative options	• Yes • Non-Applicable	• No
Efficiency tests	Scope and output baseline	• Clear	• Not clear

Step 4: Testing results



Source: Steer

Step 1: Data screening

1.23 The first step has been to screen and prepare the data for analysis. This has included: identifying the categories of costs submitted; raising clarification questions with promoters where the description of cost categories was unclear; requesting further data granularity; confirming the price base; confirming the source documents; and establishing the year in which the costs were incurred.

Step 2: Cost mapping

1.24 The second step has been to map the promoters' cost categories against six bespoke harmonised cost categories. These categories have been developed for the purpose of this scrutiny exercise, drawing on the structure of the HAL and HWL submissions, Steer's previous Heathrow Expansion Technical Assessment (HETA) work, and the types of activity typically required for Nationally Significant Infrastructure Projects. Many submitted cost items are related to broad activities, such as planning and consenting, programme mobilisation, property, scheme development, technical evidence, airspace and contingency. A category-level scrutiny using harmonised cost categories allows for the identification of common issues across related activities, including potential overlaps, duplications, insufficient disaggregation, or gaps in supporting evidence. Using harmonised cost categories also provides comparability across promoters and traceability between promoter submissions and Steer's scrutiny.

1.25 The bespoke harmonised cost categories used in this scrutiny are:

- Programme management, governance and controls;
- Planning, consenting, and statutory process;
- Detailed design;
- Property planning;
- Property acquisition and site-specific assets; and
- Opex and other costs.

Step 3: Need and efficiency testing

1.26 A total of seven 'Pass / No pass' tests have been developed; three testing the need for the costs, and four testing the efficiency (in a broad sense) of the costs, as shown in the figure above.

- The three Need tests test whether the activity is required at DCO stage or at the start of operations; it is critical; and is appropriately timed.
- The four Efficiency tests consider whether the basis of the cost build-up is properly supported; whether there is a duplication or double-recovery risk; whether alternative options have been considered; and whether the scope and outputs are sufficiently defined to support the scrutiny.

1.27 The scrutiny tests have been developed by Steer for the purposes of this targeted technical scrutiny, in response to the scope requested by the CAA. They provide a structured basis for assessing the information reviewed in this report. They should not be interpreted as a regulatory test agreed with promoters or as replacing the CAA's own judgement on the appropriate regulatory treatment of submitted costs.

1.28 Where a cost line does not pass one or more of the scrutiny tests because the information provided is insufficient or insufficiently mature, this should not be interpreted as meaning that the cost is unnecessary or inefficient. Rather, it indicates that the evidence reviewed at this stage does not allow Steer to confirm that the relevant test has been met. In these cases, the scrutiny identifies the further information, clarification, or output evidence that would be required to support a 'Pass' result.

1.29 The table below defines each Need test and the 'Pass' / 'No pass' conditions that were set out for each test.

Table 1.2: Need tests and Pass / No pass conditions

Test	Description	Pass / No pass	
Needed at DCO milestone or start of operations	Assesses whether the activity is required to support a future DCO, or whether it is required to support the start of operations of the new third runway. Activities required for the DCO milestone are considered most directly relevant to the early expansion period. Activities required only for the entrance of operations of the new third runway may require further evidence to demonstrate why they are needed at this stage.	**Pass**	• DCO Approval • Start of operations of new third runway but not required for DCO
		No pass	• Not required for expansion
Criticality	Assesses whether the activity is critical to progressing a credible Heathrow expansion planning or delivery pathway. This considers whether the activity is a necessary dependency for other workstreams, statutory processes, scheme development or programme mobilisation.	**Pass**	• Critical
		No pass	• Not critical
Needed in 2025-2026	Assesses whether the promoter has demonstrated that the activity needs to be undertaken, or committed to, in the 2025-2026 period. This considers the timing of the activity relative to the DCO process, the HENPS review, promoter-specific development activity, and the wider early expansion programme. We note that HWL's scrutiny period runs up to November 2025.	**Pass**	• Yes
		No pass	• No

Source: Steer

1.30 The table below defines each Cost Efficiency test and the 'Pass' / 'No pass' conditions that were set out for each test.

Table 1.3: Cost Efficiency tests and Pass / No Pass conditions

Test	Description	Pass / No pass	
Basis of the cost build up	Assesses whether the submitted cost is supported by compelling basis of cost build up, including a clear activity-level breakdown, basis of estimate, actuals / forecast split, supplier or internal team information, timing, outputs and deliverables. Where this information is incomplete or not sufficiently disaggregated, Steer has not sought to infer the basis of the cost.	**Pass**	• Yes
		No pass	• No
Duplication / double-recovery risk	Assesses whether the cost appears incremental to other submissions, workstreams, programmes or regulatory allowances. This includes potential overlap between cost categories; between early expansion costs and wider H8 /	**Pass**	• No
		No pass	• Yes

Test	Description	Pass / No pass	
	Modernising Heathrow costs; and between programme management, PMO, planning, scheme development and technical workstreams.		
Alternative options	Assesses whether the promoter has provided evidence that alternative options, phasing approaches, procurement routes or lower-cost approaches have been considered, where relevant. This criterion does not require a full optioneering in all cases but considers whether the submitted cost solution has been sufficiently justified where material choices have been made.	**Pass**	• Yes • Not applicable
		No pass	• No
Scope and output baseline	Assesses whether the scope, outputs and deliverables associated with the cost are sufficiently clear to support future ex post review. This includes whether the activity can be traced to identifiable outputs, whether the baseline for future comparison is clear, and whether the information provided would allow the CAA to assess, at a later stage, whether the cost was efficiently incurred.	**Pass**	• Clear
		No pass	• Not clear

Source: Steer

Step 4: Testing results

1.31 The overall result for a cost category is as follows:

- **Pass** if it receives a 'Pass' in all tests;
- **No pass** if it receives a 'No pass' in one or more tests.

1.32 The application of these 'Pass'/ 'No pass' tests does not represent a recommendation on whether costs should be allowed or disallowed by the CAA. Rather, it provides Steer's technical view on whether the costs pass the scrutiny tests based on the information reviewed at this stage and identifies where further evidence would be required to support a 'Pass' result.

1.33 Specifically, a 'Pass' indicates that:

- Under Steer's technical tests, the cost appears to be sufficiently supported at this stage.
- A 'Pass' may still be subject to caveats, including where further information would be necessary to support a future ex-post review, improve traceability, or allow the CAA to monitor delivery against the submitted scope and outputs. These caveats do not necessarily prevent a cost from passing the technical test, but they identify matters that may be relevant to future regulatory review.

1.34 A 'No pass' indicates that:

- the cost does not meet one or more of the test criteria based on the information reviewed at this stage.

- A 'No pass' does not necessarily mean that the cost is inherently unnecessary or inefficient. It may indicate that the evidence is insufficient or insufficiently mature, that the scope or timing is unclear, that the cost has not been sufficiently disaggregated, or that there is an unresolved risk of duplication or double recovery.

1.35 Where a cost does not pass one or more tests, this report explains the main reason for the result in the relevant section. This is intended to make clear cases where further evidence, clarification or CAA policy judgement may be required.

1.36 The test results do not determine the regulatory treatment of costs. The CAA will decide the appropriate regulatory treatment, having considered Steer's scrutiny, the evidence provided by promoters, stakeholder responses and its wider statutory duties.

1.37 The scope and output baseline evidence identified in Chapters 3 and 4 is intended to indicate the type of information that would support traceability and future ex-post review. It is not intended to require every item listed for every cost line. The level of evidence required should be proportionate to the materiality, complexity and risk associated with the relevant cost.

Structure of this document

1.38 The remainder of this report is structured as follows:

- Chapter 2 presents the preparation of promoter's data submissions and explains how costs have been mapped to bespoke harmonised cost categories.
- Chapter 3 presents the scrutiny of HAL's early expansion costs.
- Chapter 4 presents the scrutiny of HWL's early expansion costs.

2 Data preparation and cost mapping

Purpose of the reconciliation

2.1 This chapter explains how the promoter submissions have been reconciled and mapped for the purposes of Steer's scrutiny. The reconciliation is intended to provide traceability between the costs submitted by promoters and the scrutiny categories used in this note.

2.2 The submissions reviewed include different cost categories, price bases, time periods and levels of disaggregation. To support a consistent scrutiny, Steer has mapped the submitted costs to a common set of bespoke harmonised categories and subcategories. These categories have been developed specifically for this early cost scrutiny, informed by the structure and content of the HAL and HWL submissions, Steer's previous HETA workstreams, and research into the types of activity typically required for other Nationally Significant Infrastructure Projects (NSIPs). The mapping does not change the underlying promoter submissions. It is used only to support the scrutiny of need, timing, evidence, potential duplication and future ex-post review requirements.

2.3 The reconciliation has been undertaken to support three objectives:

- to identify the costs submitted by each promoter and the source of those costs;
- to map submitted costs to a consistent set of bespoke harmonised categories and subcategories; and
- to identify where costs appear to have been added, removed, reallocated, re-baselined or potentially duplicated across submissions, workstreams or regulatory allowances.

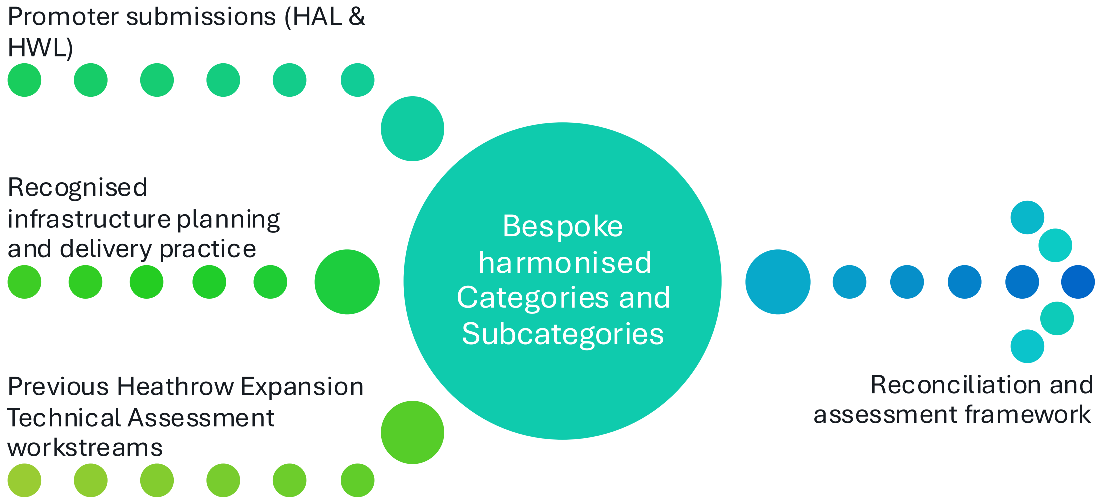
Bespoke harmonised categories and subcategories

2.4 For the purposes of this scrutiny, submitted costs have been mapped to the bespoke harmonised categories and subcategories set out in the table below. These categories have been developed to group similar activities and to support a consistent scrutiny across promoter submissions.

2.5 The categories have been informed by the structure and content of the promoter submissions reviewed, previous HETA workstreams, and the types of activity typically required for major infrastructure planning, consenting and programme delivery. This includes activities associated with Nationally Significant Infrastructure Projects (NSIPs) such as pre-application preparation, consultation, environmental assessment, application document preparation, land and compulsory acquisition matters, and engagement with statutory bodies.[3] It also includes programme delivery activities typically associated with major infrastructure programmes, such as governance, programme controls, risk management, procurement, cost estimating, schedule management and assurance.[4]

2.6 The figure below summarises the basis on which the bespoke harmonised categories and subcategories were developed. The categories were designed to reflect the content of the promoter submissions while also aligning with the types of activity typically required for major infrastructure planning, consenting and programme delivery.

Figure 2.1: Basis for development of the bespoke harmonised categories and subcategories for this scrutiny



Source: Steer

2.7 The categories are not intended to represent a definitive industry taxonomy or to change the way costs have been submitted by promoters. They provide a structured basis for reconciling the submitted costs and assessing need, timing, evidential support, potential duplication and future ex post review requirements.

[3] Planning Act 2008: Pre-application stage for Nationally Significant Infrastructure Projects - GOV.UK

[4] Government Functional Standard GovS 002: Project Delivery - GOV.UK

Table 2.1: Harmonised categories and subcategories

Bespoke harmonised category	Bespoke harmonised subcategory	Definition / scope
Programme management, governance and controls	Central programme costs	Refinement and revalidation of the expansion business case, programme resourcing and specialist support, programme accommodation, and re-establishment of commercial, financial, strategic and operational foundations required to support the expansion programme during the early-cost period.
	Programme Management Office	Programme governance, decision-making forums, approvals, reporting, programme controls, cost control, schedule control, risk management, change control, systems, tools and data environments required to manage the early expansion programme.
	Programme procurement	Procurement, commercial, market engagement and contracting support required for early DCO-related programme activity.
	Programme contingency	Allowance for unforeseen expenditure and uncertainty during the early-cost period.
	MH programme management reallocation	Programme management costs previously allocated to Modernising Heathrow (MH), which HAL argues should now sit within Expansion early costs because of a single integrated DCO (and closure of MH).
	Cost estimating and commercial analysis	Scheme cost analysis, cost estimating, commercial analysis and supporting evidence prepared to inform promoter submissions, DfT / CAA questions, scheme appraisal or programme decision-making.
	Programme schedule and phasing	Programme schedule development, construction sequencing, phasing analysis and programme assumptions prepared to support promoter submissions.
Planning, consenting and statutory process	Masterplan / requirements	Assurance and oversight of the expansion concept, deliverability assessment, construction feasibility, phasing, logistics, implementation planning, scheme definition, requirements development and masterplanning strategy required to support DCO preparation.
	Scheme development	Surveys, site information, ground information, baseline technical evidence, early design and engineering work, airfield design, airport-related development, community assets, earthworks, environmental design, utilities, passenger-facing infrastructure and surface access development required to define the expansion scheme and support the emerging DCO proposition.

Bespoke harmonised category	Bespoke harmonised subcategory	Definition / scope
	Planning	DCO planning, statutory process, consultation, Preliminary Environmental Information Report (PEIR) / Environmental Impact Assessment (EIA) coordination, planning advice, examination-readiness activity, consenting strategy, stakeholder engagement, legal and planning advisory support, ANPS / HENPS alignment, land referencing and surface access planning evidence.
	Airspace change	Airspace design and assessment, including inputs to environmental assessments, operational feasibility and airspace change readiness.
	MH DCO consent reallocation	DCO consent costs previously allocated to Modernising Heathrow (MH), which HAL argues should now sit within Expansion early costs because of a single integrated DCO (and closure of the MH programme).
	Planning consultants	External planning advice, planning strategy support and planning implications analysis prepared to support promoter submissions, and DCO preparation.
	Legal services	Legal advice and verification relating to planning, regulatory, competition, governance, DCO preparation, land / compulsory acquisition matters, or promoter submissions.
	Forums and stakeholder engagement	Stakeholder engagement, advisory forums, governance meetings, community engagement and related engagement activity undertaken to support promoter submissions or DCO preparation.
Detailed Design	Non-airport design development	Early design development outside airport asset design, potentially linked to enabling works, third-party interfaces, utilities, surface access, environmental mitigation or other non-airport assets.
Property planning	Procure the space	Property strategy, landowner engagement, access arrangements and early commercial work required to secure or de-risk land and property interests affected by the expanded airfield.
	Land assembly and affected-party strategy	Feasibility studies, cost agreements, access agreements and affected-party strategy covering commercial businesses, mineral and waste companies, utilities, community asset replacements and rural property interests.
Property acquisitions and site-	Property acquisition	Deposits or sums required to secure land options for site-specific assets, including replacement facilities, utility diversion land rights, airport-related development land, community assets and other affected sites.

Bespoke harmonised category	Bespoke harmonised subcategory	Definition / scope
specific assets	Site-specific assets	Acquisition of site-specific assets claimed by the promoter to be required for expansion or more efficient to acquire during the early-cost period than through later compulsory acquisition.
Opex[5] and other costs	Regulatory fees	Regulatory fees payable to the CAA in relation to expansion early-cost scrutiny, regulatory engagement or associated CAA review activity.
	Internal staff costs	Internal salaries, administrative costs, office space, travel expenses and meeting-room hire attributable to expansion-related activity during the early-cost period.
	Personal security	Personal security / close protection costs associated with expansion-related activity during the early-cost period.
	Infrastructure security and safeguarding	Security costs related to managing protest risk associated with expansion activity during the early-cost period to safeguard security of infrastructure.
	Digital consultation and communications	Digital platform / microsite to host expansion information, consultation material and public-facing programme updates required to support DCO engagement.

Source: Steer

2.8 The mapping is based on the information provided by promoters. Where the scope of a cost line is unclear or appears to cover more than one activity, Steer has mapped the cost to the most relevant category and subcategory based on the description provided. Where this creates uncertainty, this is identified in the scrutiny and in the reconciliation matrix.

2.9 In some cases, the same promoter cost category may include activities that would fall across more than one bespoke harmonised category or subcategory. Where the information provided does not allow the cost to be disaggregated, Steer has not sought to allocate the cost artificially between categories. Instead, the scrutiny identifies the limitation and the further information that would be required to undertake a consistent classification.

Reconciliation of promoter submissions

2.10 For the purposes of the scrutiny presented in Chapters 3 and 4, costs have been assessed using the harmonised categories and subcategories set out above. The mapping is intended to provide a consistent basis for comparing promoter submissions and assessing need, timing, evidential support, potential duplication and future ex-post review requirements. It does not change the underlying

[5] Opex means Operating expenditure.

promoter submissions and does not indicate whether a cost has passed or not the technical scrutiny framework.

2.11 The table below maps the promoter cost lines reviewed in this scrutiny to the relevant bespoke harmonised category and subcategory. The table shows the equivalent HAL and HWL cost categories, where applicable, to provide traceability between the promoter submissions and the scrutiny structure used in this note. Where a promoter does not have an equivalent cost line within a bespoke harmonised subcategory, this is shown as “not applicable”.

2.12 The scrutiny results are presented in Chapters 3 and 4. Where the information reviewed identifies uncertainty, including unclear cost boundaries, insufficient disaggregation, potential duplication, unresolved price base issues or limitations in the scope and output baseline, this is identified in the relevant scrutiny section.

Table 2.2: Mapping of promoter cost lines to harmonised categories and subcategories

Bespoke harmonised category	Bespoke harmonised subcategory	Definition / scope	HAL category equivalent	HWL category equivalent
Programme management, governance and controls	Central programme costs	Refinement and revalidation of the expansion business case, including financial modelling, assurance and supporting evidence to reaffirm the scheme's viability and support Government engagement within a reset programme context.	Business Case(s)	Not Applicable
		Programme resourcing and specialist support to enable delivery of Expansion activities and maintain continuity across the programme during the early-cost period.	People	Not Applicable
		Programme accommodation, workspace and related facilities required to support the expansion programme team during mobilisation and early DCO preparation.	Programme Accommodation	Not Applicable
		Re-establishment of commercial, financial, strategic and operational foundations, including coordination of key submissions and supporting evidence to underpin revalidation of the scheme.	Central Programme Strategy	Not Applicable
	Programme Management Office	Programme governance, decision-making forums, approvals and reporting structures required to manage the early expansion programme.	Governance	Not Applicable
		Programme controls, cost control, schedule control, risk management, reporting and change control required to manage the early expansion programme.	Programme Control	Not Applicable
		Systems, tools and data environments used to manage the expansion programme, including reporting, document control, programme controls and assurance information.	Programme Systems	Not Applicable
	Programme procurement	Procurement, commercial, market engagement and contracting support required for early DCO-related programme activity.	Programme Procurement	Not Applicable
	Programme contingency	Allowance for unforeseen expenditure and uncertainty during the early-cost period.	Programme Contingency	Not Applicable

Bespoke harmonised category	Bespoke harmonised subcategory	Definition / scope	HAL category equivalent	HWL category equivalent
	MH programme management reallocation	Programme management costs previously allocated to Modernising Heathrow, which HAL argues should now sit within Expansion early costs because of a single integrated DCO.	Modernising Heathrow, programme management	Not Applicable
	Cost estimating and commercial analysis	Scheme cost analysis, cost estimating, commercial analysis and supporting evidence prepared to inform promoter submissions, DfT / CAA questions, scheme appraisal or programme decision-making.	Not Applicable	Programme Management, Estimating
	Programme schedule and phasing	Programme schedule development, construction sequencing, phasing analysis and programme assumptions prepared to support promoter submissions.	Not Applicable	Programme Management, Schedule design
Planning, consenting and statutory process	Masterplan / requirements	Assurance and oversight of the expansion concept to maintain consistency of the preferred scheme, design principles and requirements as the DCO proposition is developed.	Concept Guardian	Not Applicable
		Deliverability assessment, construction feasibility, phasing, logistics and implementation planning required to test whether the emerging expansion scheme can be delivered.	Deliverability	Not Applicable
		Definition of the preferred expansion scheme, including scope, layout, requirements, interfaces and design maturity required to support DCO preparation.	Scheme Definition	Planning and Design, Master planning
		Masterplanning and requirements strategy required to define the preferred expansion scheme and support DCO preparation.	Masterplan Strategy	Not Applicable
	Scheme development	Surveys, site information, ground information and baseline technical evidence required to identify constraints and support scheme development and DCO preparation.	Site Characterisation / Surveys	Planning and Design, Engineering design

Bespoke harmonised category	Bespoke harmonised subcategory	Definition / scope	HAL category equivalent	HWL category equivalent
		Early design and engineering work undertaken in 2025 to develop the expansion scheme and support the emerging DCO proposition.	Design & Engineering 2025	Not Applicable
		Development of airfield infrastructure design, requirements and operational assumptions required to define the expansion scheme.	Airfield Infrastructure	Not Applicable
		Design and definition of airport-related development required to support the expansion scheme and associated land requirements.	Airport Related Development	Not Applicable
		Development of proposals for community assets, community replacement facilities and affected community infrastructure required as part of the expansion scheme.	Community Assets	Not Applicable
		Earthworks strategy, excavation, material movement, landform design and associated technical work required to define the expansion scheme and its deliverability.	Earthworks	Not Applicable
		Environmental design inputs, mitigation development and technical evidence required to support the DCO and environmental assessment.	Environmental	Not Applicable
		Development of major utility diversion, protection and replacement requirements required to define the expansion scheme and statutory undertaker interfaces.	Major Utilities	Not Applicable
		Design and requirements for passenger-facing airport infrastructure required to define the expansion scheme and operational capacity case.	Passenger Infrastructure	Not Applicable
		Surveys, site information, ground information and baseline technical evidence required to support the 2026 scheme development programme.	Site Characterisation / Surveys	Not Applicable
		Technical development of surface access proposals, including road, rail, public transport, active travel and access interfaces required to support scheme development.	Surface Access - Technical	Not Applicable

Bespoke harmonised category	**Bespoke harmonised subcategory**	**Definition / scope**	**HAL category equivalent**	**HWL category equivalent**
	Planning	DCO planning, statutory process, consultation, PEIR / EIA coordination, planning advice and examination-readiness activity.	Consenting	Planning and Design, Environmental assessments
		DCO consenting strategy, statutory process planning, consultation strategy, examination preparation and consent risk management.	Consenting Process & Strategy	Not Applicable
		Stakeholder, community, statutory body and consultation engagement required to support the DCO and statutory consultation process.	Engagement	Not Applicable
		Legal, planning and advisory support for DCO preparation, statutory process, land powers and associated consenting matters.	Legal / Advisory	Not Applicable
		Support to the Airports National Policy Statement / Heathrow policy framework and related evidence required to align the expansion proposition with Government policy.	National Policy Statement Support	Not Applicable
		Land referencing, affected party identification, property engagement and negotiation activity required to support DCO land powers and the compulsory acquisition case.	Property Referencing / Negotiation	Not Applicable
		Planning, assessment and consenting work relating to surface access impacts, mitigation, interfaces and DCO transport evidence.	Surface Access - Planning/DCO	Not Applicable
	Airspace change	Airspace design and assessment, including inputs to environmental assessments, operational feasibility and airspace change readiness.	Airspace Change	Not Applicable
	MH DCO consent reallocation	DCO consent costs previously allocated to Modernising Heathrow, which HAL argues should now sit within Expansion early costs because of a single integrated DCO.	Modernising Heathrow, DCO consent costs	Not Applicable

Bespoke harmonised category	Bespoke harmonised subcategory	Definition / scope	HAL category equivalent	HWL category equivalent
	Planning consultants	External planning advice, planning strategy support and planning implications analysis prepared to support promoter submissions, and DCO preparation.	Not Applicable	Professional and Legal Services, Planning consultants
	Legal services	Legal advice and verification relating to planning, regulatory, competition, governance, DCO preparation, land / compulsory acquisition matters, or promoter submissions.	Not Applicable	Professional and Legal Services, Legal services
	Forums and stakeholder engagement	Stakeholder engagement, advisory forums, governance meetings, community engagement and related engagement activity undertaken to support promoter submissions or DCO preparation.	Not Applicable	Stakeholder and Community Engagement, Forums
Detailed Design	Non-airport design development	Early design development outside airport asset design, potentially linked to enabling works, third-party interfaces, utilities, surface access, environmental mitigation or other non-airport assets.	Non-Airport Design Development	Not Applicable
Property planning	Procure the space	Property strategy, landowner engagement, access arrangements and early commercial work required to secure or de-risk land and property interests affected by the expanded airfield.	Expanded Airfield, Procure the Space	Not Applicable
	Land assembly and affected-party strategy	Feasibility studies, cost agreements, access agreements and affected-party strategy covering commercial businesses, mineral and waste companies, utilities, community asset replacements and rural property interests.	Commercial property allowance, feasibility studies / cost agreements	Not Applicable
		Payments to landowners for access agreements for blue-green infrastructure early works.	Commercial property allowance, blue-green infrastructure access agreements	Not Applicable
		Payments to landowners for access agreements for ground improvement trials.	Commercial property allowance,	Not Applicable

Bespoke harmonised category	Bespoke harmonised subcategory	Definition / scope	HAL category equivalent	HWL category equivalent
			ground improvement trials	
Property acquisitions and site-specific assets	Property acquisition	Deposit / sum required now to secure land option for [Redacted].	Commercial property allowance, [Redacted]	Not Applicable
		Deposit / sum required now to secure land option for [Redacted].	Commercial property allowance, [Redacted]	Not Applicable
		Deposit / sum required now to secure land options for [Redacted].	Commercial property allowance, [Redacted]	Not Applicable
		Deposit / sum required now to secure land option for [Redacted].	Commercial property allowance, [Redacted]	Not Applicable
		Deposit / sum required now to secure land option for [Redacted].	Commercial property allowance, [Redacted]	Not Applicable
		Deposit / sum required now to secure land option for [Redacted].	Commercial property allowance, [Redacted]	Not Applicable
		Deposit / sum required now to secure land option for [Redacted].	Commercial property allowance, [Redacted]	Not Applicable
		Deposit / sum required now to secure land option [Redacted].	Commercial property allowance, [Redacted]	Not Applicable
		Payment to [Redacted].	Commercial property allowance, [Redacted]	Not Applicable

Bespoke harmonised category	Bespoke harmonised subcategory	Definition / scope	HAL category equivalent	HWL category equivalent
		Payment to [Redacted].	Commercial property allowance, [Redacted]	Not Applicable
	Site-specific assets	Acquisition of the Colnbrook Logistics Centre, claimed by HAL to be required for Expansion and more efficient to purchase now than later via compulsory acquisition.	CLC acquisition	Not Applicable
Opex and other costs	Regulatory fees	Regulatory fees payable to the CAA in relation to expansion early-cost assessment, regulatory engagement or associated CAA review activity.	CAA Fees	Not Applicable
	Internal staff costs	Internal salaries, administrative costs, office space, travel expenses and meeting-room hire attributable to expansion-related activity during the early-cost period.	Not Applicable	Internal staff costs, salaries for staff dedicated to expansion project
	[Redacted]	[Redacted]	[Redacted]	Not Applicable
	[Redacted]	[Redacted]	[Redacted]	Not Applicable
	Digital consultation and communications	Digital platform / microsite to host expansion information, consultation material and public-facing programme updates required to support DCO engagement.	Expansion Website / Microsite (Digital)	Not Applicable

Source: Steer

3 HAL early expansion costs scrutiny

Overview

3.1 This chapter presents Steer's scrutiny of HAL's early expansion costs. The scrutiny is based on the information provided by HAL and made available to Steer at the time of review.

3.2 HAL's submitted costs comprise the £319.8m July 2025 submission, in 2024 CPI prices, as mapped and updated through the May 2026 information provided by HAL, and the additional May 2026 submission of £130.5m, also presented in 2024 CPI prices. This results in an aggregated HAL submission of £450.3m (2024 CPI). This information is summarised in the table below.

Table 3.1: HAL submitted costs classified by harmonised categories

Bespoke harmonised category	HAL July 2025 submission (£m, 2024 CPI)	HAL May 2026 submission (£m, 2024 CPI)	HAL aggregated submission (£m, 2024 CPI)
Programme management, governance and controls	72.3	21.0	93.3
Planning, consenting and statutory process	169.5	23.0	192.5
Detailed Design	30.0	0.0	30.0
Property planning	41.7	3.5	45.2
Property acquisitions and site-specific assets	0.0	83.0	83.0
Opex and other costs	6.3	0.0	6.3
Total	**319.8**	**130.5**	**450.3**

Source: Steer analysis of HAL submissions

Scrutiny of early expansion costs

3.3 The scrutiny has been undertaken using the harmonised categories and subcategories. For each subcategory, the tables below present the relevant HAL cost lines, the July 2025 submission, the May 2026 submission, the aggregated

HAL submission, and the scrutiny result. Values are presented to one decimal place.

3.4 For cost lines assessed as 'No pass', the rationale column identifies the main reason for the result. The accompanying scrutiny notes and evidence baseline identify the further information or evidence that would be required to support a 'Pass' result, where applicable.

3.5 A 'Pass' indicates that the cost line passes the technical scrutiny tests on the basis of the information reviewed. A 'No pass' indicates that the cost line does not pass one or more of the scrutiny criteria on the basis of the information reviewed. This does not determine the regulatory treatment of the cost, which remains a matter for the CAA.

Programme management, governance and controls

Central programme costs

Table 3.2: Central programme costs scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Business Case(s)	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
People	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
Programme Accommodation	[redacted]	[redacted]	[redacted]	No pass	Insufficient or insufficiently mature information related to criticality, cost build-up, and outputs.
Central Programme Strategy	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
Total	**45.6**	**0.0**	**45.6**	NA	

Source: Steer analysis of HAL submissions

Scrutiny notes

3.6 **Business Case(s):** Business case activity is likely needed to support DCO preparation and Government engagement. This cost has been assessed as 'Pass'. Future detailed assessment would benefit from confirming the specific outputs covered, and their alignment with Strategy and PMO activity. This would support traceability and the ex-post review.

3.7 **People:** Programme resourcing is likely needed to support expansion early-cost activity. The cost has been assessed as 'Pass'. Given the materiality of the cost, future detailed assessment would benefit from HAL providing a clear resource plan and demonstrate that the costs are incremental to existing HAL business-as-usual and H8 activities.

3.8 **Programme Accommodation:** The cost may support programme mobilisation. The cost has been assessed as 'No Pass'. This is because HAL failed to demonstrate why dedicated accommodation is required now, how it has been sized, and why existing accommodation could not be used.

3.9 **Central Programme Strategy:** Strategy work is likely needed to support DCO preparation and Government engagement. The cost has been assessed as 'Pass'. Future detailed assessment would benefit from HAL explaining the outputs and how the work differs from business case, masterplanning and planning strategy activity.

3.10 **Evidence and outputs required to support a 'Pass' result and future ex-post review:** A future detailed assessment would require HAL to provide a clear baseline of outputs associated with Central Programme Costs. This should include updated expansion business case material, financial model updates and assurance, Government / CAA submission material, evidence packs supporting revalidation of expansion, programme leadership and delivery resource plans, specialist technical, commercial and regulatory support, accommodation assumptions where relevant, expansion strategy refresh outputs, strategic options and dependency analysis, and strategic decision papers.

Programme Management Office

Table 3.3: Programme Management Office scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Governance	[redacted]	[redacted]	[redacted]	**Pass**	Fulfils all the tests.
Programme Control	[redacted]	[redacted]	[redacted]	**Pass**	Fulfils all the tests.
Programme Systems	[redacted]	[redacted]	[redacted]	**No pass**	Insufficient or insufficiently mature information related to cost build-up and outputs
Total	**9.6**	**0.0**	**9.6**	NA	

Source: Steer analysis of HAL submissions

<u>Scrutiny notes</u>

3.11 **Governance:** Governance is needed for a programme of this scale. The cost has been assessed as 'Pass'. A future detailed assessment would benefit from having access to the governance structure, forum schedule, approval routes and evidence of outputs delivered.

3.12 **Programme Control:** Programme control is likely required to manage the expansion programme. The cost has been assessed as 'Pass'. A detailed assessment in the future would benefit from HAL to evidence the control of outputs and confirm how cost, schedule and risk functions are managed across the programme.

3.13 **Programme Systems:** Systems may be required to manage a complex programme. The cost has been assessed as 'No Pass'. This results from the lack justification for the chosen systems, timing, licence basis and allocation to expansion early costs, including whether the systems are new or existing, whether they are incremental to current HAL systems, and whether any benefits extend beyond expansion.

3.14 **Evidence and outputs required to support a 'Pass' result and future ex-post review:** A future detailed assessment would require HAL to provide the programme governance framework, board and committee reporting, decision logs, approval records, programme assurance reporting, terms of reference, governance packs, integrated programme controls, cost, risk and schedule reporting, change control process, programme dashboards, risk and issue registers, programme management systems, document control / common data environment tools, cost and schedule management tools, reporting dashboards and data management / assurance tools.

Programme procurement

Table 3.4: Programme procurement scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Programme Procurement	[redacted]	[redacted]	[redacted]	**Pass**	Fulfils all the tests.

Source: Steer analysis of HAL submissions

Scrutiny notes

3.15 **Programme Procurement:** This is a small actual cost and is likely linked to early programme setup. The cost has been assessed as 'Pass'. A future detailed assessment would benefit from HAL to confirm what was procured, what outputs were delivered, and whether similar procurement costs are included elsewhere.

3.16 **Evidence and outputs required to support a future ex-post review:** A future detailed assessment would require HAL to provide the procurement strategy, market engagement material, contracting support, supplier appointment support and commercial governance outputs associated with this cost.

Programme contingency

Table 3.5: Programme contingency scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Programme Contingency	[redacted]	[redacted]	[redacted]	**No pass**	Contingency allowance. The cost appears to be an allowance for uncertainty rather than an incurred or committed early cost.

Source: Steer analysis of HAL submissions

Scrutiny notes

3.17 **Programme Contingency:** The scrutiny concerns early costs incurred or committed during the period under review. The cost has been assessed as 'No Pass'. Future detailed assessment would require HAL to explain whether this contingency represents a cost actually incurred / committed, or an allowance for potential future uncertainty. HAL would also need to provide the basis of the allowance and confirm that the same risks are not already included in other cost lines.

3.18 **Evidence and outputs required to support a 'Pass' result and future ex-post review:** A future detailed assessment would benefit from HAL to provide the contingency allowance calculation, risk-based calculation, early-cost uncertainty provision, risk register linkage, drawdown assumptions and governance assumptions. This would allow the CAA to understand how the contingency has been calculated and how it avoids duplication with risk allowances embedded in other cost lines.

MH programme management reallocation

Table 3.6: MH programme management reallocation scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Modernising Heathrow, programme management	0.0	21.0	21.0	**No pass**	Duplication / double-recovery risk. Evidence is insufficient to demonstrate that the cost is incremental.

Source: Steer analysis of HAL submissions

Scrutiny notes

3.19 **Modernising Heathrow, programme management:** The cost has been assessed as 'No Pass'. Modernising Heathrow, programme management: HAL's single DCO argument may support this cost in principle. However, there is a material risk of overlap with Central Programme Costs, PMO, H8 costs and any costs already recovered, included in H7 / H8 allowances, or proposed for RAB treatment, where applicable. To support a future detailed assessment, HAL would provide the original MH cost breakdown and explain the expected outputs covered by this reallocation, and the synergies for developing a single DCO.

3.20 **Evidence and outputs required to support a 'Pass' result and future ex-post review:** A future detailed assessment would benefit from HAL to provide the original Modernising Heathrow programme management cost breakdown, integrated DCO governance evidence, the synergies from a combined DCO, outputs transferred into expansion early costs, and reconciliation with H7, H8, RAB treatment and any previous recovery or allowance treatment.

Planning, consenting and statutory process

Masterplan / requirements

Table 3.7: Masterplan / requirements scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Concept Guardian	[redacted]	[redacted]	[redacted]	**No pass**	Insufficient or insufficiently mature information justifying cost build-up and unclear scope and output baseline.
Deliverability	[redacted]	[redacted]	[redacted]	**Pass**	Fulfils all the tests.
Scheme Definition	[redacted]	[redacted]	[redacted]	**Pass**	Fulfils all the tests.
Masterplan Strategy	[redacted]	[redacted]	[redacted]	**Pass**	Fulfils all the tests.
Total	**21.9**	**0.0**	**21.9**	NA	

Source: Steer analysis of HAL submissions

Scrutiny notes

3.21 **Concept Guardian:** The cost has been assessed as 'No pass'. Concept assurance may support DCO consistency. However, to support a 'pass', HAL would need to provide evidence explaining the specific role, deliverables and how it fits with Scheme Definition and Design & Engineering.

3.22 **Deliverability:** Deliverability work is likely needed where it supports the DCO case. The cost has been assessed as 'Pass'. A future detailed assessment would benefit from HAL to separate DCO-level deliverability evidence from future delivery-stage construction planning.

3.23 **Scheme Definition:** Scheme Definition is core to DCO preparation. The cost has been assessed as ‘Pass’. A future detailed assessment would benefit from HAL providing clear outputs, maturity level and evidence that this work is incremental to previous masterplanning.

3.24 **Masterplan Strategy:** Strategy masterplan work is likely needed. The cost has been assessed as ‘Pass’. A future detailed assessment would require HAL to confirm whether this relates to scheme requirements rather than general programme strategy, business case work or planning strategy.

3.25 **Evidence and outputs required to support a ‘Pass’ result and future ex-post review:** A future detailed assessment would require HAL to provide proportionate evidence of the scope and outputs associated with Masterplan / requirements activity. This would include, where relevant, concept assurance outputs, deliverability evidence, construction phasing assumptions, scheme definition material, requirements documentation, design decision records and evidence of how the work is incremental to previous masterplanning.

Scheme development

Table 3.8: Scheme development scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Site Characterisation / Surveys	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
Design & Engineering 2025	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
Airfield Infrastructure	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
Airport Related Development	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
Community Assets	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
Earthworks	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
Environmental	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
Major Utilities	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
Passenger Infrastructure	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
Site Characterisation / Surveys	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
Surface Access - Technical	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Total	**47.9**	**0.0**	**47.9**	NA	

Source: Steer analysis of HAL submissions

<u>**Scrutiny notes**</u>

3.26 **Site Characterisation / Surveys:** Site characterisation and surveys are likely DCO-relevant were used for environmental assessment, design definition and land requirements. The cost has been assessed as 'Pass'. However, a future detail assessment would benefit from HAL to provide survey type, location, timing and outputs.

3.27 **Design & Engineering 2025:** Early design and engineering work is likely DCO-relevant. The cost has been assessed as 'Pass'. For a future detailed assessment, HAL would provide outputs and explain how this relates to later design categories.

3.28 **Airfield Infrastructure:** Airfield Infrastructure work is DCO-relevant if needed to define the airfield elements of the scheme. The cost has been assessed as 'Pass'. However, the negative forecast in the submitted breakdown requires reconciliation.

3.29 **Airport Related Development:** Airport Related Development is likely required where it defines the DCO scheme and associated development. The cost has been assessed as 'Pass', but for a future detailed assessment HAL would need to identify the assets included and the outputs produced.

3.30 **Community Assets:** Community-related work is likely DCO-relevant and, therefore, this cost has been assessed as 'Pass'. For a future detailed assessment, HAL would demonstrate how this cost links to specific replacement assets, community mitigation and consultation requirements.

3.31 **Earthworks:** Earthworks work is likely DCO-relevant if it supports land take, environmental assessment and construction feasibility. The cost has been assessed as 'Pass'. However, a future detailed assessment would benefit from HAL clarifying the outputs and relationship with quarry and ground improvement costs.

3.32 **Environmental:** Environmental work is core to DCO preparation and, therefore, this cost has been assessed as 'Pass'. For a future detailed assessment, HAL would clarify whether this line relates to technical environmental design, mitigation development or planning / EIA management.

3.33 **Major Utilities:** Major Utilities work is likely DCO-relevant where utilities affect land requirements, deliverability and statutory undertaker engagement. On that basis, this cost has been assessed as 'Pass'. A future detailed assessment would require HAL to show the specific utility outputs and interfaces. .

3.34 **Passenger Infrastructure:** Passenger Infrastructure work is DCO-relevant if required to define the scheme and capacity case. Although the cost has been assessed as 'Pass', HAL should avoid progressing detailed design beyond what is needed at this stage.

3.35 **Surface Access - Technical:** Surface access is critical for the DCO. This cost has been assessed as 'Pass'. A future detailed assessment would benefit from HAL to distinguish technical design development from planning scrutiny and consenting activity. HAL would also distinguish surface access activity required specifically for expansion from activity required to support H8 growth, resilience or wider airport capacity improvements.

3.36 Given the extent of pre-2020 expansion work identified in the document register, for a future detailed assessment, HAL would demonstrate how the 2025–2026 scheme development activities build on, update, replace or supersede earlier expansion outputs. This is particularly relevant for design and engineering, airfield infrastructure, environmental evidence, utilities, surface access and site characterisation work, where previous outputs may create potential duplication or reliance risks.

3.37 **Evidence and outputs required to support a future ex-post review:** For a future detailed assessment, HAL would need to provide proportionate evidence of the scope and outputs associated with Scheme development activity. This would include, where relevant, survey outputs, technical baseline data, design and engineering outputs, airfield and airport-related development assumptions, community asset requirements, environmental and utilities evidence, passenger infrastructure assumptions and surface access technical outputs. HAL would also identify how the 2025–2026 work builds on, updates, replaces or supersedes pre-2020 expansion outputs.

Planning

Table 3.9: Planning scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Consenting	[redacted]	[redacted]	[redacted]	**Pass**	Fulfils all the tests.
Consenting Process & Strategy	[redacted]	[redacted]	[redacted]	**Pass**	Fulfils all the tests.
Engagement	[redacted]	[redacted]	[redacted]	**Pass**	Fulfils all the tests.
Legal / Advisory	[redacted]	[redacted]	[redacted]	**Pass**	Fulfils all the tests.
National Policy Statement Support	[redacted]	[redacted]	[redacted]	**Pass**	Fulfils all the tests.
Property Referencing / Negotiation	[redacted]	[redacted]	[redacted]	**No pass**	Duplication / double-recovery risk. Evidence is insufficient to demonstrate that the cost is incremental.

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Surface Access - Planning/DCO	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.
Total	**90.7**	**0.0**	**90.7**	NA	

Source: Steer analysis of HAL submissions

Scrutiny notes

3.38 **Consenting:** This is a core DCO cost line and has been assessed as 'Pass'. For a future detailed assessment HAL would need to explain how the 2025 actual cost maps to the updated 2026 consenting structure and provide evidence of the outputs delivered.

3.39 **Consenting Process & Strategy:** Consenting Process & Strategy is core DCO activity, and the cost has been assessed as 'Pass'. To support a future detailed assessment, HAL would provide a work breakdown and explain how the line interacts with Legal / Advisory, Engagement and National Policy Statement Support. .

3.40 **Engagement:** Engagement is likely required for DCO preparation. The cost has been assessed as 'Pass'. However, for a future detailed assessment, HAL would distinguish statutory consultation and stakeholder engagement from wider communications activity.

3.41 **Legal / Advisory:** Legal / Advisory support is likely required for DCO preparation. Although the cost has been assessed as 'Pass', for a future detailed assessment, HAL would need to provide a breakdown by legal workstream and confirm that costs relate to DCO preparation rather than wider corporate or regulatory advice.

3.42 **National Policy Statement Support:** National Policy Statement Support has been assessed as 'Pass', as we understand that it supports DCO readiness and alignment of the expansion proposition with the relevant policy framework. However, for a future detailed assessment, HAL would need to evidence the specific outputs and explain why the cost is attributable to expansion early costs rather than wider Government policy engagement or business-as-usual stakeholder activity.

3.43 **Property Referencing / Negotiation:** Property Referencing / Negotiation is DCO-relevant. However, the cost has been assessed as 'No pass' because the evidence HAL has provided fails to clarify whether costs are advisory / referencing costs or payments to landowners, and it also fails to reconcile them with Procure the Space, the commercial property allowance and wider property cost lines.

3.44 **Surface Access - Planning/DCO:** Surface access is a core DCO issue, and the cost has been assessed as 'Pass'. For a future detailed assessment HAL would need to distinguish planning scrutiny and consenting work from technical design development captured under Scheme Development.

3.45 **Evidence and outputs required to support a 'Pass' result and future ex-post review:** A future detailed assessment would benefit from HAL to provide DCO planning strategy, statutory process planning, consultation preparation, PEIR / EIA coordination, planning and examination-readiness outputs, consenting risk register, stakeholder engagement plans, consultation material, meeting records, community engagement outputs, statutory consultee feedback logs, planning legal advice, DCO legal strategy, land / compulsory acquisition advice, legal review of submission material, NPS evidence support, policy briefing material, technical input to Government engagement, land referencing database, affected party schedule, negotiation records, compulsory acquisition evidence, Book of Reference inputs, transport scrutiny inputs, surface access strategy, modelling and appraisal evidence, highway / rail interface evidence, and the DCO surface access mitigation case.

Airspace change

Table 3.10: Airspace change scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Airspace Change	[redacted]	[redacted]	[redacted]	**Pass**	Fulfils all the tests.

Source: Steer analysis of HAL submissions

Scrutiny notes

3.46 **Airspace Change:** Airspace Change is likely needed where it supports the DCO and expansion-specific operational scrutiny. The cost has been assessed as 'Pass'. However, for a future detailed assessment HAL would explain what relates to the DCO, what relates to the separate airspace change process, and what is specific to Heathrow expansion rather than wider airspace modernisation, airport capacity, resilience or operational improvement activity.

3.47 **Evidence and outputs required to support a 'Pass' result and future ex-post review:** A future detailed assessment would benefit from HAL to provide airspace design inputs, operational feasibility evidence, environmental assessment inputs, airspace change readiness material, and evidence of the interface with DCO scheme development.

MH DCO consent reallocation

Table 3.11: MH DCO consent reallocation scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Modernising Heathrow, DCO consent costs	0.0	23.0	23.0	**No pass**	Duplication / double-recovery risk. Evidence is insufficient to

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
					demonstrate that the cost is incremental and fails to account for synergies of a single DCO.

Source: Steer analysis of HAL submissions

Scrutiny notes

3.48 **Modernising Heathrow, DCO consent costs:** This may be valid if it is genuinely needed for a single DCO. However, the cost has been assessed as 'No pass' the high-level scrutiny because there is a material risk of overlap with Planning, Scheme Development. HAL would need to explain the outputs covered by this reallocation, estimate the synergies arising from developing a single DCO and demonstrate how these have been taken into account in the cost of the DCO.

3.49 **Evidence and outputs required to support a 'Pass' result and future ex-post review:** For a future detailed assessment, HAL would should provide the original Modernising Heathrow DCO consent cost breakdown; the reallocation rationale; evidence of the outputs transferred into expansion early costs; evidence of the synergies from developing a single DCO being deducted from the costing; and reconciliation with Planning, Scheme Development, H7, H8, RAB treatment and any previous recovery or allowance treatment.

Detailed Design

Table 3.12: Non-airport design development scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Non-Airport Design Development	[redacted]	[redacted]	[redacted]	**No pass**	Evidence is insufficient to demonstrate why the activity needed to be undertaken or committed during the early-cost period; the cost build-up; that the cost is additional to costs included elsewhere; and the outputs this cost is expected to deliver.

Source: Steer analysis of HAL submissions

Scrutiny notes

3.50 **Non-Airport Design Development:** The cost has been assessed as 'No pass' because the evidence HAL has available at this stage indicates that the expected scope and outputs are not yet clear. For a future detailed assessment, HAL would need to show that this is needed for the DCO or key third-party interfaces, rather than being early delivery design that could be done at a later stage.

3.51 **Evidence and outputs required to support a 'Pass' result and future ex-post review:** A future detailed assessment would require HAL to provide asset-level design scope, design maturity outputs, interface design information, drawings / technical reports, and evidence showing why the work is needed during 2025-2026.

Property planning

Procure the space

Table 3.13: Procure the space scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Expanded Airfield, Procure the Space	[redacted]	[redacted]	[redacted]	**No pass**	Duplication / double-recovery risk. Evidence is insufficient to demonstrate that the cost is incremental.

Source: Steer analysis of HAL submissions

Scrutiny notes

3.52 **Expanded Airfield, Procure the Space:** Property / land work can support the DCO and compulsory acquisition case. The cost has been assessed as 'No pass' because there is a material risk of overlap with the Property Referencing / Negotiation (under Planning), commercial property allowance, CLC and previous property work. To support a future detailed assessment, HAL would provide a breakdown of the scope and outputs covered.

3.53 **Evidence and outputs required to support a 'Pass' result and future ex-post review:** A future detailed assessment would require HAL to provide landowner engagement evidence, property negotiation outputs, site-specific land option work, inputs to the compulsory acquisition case, and a property risk and mitigation plan. HAL would also need to reconcile this line with Property Referencing / Negotiation, the commercial property allowance, the CLC acquisition and previous property work.

Land assembly and affected-party strategy

Table 3.14: Land assembly and affected-party strategy scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Commercial property allowance, feasibility studies / cost agreements	[redacted]	[redacted]	[redacted]	**No pass**	Duplication / double-recovery risk. Evidence is insufficient to demonstrate that the cost is incremental.
Commercial property allowance, blue-green infrastructure access agreements	[redacted]	[redacted]	[redacted]	**No pass**	Duplication / double-recovery risk. Evidence is insufficient to demonstrate that the cost is incremental.
Commercial property allowance, ground improvement trials	[redacted]	[redacted]	[redacted]	**No pass**	Evidence is insufficient to demonstrate that the cost is critical; the cost build-up is evidenced; and the cost is incremental (duplication / double-recovery risk). The scope and outputs are unclear.
Total	**0.0**	**3.5**	**3.5**	NA	

Source: Steer analysis of HAL submissions

Scrutiny notes

3.54 **Commercial property allowance, feasibility studies / cost agreements:** These costs could potentially support affected-party engagement and the compulsory acquisition case, but the scope at this stage is broad, which is why the cost has been assessed as ‘No Pass’. For a future assessment, HAL would need to provide a breakdown by type of affected party and confirm the outputs covered.

3.55 **Commercial property allowance, blue-green infrastructure access agreements:** These costs could potentially support surveys or early environmental evidence. However, the cost has been assessed as ‘No pass’ because HAL is yet to confirm whether this is necessary for DCO or early works, and how any future claims would be treated.

3.56 **Commercial property allowance, ground improvement trials:** These costs may potentially support technical evidence or delivery planning. However, the cost has been assessed as ‘No pass’ the high-level scrutiny because HAL would need to clarify whether the trials are needed for the DCO / environmental work or for construction planning, and whether the cost should be treated as an early cost or future delivery cost.

3.57 **Evidence and outputs required to support a 'Pass' result and future ex-post review:** For a future detailed assessment, HAL would provide feasibility studies, cost agreements, affected commercial business assessments, utility / mineral / waste company engagement evidence, community and rural property replacement evidence, access agreements, blue-green infrastructure evidence, environmental survey / mitigation access evidence, landowner payment basis, ground improvement trial access agreements, technical trial scope, evidence of DCO relevance, and future recovery / netting-off treatment.

Property acquisitions and site-specific assets

3.58 Property and site-specific asset costs may relate to assets, land interests or affected-party arrangements that are ultimately required before the start of operations of an expanded airport. However, the information reviewed does not clearly demonstrate that these acquisitions, option payments or access arrangements are required for the DCO milestone, or that they need to be committed during the early-cost period rather than later in the planning or delivery process. The high-level scrutiny, therefore, distinguishes between potential future need for the asset or land interest and the evidence required to support inclusion of the cost as an early expansion cost.

Property acquisition

Table 3.15: Property acquisition scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Commercial property allowance, [Redacted]	[redacted]	[redacted]	[redacted]	**No pass**	Timing / DCO need. Evidence is insufficient to demonstrate why the activity needed to be undertaken or committed during the early-cost period.
Commercial property allowance, [Redacted]	[redacted]	[redacted]	[redacted]	**No pass**	Timing / DCO need. Evidence is insufficient to demonstrate why the activity needed to be undertaken or committed during the early-cost period.
Commercial property allowance, [Redacted]	[redacted]	[redacted]	[redacted]	**No pass**	Timing / DCO need. Evidence is insufficient to demonstrate why the activity needed to be undertaken or

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
					committed during the early-cost period.
Commercial property allowance, [Redacted]	[redacted]	[redacted]	[redacted]	**No pass**	Timing / DCO need. Evidence is insufficient to demonstrate why the activity needed to be undertaken or committed during the early-cost period.
Commercial property allowance, [Redacted]	[redacted]	[redacted]	[redacted]	**No pass**	Timing / DCO need. Evidence is insufficient to demonstrate why the activity needed to be undertaken or committed during the early-cost period.
Commercial property allowance, [Redacted]	[redacted]	[redacted]	[redacted]	**No pass**	Timing / DCO need. Evidence is insufficient to demonstrate why the activity needed to be undertaken or committed during the early-cost period.
Commercial property allowance, [Redacted]	[redacted]	[redacted]	[redacted]	**No pass**	Timing / DCO need. Evidence is insufficient to demonstrate why the activity needed to be undertaken or committed during the early-cost period.
Commercial property allowance, [Redacted]	[redacted]	[redacted]	[redacted]	**No pass**	Timing / DCO need. Evidence is insufficient to demonstrate why the activity needed to be undertaken or committed during the early-cost period.
Commercial property allowance, [Redacted]	[redacted]	[redacted]	[redacted]	**No pass**	Timing / DCO need. Evidence is insufficient to demonstrate why the activity needed to be undertaken or committed during the early-cost period.
Commercial property allowance, [Redacted]	[redacted]	[redacted]	[redacted]	**No pass**	Timing / DCO need. Evidence is insufficient to demonstrate why the activity needed to

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
					be undertaken or committed during the early-cost period.
Total	**0.0**	**26.5**	**26.5**	NA	

Source: Steer analysis of HAL submissions

Scrutiny notes

3.59 **Commercial property allowance, [Redacted]:** The cost appears related to finding a [Redacted]. The cost has been assessed as 'No pass' because HAL would need to provide evidence this activity is needed this early. Evidence we would expect to see to demonstrate early need include: the option terms, timing, valuation basis, refundability, alternatives considered and future recovery treatment.

3.60 **Commercial property allowance, [Redacted]:** The cost likely supports a [Redacted]. It has been assessed as 'No pass' because HAL would need to explain why this activity is needed this early. Evidence we would expect to see to justify early need include: the basis of the cost, why it is needed now, and whether it would be netted off or excluded from any future claim.

3.61 **Commercial property allowance, [Redacted]:** The cost is likely linked to the expansion footprint of [Redacted]. It has been assessed as 'No pass' because HAL would need to explain the scope, land rights, valuation basis and how this relates to Procure the Space.

3.62 **Commercial property allowance, [Redacted]:** The cost is likely linked to a [Redacted]. It has been assessed as 'No pass' because HAL would need to provide the basis of estimate, terms, timing, valuation evidence, alternatives considered and future recovery treatment.

3.63 **Commercial property allowance, [Redacted]:** The cost has been assessed as 'No pass' because HAL would need to show why this site is needed now, and why it could not be dealt with later through another agreement or compulsory acquisition. HAL would also need to explain whether the cost would be netted off any future acquisition claim.

3.64 **Commercial property allowance, [Redacted]:** This is the [Redacted]. The cost has been assessed as 'No pass' because HAL would need to provide strong evidence on why it is needed now, the option terms, valuation basis, alternatives considered and future recovery treatment.

3.65 **Commercial property allowance, [Redacted]:** The cost is likely linked to a [Redacted]. It has been assessed as 'No pass' because HAL would need to explain timing, terms, valuation basis and whether costs are recoverable or deductible from future claims.

3.66 **Commercial property allowance, [Redacted]:** The cost may be important for [Redacted]. It has been assessed as 'No pass' because HAL would need to explain the terms, alternatives considered, valuation basis and how this relates to wider BAU / H8 / expansion property work.

3.67 **Commercial property allowance, [Redacted]:** The cost has been assessed as 'No pass' because the information reviewed describes this as a [Redacted]. HAL should clarify the nature of the [Redacted] activity, the legal and commercial basis for [Redacted], the link to the DCO / expansion programme, why the payment is needed during the early-cost period, and what alternatives were considered.

3.68 **Commercial property allowance, [Redacted]:** As with [Redacted], The cost has been assessed as 'No pass' because HAL would need to explain the link to expansion, why payment is needed now, the legal basis and why this is efficient.

3.69 **Evidence and outputs required to support a 'Pass' result and future ex-post review:** To support a future detailed assessment, HAL would need to provide land option agreements, option terms, valuation evidence, site-specific need cases, alternatives assessments, refundability / recoverability assumptions, future recovery or netting-off treatment, utility diversion interface evidence, [Redacted], affected-party replacement rationale, [Redacted], and legal / commercial evidence for quarry-related payments.

Site-specific assets

Table 3.16: Site-specific assets scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
CLC acquisition	0.0	56.5	56.5	**No pass**	Timing / DCO need. Evidence is insufficient to demonstrate why the activity needed to be undertaken or committed during the early-cost period.

Source: Steer analysis of HAL submissions

<u>Scrutiny notes</u>

3.70 **CLC acquisition:** This appears more linked to future delivery / logistics than to the planning application. The cost has been assessed as 'No pass' because HAL would need to provide strong evidence on why the acquisition is needed now, why it is an expansion early cost vs H8 or H7 business-as-usual, what alternatives were considered, and how it would be treated in future recovery.

3.71 **Evidence and outputs required to support a 'Pass' result and future ex-post review:** To support a future detailed assessment, HAL would need to provide the acquisition business case, purchase price and transaction cost breakdown, logistics use case, options appraisal and future recovery / RAB treatment.

Opex and other costs

Regulatory fees

Table 3.17: Regulatory fees scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
CAA Fees	4.4	0.0	4.4	**Pass**	Fulfils all the tests.

Source: Steer analysis of HAL submissions

Scrutiny notes

3.72 **CAA Fees:** Regulatory fees may be attributable to the CAA's scrutiny of expansion early costs. The cost has been assessed as 'Pass' on the basis that it relates to regulatory activity associated with the early-cost scrutiny, subject to confirmation of incrementality. For future detailed assessment, HAL would confirm the basis of the fee, the relevant charging or recovery mechanism, and whether the cost is incremental to H8 fees or other CAA / licence cost recovery arrangements.

3.73 **Evidence and outputs required to support a future ex-post review:** HAL would provide the basis of the fee, the relevant CAA charging or recovery mechanism, the period covered, and evidence that the cost is directly attributable to expansion early-cost activity.

Security and safeguarding

Table 3.18: Personal security and infrastructure security scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
[Redacted]	[redacted]	[redacted]	[redacted]	**No pass**	Timing / DCO need. Evidence is insufficient to demonstrate why the activity needed to be undertaken or committed during the early-cost period.
[Redacted]	[redacted]	[redacted]	[redacted]	**No pass**	Timing / DCO need. Evidence is insufficient to demonstrate why the activity needed to be undertaken or committed during the early-cost period.
Total	**1.2**	**0.0**	**1.2**	NA	

Source: Steer analysis of HAL submissions

Scrutiny notes

3.74 [Redacted]**:** The cost has been assessed as 'No Pass'. This cost could potentially be justified if related to specific expansion-related risks, but the current scope does not clearly evidence DCO need or efficiency. To support future detailed review, HAL would explain why this is an expansion early cost rather than normal [Redacted].

3.75 [Redacted]**:** The cost has been assessed as 'No Pass'. This cost could potentially be related to expansion activity, but HAL would need to demonstrate why this is an efficient early expansion cost rather than normal [Redacted]. The current evidence does not clearly demonstrate DCO need.

3.76 **Evidence and outputs required to support a 'Pass' result and future ex-post review:** To support a future assessment, HAL would provide a security risk assessment, close protection provision, incident / threat evidence, cost build-up and duration, allocation rationale, protest risk assessment, security resource plan, incident prevention / response arrangements, cost build-up and supplier basis, and evidence of incremental expansion-related need.

Digital consultation and communications

Table 3.19: Digital consultation and communications scrutiny

HAL Category	July 2025 submission (£m, 2024 CPI)	May 2026 submission (£m, 2024 CPI)	Total HAL submission (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Expansion Website / Microsite (Digital)	[redacted]	[redacted]	[redacted]	Pass	Fulfils all the tests.

Source: Steer analysis of HAL submissions

Scrutiny notes

3.77 **Expansion Website / Microsite (Digital):** The website / microsite is likely DCO-relevant if used for statutory consultation or public information requirements. The cost has been assessed as 'Pass', but future detailed assessment would benefit from HAL to confirm the role of the website in the DCO process and provide the delivery outputs.

3.78 **Evidence and outputs required to support a future ex-post review:** To support a future detailed assessment, HAL would provide evidence of the expansion website / microsite, consultation document hosting, public information pages, analytics / engagement reporting and accessibility-compliant digital outputs.

HAL scrutiny summary

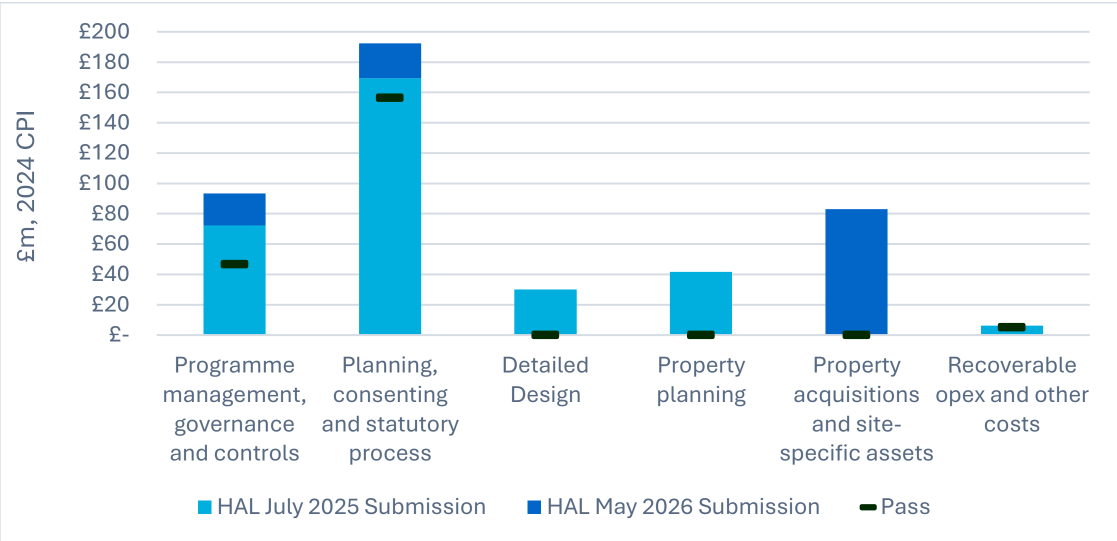
3.79 The scrutiny of the early expansion costs that HAL submitted to the CAA indicates that a number of early-cost activities 'Pass' the technical scrutiny tests on the basis of the information reviewed. These are primarily activities linked to DCO preparation, programme mobilisation, scheme development, planning, consenting, airspace change and digital consultation.

3.80 However, several material cost lines have been assessed as 'No Pass'. This includes costs where the information reviewed does not sufficiently demonstrate need in the early-cost period; where the scope and outputs are not sufficiently clear; or where there is a potential overlap or double-recovery risk. This is particularly relevant for programme accommodation, programme systems, programme contingency, Modernising Heathrow reallocations, property-related costs, the CLC acquisition, non-airport design development, and security-related costs.

3.81 A 'No pass' result does not necessarily mean that the underlying activity is unnecessary or inefficient. In several cases, the result reflects insufficient or insufficiently mature information to confirm whether the cost meets the technical scrutiny tests. The evidence and outputs identified in the relevant sections set out the information that would be required to support a 'Pass' result and future ex-post review.

3.82 The scrutiny results in £208.1m (2024 CPI) related to cost elements that pass the high-level scrutiny tests, out of £450.3m (2024 CPI) in HAL's submissions. The full £208.1m relates to the July 2025 submission of £319.8m (2024 CPI). No costs from the May 2026 submission of £130.5m (2024 CPI) have been assessed as 'Pass' under the technical scrutiny framework on the basis of the information reviewed. The chart below shows the costs submitted by HAL by category, and the amount that has been assessed as 'Pass'.

Figure 3.1: HAL submitted costs by bespoke harmonised category



Source: Steer analysis of HAL submissions

3.83 The tables below summarise the scrutiny results for each subcategory.

Table 3.20: HAL scrutiny results - Tests

Bespoke harmonised category	Bespoke harmonised subcategory	HAL's category equivalent	Needed at DCO milestone or start of operations	Criticality	Needed in 2025-2026	Basis of the cost build up	Duplication / double-recovery risk	Alternative options	Scope and output baseline	Scrutiny result
Programme management, governance and controls	Central programme costs	Business Case(s)	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		People	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Programme Accommodation	DCO Approval	Not critical	Yes	No	No	No	Not clear	**Does not pass**
		Central Programme Strategy	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
	Programme Management Office	Governance	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Programme Control	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Programme Systems	DCO Approval	Critical	Yes	No	No	No	Not clear	**Does not pass**
	Programme procurement	Programme Procurement	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
	Programme contingency	Programme Contingency	DCO Approval	Not critical	Yes	Yes	Yes	Not Applicable	Clear	**Does not pass**
	MH programme management reallocation	Modernising Heathrow, programme management	DCO Approval	Critical	Yes	No	Yes	No	Not clear	**Does not pass**
Planning, consenting	Masterplan / requirements	Concept Guardian	DCO Approval	Critical	Yes	No	No	No	Not clear	**Does not pass**

Bespoke harmonised category	Bespoke harmonised subcategory	HAL's category equivalent	Needed at DCO milestone or start of operations	Criticality	Needed in 2025-2026	Basis of the cost build up	Duplication / double-recovery risk	Alternative options	Scope and output baseline	Scrutiny result
and statutory process		Deliverability	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Scheme Definition	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Masterplan Strategy	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
	Scheme development	Site Characterisation / Surveys	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Design & Engineering 2025	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Airfield Infrastructure	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Airport Related Development	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Community Assets	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Earthworks	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Environmental	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Major Utilities	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Passenger Infrastructure	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**

Bespoke harmonised category	Bespoke harmonised subcategory	HAL's category equivalent	Needed at DCO milestone or start of operations	Criticality	Needed in 2025-2026	Basis of the cost build up	Duplication / double-recovery risk	Alternative options	Scope and output baseline	Scrutiny result
		Site Characterisation / Surveys	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Surface Access - Technical	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
	Planning	Consenting	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Consenting Process & Strategy	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Engagement	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Legal / Advisory	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		National Policy Statement Support	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
		Property Referencing / Negotiation	DCO Approval	Critical	Yes	Yes	Yes	No	Clear	**Does not pass**
		Surface Access - Planning/DCO	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
	Airspace change	Airspace Change	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
	MH DCO consent reallocation	Modernising Heathrow, DCO consent costs	DCO Approval	Critical	Yes	No	Yes	No	Not clear	**Does not pass**

Bespoke harmonised category	Bespoke harmonised subcategory	HAL's category equivalent	Needed at DCO milestone or start of operations	Criticality	Needed in 2025-2026	Basis of the cost build up	Duplication / double-recovery risk	Alternative options	Scope and output baseline	Scrutiny result
Detailed Design	Non-airport design development	Non-Airport Design Development	DCO Approval	Not critical	No	No	Yes	No	Not clear	**Does not pass**
Property planning	Procure the space	Expanded Airfield, Procure the Space	DCO Approval	Critical	Yes	Yes	Yes	No	Clear	**Does not pass**
	Land assembly and affected-party strategy	Commercial property allowance, feasibility studies / cost agreements	DCO Approval	Critical	Yes	Yes	Yes	No	Clear	**Does not pass**
		Commercial property allowance, blue-green infrastructure access agreements	DCO Approval	Critical	Yes	Yes	Yes	No	Clear	**Does not pass**
		Commercial property allowance, ground improvement trials	Start of operations but not required for DCO	Not critical	Yes	No	Yes	No	Not clear	**Does not pass**
Property acquisitions and site-specific assets	Property acquisition	Commercial property allowance, [Redacted]	Start of operations but not required for DCO	Critical	Yes	Yes	Yes	No	Clear	**Does not pass**

Bespoke harmonised category	Bespoke harmonised subcategory	HAL's category equivalent	Needed at DCO milestone or start of operations	Criticality	Needed in 2025-2026	Basis of the cost build up	Duplication / double-recovery risk	Alternative options	Scope and output baseline	Scrutiny result
		Commercial property allowance, [Redacted]	Start of operations but not required for DCO	Critical	Yes	Yes	Yes	No	Clear	**Does not pass**
		Commercial property allowance, [Redacted]	Start of operations but not required for DCO	Critical	Yes	Yes	Yes	No	Clear	**Does not pass**
		Commercial property allowance, [Redacted]	Start of operations but not required for DCO	Critical	Yes	Yes	Yes	No	Clear	**Does not pass**
		Commercial property allowance, [Redacted]	Start of operations but not required for DCO	Critical	Yes	Yes	Yes	No	Clear	**Does not pass**
		Commercial property allowance, [Redacted]	Start of operations but not required for DCO	Critical	Yes	Yes	Yes	No	Clear	**Does not pass**
		Commercial property allowance, [Redacted]	Start of operations but not required for DCO	Critical	Yes	Yes	Yes	No	Clear	**Does not pass**

Bespoke harmonised category	Bespoke harmonised subcategory	HAL's category equivalent	Needed at DCO milestone or start of operations	Criticality	Needed in 2025-2026	Basis of the cost build up	Duplication / double-recovery risk	Alternative options	Scope and output baseline	Scrutiny result
		Commercial property allowance, [Redacted]	Start of operations but not required for DCO	Critical	Yes	Yes	Yes	No	Clear	**Does not pass**
		Commercial property allowance, [Redacted]	Start of operations but not required for DCO	Not critical	No	No	Yes	No	Not clear	**Does not pass**
		Commercial property allowance, [Redacted]	Start of operations but not required for DCO	Not critical	No	No	Yes	No	Not clear	**Does not pass**
	Site-specific assets	CLC acquisition	Start of operations but not required for DCO	Not critical	No	No	Yes	No	Not clear	**Does not pass**
Opex and other costs	Regulatory fees	CAA Fees								**Pass**
	[Redacted]	[Redacted]	DCO Approval	Not critical	No	No	Yes	No	Not clear	**Does not pass**
	[Redacted]	[Redacted]	DCO Approval	Not critical	No	No	Yes	No	Not clear	**Does not pass**
	Digital consultation and	Expansion Website /	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**

Bespoke harmonised category	Bespoke harmonised subcategory	HAL's category equivalent	Needed at DCO milestone or start of operations	Criticality	Needed in 2025-2026	Basis of the cost build up	Duplication / double-recovery risk	Alternative options	Scope and output baseline	Scrutiny result
	communications	Microsite (Digital)								

Source: Steer analysis of HAL submissions

Table 3.21: HAL scrutiny results - Costs

Bespoke harmonised category	Bespoke harmonised subcategory	HAL's cost subcategory	HAL July '25 submission (£m) (2024 CPI)	HAL May '26 submission (£m) (2024 CPI)	HAL Aggregated Submission (£m) (2024 CPI)	Scrutiny result (£m) (2024 CPI)	
Programme management, governance and controls	Central programme costs	Business Case(s)	[redacted]	[redacted]	[redacted]	Pass	[redacted]
		People	[redacted]	[redacted]	[redacted]	Pass	[redacted]
		Programme Accommodation	[redacted]	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
		Central Programme Strategy	[redacted]	[redacted]	[redacted]	Pass	[redacted]
	Programme Management Office	Governance	[redacted]	[redacted]	[redacted]	Pass	[redacted]
		Programme Control	[redacted]	[redacted]	[redacted]	Pass	[redacted]
		Programme Systems	[redacted]	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
	Programme procurement	Programme Procurement	[redacted]	[redacted]	[redacted]	Pass	[redacted]

Bespoke harmonised category	Bespoke harmonised subcategory	HAL's cost subcategory	HAL July '25 submission (£m) (2024 CPI)	HAL May '26 submission (£m) (2024 CPI)	HAL Aggregated Submission (£m) (2024 CPI)	Scrutiny result (£m) (2024 CPI)	
	Programme contingency	Programme Contingency	[redacted]	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
	MH programme management reallocation	Modernising Heathrow, programme management	-	£ 21.00	£ 21.00	**Does not pass**	**Not Applicable**
Planning, consenting and statutory process	Masterplan / requirements	Concept Guardian	[redacted]	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
		Deliverability	[redacted]	[redacted]	[redacted]	**Pass**	[redacted]
		Scheme Definition	[redacted]	[redacted]	[redacted]	**Pass**	[redacted]
		Masterplan Strategy	[redacted]	[redacted]	[redacted]	**Pass**	[redacted]
	Scheme development	Site Characterisation / Surveys	[redacted]	[redacted]	[redacted]	**Pass**	[redacted]
		Design & Engineering 2025	[redacted]	[redacted]	[redacted]	**Pass**	[redacted]
		Airfield Infrastructure	[redacted]	[redacted]	[redacted]	**Pass**	[redacted]
		Airport Related Development	[redacted]	[redacted]	[redacted]	**Pass**	[redacted]
		Community Assets	[redacted]	[redacted]	[redacted]	**Pass**	[redacted]
		Earthworks	[redacted]	[redacted]	[redacted]	**Pass**	[redacted]

Bespoke harmonised category	Bespoke harmonised subcategory	HAL's cost subcategory	HAL July '25 submission (£m) (2024 CPI)	HAL May '26 submission (£m) (2024 CPI)	HAL Aggregated Submission (£m) (2024 CPI)	Scrutiny result (£m) (2024 CPI)	
		Environmental	[redacted]	[redacted]	[redacted]	Pass	[redacted]
		Major Utilities	[redacted]	[redacted]	[redacted]	Pass	[redacted]
		Passenger Infrastructure	[redacted]	[redacted]	[redacted]	Pass	[redacted]
		Site Characterisation / Surveys	[redacted]	[redacted]	[redacted]	Pass	[redacted]
		Surface Access - Technical	[redacted]	[redacted]	[redacted]	Pass	[redacted]
	Planning	Consenting	[redacted]	[redacted]	[redacted]	Pass	[redacted]
		Consenting Process & Strategy	[redacted]	[redacted]	[redacted]	Pass	[redacted]
		Engagement	[redacted]	[redacted]	[redacted]	Pass	[redacted]
		Legal / Advisory	[redacted]	[redacted]	[redacted]	Pass	[redacted]
		National Policy Statement Support	[redacted]	[redacted]	[redacted]	Pass	[redacted]
		Property Referencing / Negotiation	[redacted]	[redacted]	[redacted]	Does not pass	Not Applicable
		Surface Access - Planning/DCO	[redacted]	[redacted]	[redacted]	Pass	[redacted]
	Airspace change	Airspace Change	[redacted]	[redacted]	[redacted]	Pass	[redacted]

Bespoke harmonised category	Bespoke harmonised subcategory	HAL's cost subcategory	HAL July '25 submission (£m) (2024 CPI)	HAL May '26 submission (£m) (2024 CPI)	HAL Aggregated Submission (£m) (2024 CPI)	Scrutiny result (£m) (2024 CPI)	
	MH DCO consent reallocation	Modernising Heathrow, DCO consent costs	-	£ 23.00	£ 23.00	**Does not pass**	**Not Applicable**
Detailed Design	Non-airport design development	Non-Airport Design Development	[redacted]	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
Property planning	Procure the space	Expanded Airfield, Procure the Space	[redacted]	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
	Land assembly and affected-party strategy	Commercial property allowance, feasibility studies / cost agreements	[redacted]	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
		Commercial property allowance, blue-green infrastructure access agreements	-	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
		Commercial property allowance, ground improvement trials	-	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
Property acquisitions and site-specific assets	Property acquisition	Commercial property allowance, [Redacted]	-	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
		Commercial property allowance, [Redacted]	-	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
		Commercial property allowance, [Redacted]	-	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
		Commercial property allowance, [Redacted]	-	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
		Commercial property allowance, [Redacted]	-	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
		Commercial property allowance, [Redacted]	-	[redacted]	[redacted]	**Does not pass**	**Not Applicable**

Bespoke harmonised category	Bespoke harmonised subcategory	HAL's cost subcategory	HAL July '25 submission (£m) (2024 CPI)	HAL May '26 submission (£m) (2024 CPI)	HAL Aggregated Submission (£m) (2024 CPI)	Scrutiny result (£m) (2024 CPI)	
		Commercial property allowance, [Redacted]	-	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
		Commercial property allowance, [Redacted]	-	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
		Commercial property allowance, [Redacted]	-	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
		Commercial property allowance, [Redacted]	-	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
	Site-specific assets	CLC acquisition	-	£ 56.50	£ 56.50	**Does not pass**	**Not Applicable**
Opex and other costs	Regulatory fees	CAA Fees	£ 4.41	-	£ 4.41	**Pass**	**£ 4.41**
	[Redacted]	[Redacted]	[redacted]	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
	[Redacted]	[Redacted]	[redacted]	[redacted]	[redacted]	**Does not pass**	**Not Applicable**
	Digital consultation and communications	Expansion Website / Microsite (Digital)	[redacted]	[redacted]	[redacted]	**Pass**	[redacted]
TOTAL			**£ 319.82**	**£ 130.50**	**£ 450.32**	**-**	**£ 208.11**
Percentage of scrutiny Pass results			**65%**	**0%**	**46%**	**-**	**-**

Source: Steer analysis of HAL submissions

Property acquisitions

3.84 For property-related costs, the high-level scrutiny recognises that preparatory work may be required to develop a DCO application and support the compulsory acquisition case. However, it is not an absolute requirement to acquire land or properties ahead of obtaining the DCO. The evidence reviewed does not clearly demonstrate why the relevant acquisitions, option payments or access arrangements need to be incurred or committed during the early-cost period (i.e. before DCO approval), rather than later in the planning or delivery process.

3.85 The CAA may therefore wish to consider the appropriate balance between:

- allowing costs before DCO approval (and accepting the risk that costs may be ”sunk” if approval is not granted), and
- facilitating a shorter delivery period for expansion if the DCO is granted.

3.86 The category “Property acquisitions and site-specific assets”, which accounts for £83.0m (2024 CPI), has been assessed as ‘No pass’ in the high-level scrutiny because the information reviewed does not provide sufficient evidence to determine whether the acquisition decisions, timing and associated costs are appropriate for inclusion as early expansion costs.

Future provision of evidence

3.87 The overall test result does not determine the regulatory treatment of the submitted early costs. Where costs have been assessed as ‘No pass’ in the high-level scrutiny, this does not necessarily mean that the underlying activity is unnecessary or inefficient. In many cases, not passing reflects the need for further evidence, including clearer activity-level breakdowns, scope and output baselines, reconciliation with other HAL workstreams and confirmation of future recovery treatment.

3.88 To support a ‘Pass’ result and future ex-post review, HAL would provide further evidence in relation to:

- the boundary between early expansion costs, H8 expenditure, and business-as-usual activity;
- the basis for the Modernising Heathrow reallocations, including original cost breakdowns and evidence of the synergies in developing a single-DCO;
- the scope, timing and outputs of property-related costs, including option payments, access agreements and affected-party strategy;
- the basis for the CLC acquisition, including timing, alternatives and future recovery / RAB treatment;
- the basis for contingency and whether it duplicates risks already included in other lines;
- the scope and outputs for non-airport design development; and
- the allocation of security-related costs to expansion early-cost activity.

4 HWL early expansion costs scrutiny

Overview

4.1 This chapter presents Steer's high-level scrutiny of HWL's early expansion costs. The scrutiny is based on the information provided by HWL and made available to Steer at the time of review.

4.2 HWL submitted costs of £4.3m in nominal prices with costs incurred in 2025. For the purposes of this scrutiny, these costs have been converted to 2024 CPI prices. Following this conversion, HWL's submitted costs total £4.1m in 2024 CPI prices.

4.3 HWL's submitted costs relate to activities undertaken in support of its expansion proposal, including its July 2025 proposal to DfT and subsequent responses to DfT and to the CAA questions. The submitted costs have been assessed in the context of HWL's role in the expansion process up to November 2025, which is the scrutiny period considered for HWL in this review.

4.4 The table below summarises HWL's submitted costs classified by the harmonised categories used in this scrutiny.

Table 4.1: HWL submitted costs classified by harmonised categories

Bespoke harmonised category	HWL submitted costs (£m, 2024 CPI)
Programme management, governance and controls	0.1
Planning, consenting and statutory process	1.1
Opex and other costs	3.0
Total	**4.1**

Source: Steer analysis of HWL submission

Scrutiny of early expansion costs

4.5 The scrutiny has been undertaken using the harmonised categories and subcategories. For each subcategory, the tables below present the relevant HWL cost lines, the submitted costs in 2024 CPI prices, and the scrutiny result. Values are presented to one decimal place unless the rounding result is zero.

4.6 A 'Pass' indicates that the cost line passes all the technical scrutiny tests on the basis of the information reviewed. A 'No pass' indicates that the cost line does not pass one or more of the scrutiny tests on the basis of the information reviewed.

This does not determine the regulatory treatment of the cost, which remains a matter for the CAA.

4.7 For each cost line, the rationale column provides a short explanation of the testing result. Where relevant, the scrutiny identifies evidence that would support future traceability, including the link between submitted costs, outputs produced and any future use of those outputs.

Programme management, governance and controls

Cost estimating and commercial analysis

Table 4.2: Cost estimating and commercial analysis scrutiny

HWL Category	HWL submitted costs (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Programme Management, Estimating	[redacted]	Pass	Activity appears relevant on the basis of the information reviewed.

Source: Steer analysis of HWL submission

Scrutiny notes

4.8 **Programme Management, Estimating:** Estimating work supported HWL's expansion proposal and responses to DfT / CAA questions. The cost has been assessed as 'Pass'.

4.9 **Evidence and outputs required to support a future ex-post review:** A future detailed review would benefit from HWL providing the scheme cost analysis, cost estimating outputs, commercial analysis, supporting cost evidence, and responses to DfT / CAA questions associated with this cost.

Programme schedule and phasing

Table 4.3: Programme schedule and phasing scrutiny

HWL Category	HWL submitted costs (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Programme Management, Schedule design	[redacted]	Pass	Fulfils all the tests.

Source: Steer analysis of HWL submission

Scrutiny notes

4.10 **Programme Management, Schedule design:** Schedule development supported HWL's expansion proposal and responses to DfT / CAA questions, including construction and sequencing assumptions. The cost has been assessed as 'Pass'.

4.11 **Evidence and outputs required to support a future ex-post review:** to support a future detailed review, HWL would provide programme schedule development outputs, construction sequencing assumptions, phasing analysis, programme assumptions and supporting responses to DfT / CAA questions.

Planning, consenting and statutory process

Masterplan / requirements

Table 4.4: Masterplan / requirements scrutiny

HWL Category	HWL submitted costs (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Planning and Design, Master planning	[redacted]	**Pass**	Fulfils all the tests.

Source: Steer analysis of HWL submission

Scrutiny notes

4.12 **Planning and Design, Master planning:** Masterplanning work supported HWL's expansion proposal and associated responses to DfT / CAA questions. The cost has been assessed as 'Pass'.

4.13 **Evidence and outputs required to support a future ex-post review:** to support a future detailed review, HWL would provide masterplanning outputs, requirements development, layout assumptions, scheme option material and supporting responses to DfT / CAA questions.

Scheme development

Table 4.5: Scheme development scrutiny

HWL Category	HWL submitted costs (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Planning and Design, Engineering design	[redacted]	**Pass**	Fulfils all the tests.

Source: Steer analysis of HWL submission

Scrutiny notes

4.14 **Planning and Design, Engineering design:** Engineering design work supported HWL's expansion proposal and responses to DfT / CAA questions. HWL has stated that these costs related to terminal design, surface access, runway design, airspace design and responses to DfT / CAA questions. The cost has been assessed as 'Pass'.

4.15 **Evidence and outputs required to support a future ex-post review:** a future detailed assessment would benefit from HWL should provide or cross-reference the relevant terminal design assumptions, surface access design assumptions, runway design assumptions, airspace design inputs and engineering responses to DfT / CAA questions, including evidence provided as part of Phase 1 where relevant. Where the scheme, assumptions or questions have changed since Phase 1, HWL should identify which outputs remain reusable, which have been superseded, and what further work would be required to support future scrutiny or proposal development. Planning

Table 4.6: Planning scrutiny

HWL Category	HWL submitted costs (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Planning and Design, Environmental assessments	[redacted]	**Pass**	Fulfils all the tests.

Source: Steer analysis of HWL submission

Scrutiny notes

4.16 **Planning and Design, Environmental assessments:** Environmental assessment work supported HWL's expansion proposal and responses to DfT / CAA questions. HWL has stated that these costs related to noise modelling, noise reports and data, air quality data, air quality modelling and responses to DfT / CAA questions. The cost has been assessed as 'Pass'.

4.17 **Evidence and outputs required to support a future ex-post review:** to support a future detailed review HWL would provide noise modelling, noise reports and data, air quality data, air quality modelling and environmental assessment responses to DfT / CAA questions.

Planning consultants

Table 4.7: Planning consultants' scrutiny

HWL Category	HWL submitted costs (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Professional and Legal Services, Planning consultants	[redacted]	**Pass**	Fulfils all the tests.

Source: Steer analysis of HWL submission

Scrutiny notes

4.18 **Professional and Legal Services, Planning consultants:** Planning advice supported HWL's expansion proposal and responses to DfT / CAA questions. HWL has stated that these costs related to third-party advice on the planning implications of its expansion plans and responses to DfT / CAA questions. The cost has been assessed as 'Pass'.

4.19 **Evidence and outputs required to support a future ex-post review:** a future detailed review would require HWL to provide planning advice, planning implications analysis, planning strategy support and responses to DfT / CAA questions.

Legal services

Table 4.8: Legal services scrutiny

HWL Category	HWL submitted costs (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Professional and Legal Services, Legal services	[redacted]	**Pass**	Fulfils all the tests.

Source: Steer analysis of HWL submission

Scrutiny notes

4.20 **Professional and Legal Services, Legal services:** Legal services supported HWL's expansion proposal and responses to DfT / CAA questions. HWL has stated that these costs related to legal verification of the July and November reports, planning, regulatory and competition law advice, and advice on DfT / CAA questions. The cost has been assessed as 'Pass'.

4.21 **Evidence and outputs required to support a future ex-post review:** a future detailed review would benefit from HWL to provide legal verification of promoter submissions, planning law advice, regulatory advice, competition law advice, governance advice and advice on responses to DfT / CAA questions. Further evidence on benchmarking, alternatives or efficiency testing would support any future ex-post review.

Forums and stakeholder engagement

Table 4.9: Forums and stakeholder engagement scrutiny

HWL Category	HWL submitted costs (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Stakeholder and Community Engagement, Forums	[redacted]	**Pass**	Fulfils all the tests.

Source: Steer analysis of HWL submission

Scrutiny notes

4.22 **Stakeholder and Community Engagement, Forums:** Stakeholder and community engagement supported HWL's expansion proposal and associated responses to DfT / CAA questions. HWL has stated that these costs related to advisory board time, consultation time, advice, community engagement and public relations initiatives linked to its proposal and follow-up questions. The cost has been assessed as 'Pass'.

4.23 **Evidence and outputs required to support a future ex-post review:** to support a future detailed review, HWL would need to provide advisory board time, consultation time, stakeholder meeting records, community engagement outputs, public relations activity and responses to follow-up questions. HWL should distinguish technical stakeholder engagement from wider promotion or public relations activity.

Opex and other costs

Internal staff costs

Table 4.10: Internal staff costs scrutiny

HWL Category	HWL submitted costs (£m, 2024 CPI)	Scrutiny	Rationale for testing result
Internal staff costs, salaries for staff dedicated to expansion project	[redacted]	Pass	Fulfils all the tests.

Source: Steer analysis of HWL submission

Scrutiny notes

4.24 **Internal staff costs, salaries for staff dedicated to expansion project:** Internal staff costs supported HWL's expansion proposal and responses to DfT / CAA questions. HWL has provided a high-level staff cost build-up by position, together with allowances for administration, offices, travel / subsistence and meetings. The cost has been assessed as 'Pass'.

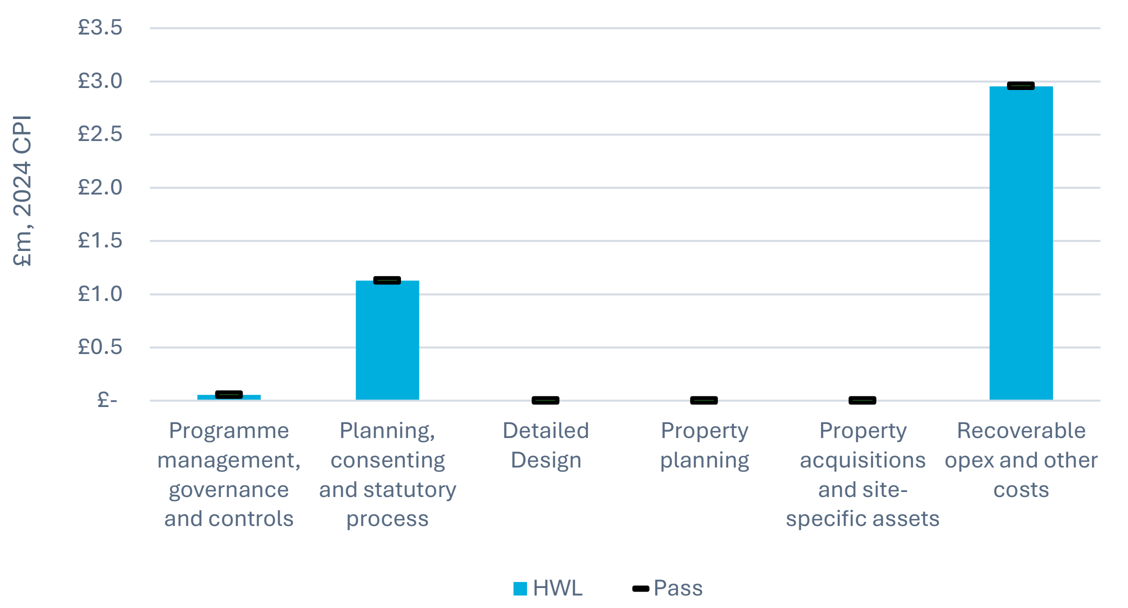
4.25 **Evidence and outputs required to support a future ex-post review:** a future detailed review would benefit from HWL providing internal salaries, administrative costs, office space, travel expenses, meeting-room hire, staff time allocation, period covered, salary / rate assumptions, evidence of incrementality and evidence linking staff time to specific outputs. This would support traceability and future ex-post review.

HWL scrutiny summary

4.26 The scrutiny indicates that HWL's submitted costs pass the technical scrutiny tests on the basis of the information reviewed. These costs relate primarily to the development of HWL's expansion proposal, including its July 2025 report / proposal to DfT and subsequent responses to DfT / CAA questions.

4.27 The scrutiny results in the full £4.1m (2024 CPI) early costs that HWL submitted meeting the scrutiny tests. The chart below shows the costs submitted by HWL by category, and the amount that has been assessed as Pass.

Figure 4.1: HWL submitted costs by Bespoke harmonised category



Source: Steer analysis of HWL submissions

4.28 The tables below summarise the scrutiny results for each subcategory.

Table 4.11: HWL scrutiny results - Tests

Bespoke harmonised category	Bespoke harmonised subcategory	HWL's category equivalent	Needed at DCO milestone or start of operations	Criticality	Needed in 2025-2026	Supporting Evidence	Duplication / double-recovery risk	Alternative options	Scope and output baseline	Scrutiny result
Programme management, governance and controls	Cost estimating and commercial analysis	Programme Management, Estimating	Start of operations but not required for DCO	Critical	Yes	Yes	No	No	Clear	**Pass**
	Programme schedule and phasing	Programme Management, Schedule design	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
Planning, consenting and statutory process	Masterplan / requirements	Planning and Design, Master planning	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
	Scheme development	Planning and Design, Engineering design	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
	Planning	Planning and Design, Environmental assessments	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
	Planning consultants	Professional and Legal Services, Planning consultants	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
	Legal services	Professional and Legal Services, Legal services	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**

Bespoke harmonised category	Bespoke harmonised subcategory	HWL's category equivalent	Needed at DCO milestone or start of operations	Criticality	Needed in 2025-2026	Supporting Evidence	Duplication / double-recovery risk	Alternative options	Scope and output baseline	Scrutiny result
	Forums and stakeholder engagement	Stakeholder and Community Engagement, Forums	DCO Approval	Critical	Yes	Yes	No	No	Clear	**Pass**
Opex and other costs	Internal staff costs	Internal staff costs, salaries for staff dedicated to expansion project	Start of operations but not required for DCO	Critical	Yes	Yes	No	No	Clear	**Pass**

Source: Steer analysis of HWL submissions

Table 4.12: HWL scrutiny results - Costs

Bespoke harmonised category	Bespoke harmonised subcategory	HWL category equivalent	HWL 2025 submission (£m) (nominal, incurred in 2025)	HWL 2025 submission (£m) (2024 CPI)	Scrutiny result (£m, 2024 CPI)	
Programme management, governance and controls	Cost estimating and commercial analysis	Programme Management, Estimating	[redacted]	[redacted]	Pass	[redacted]
	Programme schedule and phasing	Programme Management, Schedule design	[redacted]	[redacted]	Pass	[redacted]
Planning, consenting and statutory process	Masterplan / requirements	Planning and Design, Master planning	[redacted]	[redacted]	Pass	[redacted]
	Scheme development	Planning and Design, Engineering design	[redacted]	[redacted]	Pass	[redacted]
	Planning	Planning and Design, Environmental assessments	[redacted]	[redacted]	Pass	[redacted]
	Planning consultants	Professional and Legal Services, Planning consultants	[redacted]	[redacted]	Pass	[redacted]
	Legal services	Professional and Legal Services, Legal services	[redacted]	[redacted]	Pass	[redacted]
	Forums and stakeholder engagement	Stakeholder and Community Engagement, Forums	[redacted]	[redacted]	Pass	[redacted]
Opex and other costs	Internal staff costs	Internal staff costs, salaries for staff dedicated to expansion project	£ 3.05	£ 2.95	Pass	**£ 2.95**
TOTAL			**£ 4.28**	**£ 4.14**	-	**£ 4.14**
Percentage of scrutiny Pass results			**100%**	**100%**	-	-

Source: Steer analysis of HWL submissions

Future provision of evidence

4.29 The overall scrutiny result does not determine the regulatory treatment of the submitted costs. The CAA may wish to consider the extent to which outputs from HWL's proposal development remain relevant or reusable, and whether further evidence is required to support future traceability and ex-post review.

4.30 To support the CAA's further consideration of HWL's costs, HWL would provide further evidence in relation to:

- the specific outputs produced by each cost line;
- the link between staff costs and specific outputs;
- the basis for salary, rate, overhead and allowance assumptions;
- the distinction between technical stakeholder engagement and wider promotion or public relations activity;
- the extent to which outputs remain reusable, partially reusable, or superseded; and
- the appropriate regulatory treatment of costs incurred in relation to HWL's proposal development.

Appendices

A Document register

A.1 This appendix provides the full list of documents reviewed as part of the early costs' scrutiny. The register supports traceability between the evidence reviewed, the reconciliation of promoter submissions and the scrutiny of individual cost lines.

A.2 The documents listed below include promoter submissions, CAA publications, previous HETA material, pre-2020 Heathrow expansion material, and subsequent evidence provided in relation to pre-2020 expansion expenditure. Inclusion in the document register does not imply that the document provides sufficient evidence to support any individual cost line. Where evidence is incomplete, unclear or not sufficiently disaggregated, this is identified in the relevant scrutiny section.

Table A.1: Documents reviewed as part of the early costs' scrutiny

Document title	Source	Date / period	Relevance to the scrutiny
Promoter responses to CAA questions and clarification requests	HAL / HWL	June 2026	Provides additional clarification on the scope, timing, evidence base, price base and rationale for submitted costs, where available.
Modernising Heathrow need scrutiny working note	Steer / CAA	June 2026	Provides context on Modernising Heathrow, including programme scope, timing, need scrutiny approach and potential interfaces with early expansion costs.
HAL further submission / re-baselined early expansion cost position	HAL	May 2026	Provides HAL's updated early expansion cost position, including additional costs, reallocations and further requests relative to the original £320.0m submission.
CAA draft decision on the regulatory treatment of early expansion costs, CAP3238	CAA	April 2026	Sets out the CAA's draft decision on early expansion costs, including proposed treatment of HAL and HWL costs and early cost caps.

Document title	Source	Date / period	Relevance to the scrutiny
Proposed licence modification associated with CAP3238, CAP3238B	CAA	April 2026	Provides the proposed licence framework associated with the CAA's draft decision on early expansion costs.
Government policy material relating to the ANPS / HENPS review	Department for Transport	2025-2026	Provides policy context for Heathrow expansion and DCO-related activity.
HAL early expansion cost submission supporting the £320.0m cap	HAL	July 2025 / 2025-2026 period	Provides the main HAL cost submission reviewed in this scrutiny.
HAL supporting breakdown for the £320.0m early cost submission	HAL	July 2025 / 2025-2026 period	Provides supporting information on the composition of HAL's early expansion costs and the basis for reconciliation and mapping.
HWL early expansion cost submission supporting the £4.3m cap	HWL	Costs incurred up to November 2025	Provides the main HWL cost submission reviewed in this scrutiny.
HWL information on costs potentially incurred after November 2025	HWL	November 2025 to December 2026, where available	Provides information relevant to any scrutiny of HWL costs beyond November 2025, subject to CAA position on the eligible cost recovery period.
HAL information on Modernising Heathrow, where relevant to early expansion costs	HAL	H8 Business Plan and subsequent information	Provides contextual information on potential overlap, incrementality and boundary issues between early expansion costs, H8 expenditure and Modernising Heathrow activity.
Initial technical and cost efficiency assessment of capex expansion plans for Heathrow Airport	Steer / CAA	CAP3238A	Provides context on Heathrow expansion proposals, scheme maturity, technical workstreams and previous technical assessments for the CAA.

Document title	Source	Date / period	Relevance to the scrutiny
CAA-H7-355 - 2019 Q1 2020 Cat B Spend Report - issued	HAL	14 July 2020	Provides supporting narrative for HAL's 2019 and Q1 2020 Category B expenditure, including planning, consenting, design, community and stakeholder, ground investigation, property and surface access activity.
CAA-H7-354 - 2019 Cat B Statement restated - issued	HAL	2019 / Q1 2020	Provides the restated statement of Category B costs for 2019 and Q1 2020.
CAA-H7-354a - 2019 Cat B Source Detail - issued	HAL	2019 / Q1 2020	Provides supporting source detail for the 2019 Category B statement.
CAA-IPCR19-011 - 2019 Cat B Colleague costs	HAL	2019	Provides detail on colleague costs associated with 2019 Category B activity.
CAA-H7-349 Category C Expenditure Report - Issued	HAL	6 July 2020	Provides a cost overview of Heathrow Expansion Category C expenditure from 2017 to Q1 2020, excluding property-related activity.
CAA-H7-350 Category C Property Expenditure Report - issued	HAL	6 July 2020	Provides an overview of Category C property-related spend incurred up to Q1 2020, including major commercial acquisitions, residential compensation, other commercial property and seeking agreement.
CAA-H7-347 Category C Statement 2017-2020 - issued	HAL	2017 to Q1 2020	Provides the Category C statement for 2017 to Q1 2020.
CAA-H7-347b - Cat C Capex Detail - 2018	HAL	2018	Provides detailed Category C capex information for 2018.
CAA-H7-347c - Cat C Capex Detail - 2017	HAL	2017	Provides detailed Category C capex information for 2017.
CAA-H7-347c - Cat C Capex Detail - 2019	HAL	2019	Provides detailed Category C capex information for 2019.

Document title	Source	Date / period	Relevance to the scrutiny
CAA-H7-348e Colleague Costs 2017-Q1 20 - Issued	HAL	2017 to Q1 2020	Provides colleague cost information for the 2017 to Q1 2020 expansion period.
CAA-IPCR19-006 - 20181214 - Expansion CAT B Budget 2019 - Issued	HAL	14 December 2018	Provides the 2019 Category B budget for Heathrow Expansion, including planning consent and DCO-related activity.
20190328 - CBWG - Pre DCO Cat C (Shared)	HAL	28 March 2019	Provides HAL's case for pre-DCO Category C activity, including the rationale for undertaking certain activities before DCO consent and the link to the then 2026 runway opening schedule.
CAA-H7-484 - Further evidence on the efficiency of Expansion costs	HAL	23 June 2021	Provides HAL's further evidence to the CAA on the efficiency of expansion costs, including PCP resource, 2019 recruitment, Category B / C allocation, property, financial advisory, IDT, ground investigation, programme leadership and programme IT.
CAA-H7-484 - Appendix 6 - LCY11051 Feasibility MEP Scope and Fee 2018-06-20	HAL / Hurley Palmer Flatt	20 June 2018	Provides feasibility scope and fee information for BT Harmondsworth data centre MEP work. Relevant to previous work associated with affected third-party assets and relocation requirements.
CAA-H7-484 - Appendix 7 - TO5.3 PINS TR020003-000451-HTHR - Scoping Opinion	Planning Inspectorate	June 2018	Provides the Planning Inspectorate's Scoping Opinion for the proposed expansion of Heathrow Airport. Relevant to previous DCO / EIA scoping requirements.
CAA-H7-484 - Appendix 8 - TO1.5 Design For DCO Update Examples of issues under consideration	HAL	24 June 2019	Provides a Design for DCO update, including level of design detail, DCO drawings, masterplan hotspots and design "chill".
CAA-H7-484 - Appendix 8a - TO1.5 Examples of zone design 20190828 SIM Paper Zone Design Update	HAL	22 / 28 August 2019	Provides examples of zone design and masterplan design / guardianship work.

Document title	Source	Date / period	Relevance to the scrutiny
CAA-H7-484 - Appendix 9 - TO1.5 20191010 HSPG Presentation - Landscape Strategy & Proposals	HAL	15 October 2019	Provides landscape strategy and proposals presented to the Heathrow Strategic Planning Group.
CAA-H7-484 - Appendix 10 - TO 3.1 3.7 20190328 OAG Agenda Minutes	HAL	28 March 2019	Provides Options Approvals Group agenda and minutes for the M4 Gateway. Relevant to previous masterplan governance and airline / CAA / DfT engagement.
CAA-H7-484 - Appendix 11 - TO 3.1. 3.7 Virgin Atlantic 13 September 2019 extract	Virgin Atlantic / HAL	13 September 2019	Provides an extract of Virgin Atlantic's response to the Heathrow Airport Expansion Consultation 2019.
CAA-H7-484 - Appendix 12 - TO 3.1 3.7 Virgin example of T3 MLP drawings to HAL	Virgin Atlantic / HAL	26 September 2019	Provides Virgin Atlantic material on T2 / T3 airfield requirements and terminal / stand capacity options.
CAA-H7-484 - Appendix 13	HAL	March 2020	Provides a work-in-progress technical note on the M25 Wraysbury Crossing, including options considered, WFD context, proposed option assessment and bridge replacement / strengthening considerations.
CAA-H7-484 - Appendix 14 - TO 4.6 Slough BC Study	HAL	11 July 2019	Provides a Design Validation Meeting pack on A3044 bus lane options and discussions with Slough Borough Council.
CAA-H7-484 - Appendix 15 - TO 3.4 20191212 DVM Paper - Railhead	HAL	12 December 2019	Provides a Design Validation Meeting pack on rail freight programme constraints and opportunities, including West Drayton junction, proposed railhead, CLC use and rail traffic forecasts.

Source: Steer

Control Information

Prepared by	Prepared for
Steer 14-21 Rushworth Street London SE1 0RB +44 20 7910 5000 www.steergroup.com	Civil Aviation Authority 11 Westferry Circus, Canary Wharf, London E14 4HD

Steer project/proposal number	Client contract/project number
24949403	Contract 3634 - 2B

Author/originator	Reviewer/approver
Fernando Ardavin	Stephen Wainwright

Other contributors	Distribution
Gonzalo Velasco	Client: Public Steer: Public

Version control/issue number	Date
V2.2	23 July 2026