

Heathrow Airport Limited 2021 actual income variance analysis for Specified Facilities

Year ended 31 December
2021

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1. Introduction

This report provides users with explanations of variances between 2021 actual results for 'Specified facilities – transparency and trading statements' document to those in the preceding regulatory year in 2020, per condition C2.6 of Heathrow's economic Licence.

In previous regulatory years (2014-2018) actual results have been compared to those included within the CAA forecast for specified facilities outlined in table G.4, page 278, 'Economic regulation at Heathrow from April 2014: Notice granting the licence'.

However, given that there is no 2021 CAA forecast for specified facilities, actual results for 2021 have been compared to the actual results in 2020.

The designation of specified facilities for Q6 is derived from Annex G in the Q6 decision as follows:

- Check-in desks
- Baggage systems
- Hold baggage screening (HBS)
- Passengers requiring support (PRS)
- Staff car parking
- Staff ID cards
- Fixed electrical ground power (FEGP)
- Pre-conditioned air (PCA)
- Airside licences
- Waste, recycling and refuse collection
- Taxi feeder park
- Heating & Gas
- Electricity
- Water and sewerage
- Bus and coach facilities
- Common I.T. infrastructure
- HAL's contribution to the funding of the Heathrow Airline Operators Committee (AOC)

The variance analysis has been made against customer share elements of the actuals for the year ended 31 December 2021.

2. Summary

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	133,641	163,941	158,011	158,364	159,097			
Annuity	27,876	35,022	33,133	31,713	30,337			
Allocated Costs	12,691	15,463	14,825	14,875	14,887			
Total Income to be recovered	174,209	214,427	205,969	204,953	204,321			
CAA Forecast (nominal prices)								
Direct Costs	144,573	178,745	175,319	181,989	188,934			
Annuity	30,157	38,152	36,730	36,413	35,996			
Allocated Costs	13,729	16,851	16,440	17,085	17,670			
Total Income to be recovered	188,459	233,748	228,489	235,488	242,600			
Prior Year Actuals								
Direct Costs						194,089	203,753	172,918
Annuity						35,996	36,919	37,472
Allocated Costs						17,669	18,121	18,393
Total Income to be recovered						247,754	258,793	228,783
Actual (Trading Statements)								
Total Income recovered	177,484	242,344	233,511	241,539	244,032	240,628	114,076	299,082
Variance	(10,974)	8,596	5,022	6,051	1,432	(7,126)	(144,717)	70,299
Adjustments in Scope	(1,050)	(4,950)	(17,428)	(14,021)	(6,785)	0	0	0
Over/(under) recovery b/f from prior year	6,594	3,564	5,499	(1,730)	(1,082)	(5,330)	(24,022)	(131,034)
(Over)/under recovery to cfwd	(3,564)	(5,499)	1,730	1,082	5,330	24,022	131,034	46,656
Variance to explain	(8,994)	1,710	(5,177)	(8,617)	(1,105)	11,566	(37,705)	(14,078)
2014 Commentary:	Driven pre-dominantly by Baggage and partly Electricity.							
2015 Commentary:	Driven pre-dominantly by Baggage and partly Electricity.							
2016 Commentary:	Driven pre-dominantly by Baggage.							
2017 Commentary:	Driven pre-dominantly by Baggage.							
2018 Commentary:	Driven pre-dominantly by PRS.							
2019 Commentary:	Driven pre-dominantly by PRM, Baggage & PCA							
2020 Commentary:	Driven pre-dominantly by Baggage, PRS, Electricity & Staff Car Parking							
2021 Commentary:	Driven pre-dominantly by Baggage & PRS							

3. Check-in Desks

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	2,943	4,008	3,997	3,739	3,751			
Annuity	463	548	518	504	358			
Allocated Costs	409	547	542	509	493			
Total Income to be recovered	3,815	5,103	5,056	4,752	4,602			
CAA Forecast (nominal prices)								
Direct Costs	3,184	4,367	4,431	4,293	4,451			
Annuity	500	597	574	578	424			
Allocated Costs	442	596	601	585	585			
Total Income to be recovered	4,127	5,559	5,605	5,456	5,460			
Prior Year Actuals								
Direct Costs						4,921	6,219	5,153
Annuity						424	435	442
Allocated Costs						585	600	609
Total Income to be recovered						6,432	7,254	6,204
Actual (Trading Statements)								
Total Income recovered	4,237	5,603	5,435	5,557	6,432	7,047	3,784	6,381
Variances (Actuals less CAA Forecast)	110	44	(170)	101	972	615	(3,470)	177
Adjustments in Scope								
Over/(under) recovery b/f from prior year	254	89	44	193	80	582	375	(2,045)
(Over)/under recovery to cfwd	(89)	(44)	(193)	(80)	(582)	(375)	2,045	1,428
Variance to explain	275	89	(320)	214	469	822	(1,050)	(440)

2014 Commentary:

Driven by higher number of CUSS kiosks deployed in T2, and associated costs.

2015 Commentary:

Driven by higher number of CUSS kiosks deployed in T2, and associated costs, offset partially by early T1 closure.

2016 Commentary:

Driven by lower CUSS management charges and closure of T1.

2017 Commentary

Driven by higher number of CUSS kiosks

2018 Commentary

Driven by higher number of CUSS kiosks

2019 Commentary

Driven by higher number of CUSS kiosks & increased services

2020 Commentary

Driven by lower number of CUSS kiosks & reduced services due to COVID-19

2021 Commentary

Driven by lower number of CUSS kiosks & reduced services due to COVID-19

4. Baggage Systems

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	85,587	100,549	95,311	97,730	98,845			
Annuity	0	0	0	0	0			
Allocated Costs	8,388	9,854	9,341	9,578	9,687			
Total Income to be recovered	93,974	110,403	104,652	107,308	108,532			
CAA Forecast (nominal prices)								
Direct Costs	92,588	109,531	105,655	112,207	117,277			
Annuity	0	0	0					
Allocated Costs	9,074	10,734	10,354	10,996	11,493			
Total Income to be recovered	101,661	120,265	116,010	123,203	128,770			
Prior Year Actuals								
Direct Costs						119,158	123,940	105,589
Annuity						0	0	0
Allocated Costs						11,493	11,787	11,964
Total Income to be recovered						132,441	135,727	117,553
Actual (Trading Statements)								
Total Income recovered	91,547	126,670	124,883	136,318	132,441	129,748	40,432	175,000
Variances (Actuals less CAA Forecast)	(10,114)	6,405	8,873	13,115	3,671	(2,693)	(95,295)	57,447
Adjustments in Scope	(1,050)	(4,950)	(16,100)	(12,257)	(3,327)			
Over/(under) recovery b/f from prior year	5,436	1,550	(1,161)	(4,638)	3,532	5,323	(669)	(77,790)
(Over)/under recovery to cfwd	(1,550)	1,161	4,638	(3,532)	(5,323)	669	77,790	11,389
Variance to explain	(7,278)	4,166	(3,749)	(7,312)	(1,446)	3,300	(18,174)	(8,954)

2014 Commentary:

Driven primarily by O&M Tender savings, and in addition negotiations on cleaning contract, rates and T3IB costs delay.

2015 Commentary:

Tender savings have continued and are included in both Actuals and CAA Forecast. Variance driven primarily by agreed recovery of baggage resilience costs, out of guage scope and gainshare on O&M Tender savings.

2016 Commentary:

Variance driven primarily by agreed recovery of baggage resilience costs, out of guage scope and gainshare on O&M Tender savings.

2017 Commentary:

Variance driven primarily by agreed recovery of baggage resilience costs & O&M Tender savings.

2018 Commentary:

Variance driven primarily by agreed recovery of incremental IT costs

2019 Commentary:

Variance driven primarily by agreed recovery of incremental IT costs

2020 Commentary

Variance driven primarily by maintenance savings and terminal consolidation

2021 Commentary

Variance driven primarily by maintenance savings and terminal consolidation

5. Hold baggage screening (HBS)

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs								
Annuity								
Allocated Costs								
Total Income to be recovered								
CAA Forecast (nominal prices)								
Direct Costs								
Annuity								
Allocated Costs								
Total Income to be recovered								
Prior Year Actuals								
Direct Costs								5,240
Annuity								0
Allocated Costs								0
Total Income to be recovered								5,240
Actual (Trading Statements)								
Total Income recovered								5,170
Variances (Actuals less CAA Forecast)								(70)
Adjustments in Scope								
Over/(under) recovery b/f from prior year							0	(201)
(Over)/under recovery to cfwd							201	17
Variance to explain							201	(254)
2021 Commentary								
Lower costs driven by lower bag volumes and terminal consolidation								

6. Passengers requiring service (PRS)

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	12,648	16,587	15,924	14,275	14,138			
Annuity	0	0	0	0	0			
Allocated Costs	506	663	637	571	566			
Total Income to be recovered	13,154	17,250	16,561	14,846	14,704			
CAA Forecast (nominal prices)								
Direct Costs	13,682	18,068	17,653	16,390	16,775			
Annuity	0	0	0	0	0			
Allocated Costs	547	723	706	656	671			
Total Income to be recovered	14,230	18,791	18,359	17,046	17,446			
Prior Year Actuals								
Direct Costs						23,498	24,383	18,919
Annuity						0	0	0
Allocated Costs						671	688	698
Total Income to be recovered						22,020	25,071	19,617
Actual (Trading Statements)								
Total Income recovered	16,233	20,673	19,782	21,589	22,020	23,792	8,572	31,004
Variances (Actuals less CAA Forecast)	2,003	1,882	1,423	4,543	4,574	1,772	(16,499)	11,387
Adjustments in Scope			(1,328)	(1,764)	(3,458)			
Over/(under) recovery b/f from prior year	(2,310)	(608)	(41)	(278)	(242)	(2,391)	(3,670)	(13,113)
(Over)/under recovery to cfwd	608	41	278	242	2,391	3,670	13,113	(1,114)
Variance to explain	301	1,315	332	2,743	3,265	3,051	(7,056)	(2,840)

2014 Commentary:

Higher costs driven by additional T2 transitioning costs and higher PRS volumes.

2015 Commentary:

Higher costs driven by higher PRS

2016 Commentary:

Higher costs driven by higher PRS volumes and associated costs. Also due to airline moves.

2017 Commentary:

Higher costs driven by higher PRS

2018 Commentary:

Higher costs driven by significantly higher PRS volumes.

2019 Commentary:

Higher costs driven by higher PRS volumes

2020 Commentary

Lower costs driven by lower PRS volumes, primarily due to COVID-19

2021 Commentary

Lower costs driven by lower PRS volumes, primarily due to COVID-19

7. Staff car parking

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	6,780	9,191	9,105	9,071	9,023			
Annuity	2,970	3,737	3,610	3,369	3,258			
Allocated Costs	1,053	1,396	1,373	1,343	1,326			
Total Income to be recovered	10,802	14,325	14,088	13,783	13,607			
CAA Forecast (nominal prices)								
Direct Costs	7,334	10,012	10,093	10,415	10,705			
Annuity	3,212	4,071	4,001	3,868	3,865			
Allocated Costs	1,139	1,521	1,522	1,542	1,574			
Total Income to be recovered	11,686	15,604	15,617	15,824	16,144			
Prior Year Actuals								
Direct Costs						11,533	12,341	9,394
Annuity						3,865	3,964	4,023
Allocated Costs						1,574	1,614	1,638
Total Income to be recovered						16,315	17,919	15,055
Actual (Trading Statements)								
Total Income recovered	13,072	17,748	16,326	14,588	16,315	15,685	10,954	16,131
Variances (Actuals less CAA Forecast)	1,387	2,144	709	(1,236)	171	(630)	(6,965)	1,076
Adjustments in Scope								
Over/(under) recovery b/f from prior year	325	755	1,943	674	(801)	(1,458)	(3,691)	(6,312)
(Over)/under recovery to cfwd	(755)	(1,943)	(674)	801	1,458	3,691	6,312	4,834
Variance to explain	956	956	1,978	239	828	1,603	(4,344)	(402)

2014 Commentary:

Driven by phasing of the savings which will be realised later in the Q, resulting from negotiation of the Bussing and Management contracts.

2015 Commentary:

CAA stretch for Travel Services (including non-ORC) applied fully to Staff car parking. Variance offset in Commercial Income.

2016 Commentary:

CAA stretch for Travel Services (including non-ORC) applied fully to Staff car parking. Variance offset in Commercial Income.

2017 Commentary:

CAA stretch for Travel Services (including non-ORC) applied fully to Staff car parking. Variance offset in Commercial Income.

2018 Commentary:

CAA stretch for Travel Services (including non-ORC) applied fully to Staff car parking. Variance offset in Commercial Income.

2019 Commentary:

Driven by year on year costs of running the service

2020 Commentary

Direct costs lower due to contract negotiation and terminal consolidation

2021 Commentary

Direct costs lower due to contract negotiation and terminal consolidation

8. Staff ID cards

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	710	923	912	905	898			
Annuity	66	83	81	78	76			
Allocated Costs	93	121	119	118	117			
Total Income to be recovered	869	1,128	1,112	1,102	1,091			
CAA Forecast (nominal prices)								
Direct Costs	769	1,006	1,011	1,039	1,065			
Annuity	71	91	89	90	91			
Allocated Costs	101	132	132	136	139			
Total Income to be recovered	940	1,228	1,233	1,265	1,295			
Prior Year Actuals								
Direct Costs						1,684	1,732	1,464
Annuity						91	93	94
Allocated Costs						139	142	144
Total Income to be recovered						1,581	1,967	1,702
Actual (Trading Statements)								
Total Income recovered	1,784	1,134	1,264	1,711	1,581	1,595	1,062	1,677
Variances (Actuals less CAA Forecast)	844	(94)	31	446	286	14	(905)	(25)
Adjustments in Scope								
Over/(under) recovery b/f from prior year	92	869	496	364	416	83	(289)	(929)
(Over)/under recovery to cfwd	(869)	(496)	(364)	(416)	(83)	289	929	670
Variance to explain	67	278	163	394	619	386	(265)	(284)

2014 Commentary:

Driven by costs associated with higher number of ID passes issued for T2.

2015 Commentary:

Driven by higher number of ID passes and associated costs, as well as additional compliance training and staff training.

2016 Commentary:

Driven by higher number of full ID and temporary passes, as well as reduction in costs due to consolidation of ID centre.

2017 Commentary:

Driven by higher number of full ID and temporary passes

2018 Commentary:

Driven by increase in resource costs to support pass issuing

2019 Commentary:

Driven by change in pass application rules

2020 Commentary

Driven by lower number of full ID and temporary passes

2021 Commentary

Driven by lower number of full ID and temporary passes

9. Fixed electrical ground power (FEGP)

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	4,678	5,940	5,678	5,587	5,560			
Annuity	2,854	3,631	3,380	3,106	3,000			
Allocated Costs	301	383	362	348	342			
Total Income to be recovered	7,832	9,955	9,420	9,041	8,903			
CAA Forecast (nominal prices)								
Direct Costs	5,060	6,471	6,294	6,415	6,597			
Annuity	3,087	3,956	3,747	3,566	3,560			
Allocated Costs	326	417	402	399	406			
Total Income to be recovered	8,473	10,844	10,442	10,380	10,563			
Prior Year Actuals								
Direct Costs						6,609	6,512	5,392
Annuity						3,560	3,651	3,706
Allocated Costs						406	417	423
Total Income to be recovered						10,392	10,580	9,521
Actual (Trading Statements)								
Total Income recovered	7,988	10,554	9,890	8,818	10,392	10,782	8,412	12,874
Variances (Actuals less CAA Forecast)	(485)	(290)	(552)	(1,562)	(171)	390	(2,168)	3,353
Adjustments in Scope								
Over/(under) recovery b/f from prior year	(68)	377	768	1,088	(14)	(197)	5	(1,104)
(Over)/under recovery to cfwd	(377)	(768)	(1,088)	14	197	(5)	1,104	(1,245)
Variance to explain	(930)	(680)	(872)	(460)	12	188	(1,059)	1,004

2014 Commentary:

Driven by lower consumption and lower maintenance and parts costs.

2015 Commentary:

Driven by lower consumption and lower maintenance and parts costs.

2016 Commentary:

Driven by lower consumption and lower maintenance and parts costs.

2017 Commentary:

Driven by lower consumption and lower maintenance and parts costs.

2018 Commentary:

Driven by lower consumption and lower maintenance and parts costs.

2019 Commentary:

Driven by electricity price rise year on year

2020 Commentary

Driven by lower consumption and lower maintenance and parts costs.

2021 Commentary

Driven by higher electricity prices

10. Pre-conditioned air (PCA)

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	1,340	1,649	1,449	1,355	1,260			
Annuity	2,767	3,605	3,588	3,595	3,500			
Allocated Costs	164	210	201	198	190			
Total Income to be recovered	4,271	5,464	5,239	5,148	4,950			
CAA Forecast (nominal prices)								
Direct Costs	1,450	1,797	1,606	1,556	1,495			
Annuity	2,993	3,927	3,978	4,128	4,153			
Allocated Costs	178	229	223	227	226			
Total Income to be recovered	4,621	5,952	5,807	5,911	5,873			
Prior Year Actuals								
Direct Costs						1,004	377	195
Annuity						4,153	4,259	4,323
Allocated Costs						226	232	235
Total Income to be recovered						2,281	4,868	4,753
Actual (Trading Statements)								
Total Income recovered	3,595	5,368	5,314	4,485	2,281	369	175	221
Variances (Actuals less CAA Forecast)	(1,026)	(584)	(493)	(1,426)	(3,592)	(1,912)	(4,693)	(4,532)
Adjustments in Scope								
Over/(under) recovery b/f from prior year	0	(394)	(318)	(434)	(1,720)	(4,822)	(9,321)	(13,899)
(Over)/under recovery to cfwd	394	318	434	1,720	4,822	9,321	13,899	18,650
Variance to explain	(632)	(660)	(377)	(140)	(490)	2,587	(115)	219

2014 Commentary:

Driven by lower consumption and lower maintenance and parts costs.

2015 Commentary:

Driven by lower consumption and lower maintenance and parts costs.

2016 Commentary:

Driven by lower consumption and lower maintenance and parts costs.

2017 Commentary:

Driven by lower consumption

2018 Commentary:

Driven by lower consumption

2019 Commentary:

Driven by notably lower consumption of the service

2020 Commentary

Driven by notably lower consumption of the service

2021 Commentary

Driven by higher electricity prices

11. Airside Licences

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	611	796	793	794	795			
Annuity	25	27	27	26	25			
Allocated Costs	76	99	98	98	98			
Total Income to be recovered	712	923	918	919	919			
CAA Forecast (nominal prices)								
Direct Costs	661	867	879	912	944			
Annuity	27	30	29	30	30			
Allocated Costs	83	108	109	113	117			
Total Income to be recovered	771	1,005	1,017	1,055	1,090			
Prior Year Actuals								
Direct Costs						828	1,288	899
Annuity						30	31	31
Allocated Costs						117	120	122
Total Income to be recovered						750	1,439	1,052
Actual (Trading Statements)								
Total Income recovered	922	917	1,082	804	750	924	1,058	1,161
Variances (Actuals less CAA Forecast)	152	(88)	65	(251)	(340)	174	(381)	109
Adjustments in Scope								
Over/(under) recovery b/f from prior year	(27)	157	195	548	204	(106)	(666)	(660)
(Over)/under recovery to cfwd	(157)	(195)	(548)	(204)	106	666	660	388
Variance to explain	(33)	(126)	(288)	93	(30)	734	(387)	(163)

2014 Commentary:

Driven by lower staff costs following a re-structure.

2015 Commentary:

Driven by lower staff costs following a re-structure.

2016 Commentary:

Driven by lower staff costs following a re-structure.

2017 Commentary:

Driven by increased volume of licences

2018 Commentary:

Driven by headcount changes

2019 Commentary:

Driven by headcount changes

2020 Commentary

Driven by headcount changes

2021 Commentary

Driven by headcount changes

12. Waste, recycling and refuse collection

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	1,775	2,513	2,580	2,598	2,624			
Annuity	288	357	126	122	118			
Allocated Costs	83	115	108	109	110			
Total Income to be recovered	2,146	2,984	2,814	2,828	2,852			
CAA Forecast (nominal prices)								
Direct Costs	1,921	2,737	2,860	2,983	3,114			
Annuity	312	389	140	140	140			
Allocated Costs	89	125	120	125	130			
Total Income to be recovered	2,322	3,251	3,120	3,248	3,384			
Prior Year Actuals								
Direct Costs						2,689	2,634	2,268
Annuity						140	144	146
Allocated Costs						130	133	135
Total Income to be recovered						2,979	2,911	2,549
Actual (Trading Statements)								
Total Income recovered	2,026	2,689	2,196	2,584	2,979	2,400	2,442	2,501
Variances (Actuals less CAA Forecast)	(296)	(562)	(924)	(664)	(405)	(579)	(469)	(48)
Adjustments in Scope								
Over/(under) recovery b/f from prior year -		(12)	159	7	35	55	(456)	(563)
(Over)/under recovery to cfwd	12	(159)	(7)	(35)	(55)	456	563	144
Variance to explain	(284)	(733)	(772)	(692)	(425)	(68)	(363)	(467)

2014 Commentary:

Direct costs lower due to contract negotiation.

2015 Commentary:

Direct costs lower due to contract negotiation.

2016 Commentary:

Direct costs lower due to contract negotiation.

2017 Commentary:

Direct costs lower due to contract negotiation.

2018 Commentary:

Direct costs lower due to contract negotiation.

2019 Commentary:

Direct costs lower due to contract negotiation.

2020 Commentary

Direct costs lower due to contract negotiation and terminal consolidation

2021 Commentary

Direct costs lower due to contract negotiation and terminal consolidation

13. Taxi feeder park

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	1,007	1,291	1,286	1,253	1,252			
Annuity	315	413	412	413	413			
Allocated Costs	159	204	204	200	200			
Total Income to be recovered	1,481	1,909	1,902	1,865	1,865			
CAA Forecast (nominal prices)								
Direct Costs	1,090	1,407	1,426	1,439	1,486			
Annuity	341	450	457	474	490			
Allocated Costs	172	223	226	229	237			
Total Income to be recovered	1,602	2,079	2,108	2,142	2,213			
Prior Year Actuals								
Direct Costs						1,366	1,486	1,231
Annuity						490	503	510
Allocated Costs						236	243	247
Total Income to be recovered						2,320	2,232	1,988
Actual (Trading Statements)								
Total Income recovered	2,228	1,886	1,896	2,205	2,320	2,405	524	849
Variances (Actuals less CAA Forecast)	626	(193)	(212)	63	107	85	(1,708)	(1,139)
Adjustments in Scope								
Over/(under) recovery b/f from prior year	(484)	(6)	(161)	(323)	(311)	(83)	90	(1,374)
(Over)/under recovery to cfwd	6	161	323	311	83	(90)	1,374	1,420
Variance to explain	148	(38)	(50)	51	(121)	(88)	(244)	(1,093)

2014 Commentary:

Driven by re-surfacing repairs not forecasted.

2015 Commentary:

Broadly in line with CAA forecast.

2016 Commentary:

Driven by lower number of movements.

2017 Commentary:

Driven by higher number of movements.

2018 Commentary:

Driven by lower number of movements.

2019 Commentary:

Driven by number of movements.

2020 Commentary

Driven by lower number of movements and terminal consolidation.

2021 Commentary

Driven by lower number of movements and terminal consolidation.

14. Heating and Gas

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	855	970	966	968	969			
Annuity	1	0	0	0	0			
Allocated Costs	4	0	0	0	0			
Total Income to be recovered	860	970	966	968	969			
CAA Forecast (nominal prices)								
Direct Costs	925	1,217	1,230	1,277	1,319			
Annuity	1	2	2	2	2			
Allocated Costs	5	6	6	7	7			
Total Income to be recovered	931	1,225	1,238	1,286	1,328			
Prior Year Actuals								
Direct Costs						1,365	1,416	1,465
Annuity						2	2	2
Allocated Costs						7	7	7
Total Income to be recovered						1,359	1,425	1,474
Actual (Trading Statements)								
Total Income recovered	961	1,182	1,185	1,278	1,359	1,363	1,472	1,427
Variances (Actuals less CAA Forecast)	30	(43)	(53)	(8)	31	4	47	(47)
Adjustments in Scope								
Over/(under) recovery b/f from prior year	110	104	50	26	18	3	(59)	(61)
(Over)/under recovery to cfwd	(104)	(50)	(26)	(18)	(3)	59	61	25
Variance to explain	36	11	(29)	(0)	46	66	49	(83)

2014 Commentary:

Driven by higher consumption of gas and heating.

2015 Commentary:

Driven by higher consumption of gas and heating.

2016 Commentary:

Driven by lower customer share.

2017 Commentary:

N/A

2018 Commentary:

Driven by higher consumption of gas and heating.

2019 Commentary:

Driven by higher consumption of gas and heating.

2020 Commentary

Driven by higher cost of sustainable supply.

2021 Commentary

Driven by lower consumption

15. Electricity

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	12,551	16,915	17,418	17,492	17,400			
Annuity	14,608	18,145	17,095	16,374	15,645			
Allocated Costs	1,086	1,402	1,381	1,355	1,322			
Total Income to be recovered	28,245	36,463	35,894	35,220	34,366			
CAA Forecast (nominal prices)								
Direct Costs	13,577	18,426	19,309	20,083	20,644			
Annuity	15,803	19,766	18,951	18,799	18,562			
Allocated Costs	1,175	1,528	1,530	1,555	1,568			
Total Income to be recovered	30,555	39,720	39,790	40,437	40,775			
Prior Year Actuals								
Direct Costs						14,969	17,017	12,216
Annuity						18,562	19,037	19,323
Allocated Costs						1,568	1,608	1,633
Total Income to be recovered						35,665	37,662	33,172
Actual (Trading Statements)								
Total Income recovered	25,269	37,458	34,508	34,230	35,665	35,265	29,385	36,219
Variances (Actuals less CAA Forecast)	(5,287)	(2,262)	(5,282)	(6,207)	(5,110)	(400)	(8,277)	3,047
Adjustments in Scope								
Over/(under) recovery b/f from prior year	3,182	232	2,200	(691)	(2,062)	(1,914)	(4,781)	(8,993)
(Over)/under recovery to c/wd	(232)	(2,200)	691	2,062	1,914	4,781	8,993	6,539
Variance to explain	(2,336)	(4,230)	(2,390)	(4,836)	(5,258)	2,467	(4,065)	593

2014 Commentary:

Lower direct costs driven by lower electricity prices and lower consumption offset by (£595k) backbilling cost adjustment

2015 Commentary:

Lower direct costs driven by lower electricity prices and lower consumption offset by (£920k) backbilling cost adjustment.

2016 Commentary:

Lower direct costs driven by lower electricity prices and lower consumption offset by (£461k) backbilling cost adjustment.

2017 Commentary:

Lower direct costs driven by lower electricity prices and lower consumption offset by (£654k) backbilling cost adjustment.

2018 Commentary:

Lower consumption driven by removal of NATS & APCOA from the 3rd party share

2019 Commentary:

Driven by higher year on year electricity prices offset by consumption reductions

2020 Commentary

Mainly driven by consumption reductions

2021 Commentary

Driven by higher year on year electricity prices offset by consumption reductions

16. Water and sewerage

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	758	766	758	770	751			
Annuity	2,877	3,658	3,517	3,390	3,280			
Allocated Costs	145	177	171	166	161			
Total Income to be recovered	3,781	4,602	4,447	4,327	4,192			
CAA Forecast (nominal prices)								
Direct Costs	820	835	840	884	892			
Annuity	3,112	3,985	3,899	3,893	3,891			
Allocated Costs	157	193	190	191	191			
Total Income to be recovered	4,090	5,013	4,929	4,968	4,974			
Prior Year Actuals								
Direct Costs						1,203	1,568	755
Annuity						3,891	3,991	4,051
Allocated Costs						191	196	199
Total Income to be recovered						5,131	5,755	5,005
Actual (Trading Statements)								
Total Income recovered	4,416	6,511	5,570	3,054	5,131	5,668	3,142	4,647
Variances (Actuals less CAA Forecast)	326	1,498	641	(1,914)	157	537	(2,613)	(358)
Adjustments in Scope								
Over/(under) recovery b/f from prior year	85	503	1,832	2,074	(59)	(213)	(300)	(2,163)
(Over)/under recovery to cfwd	(503)	(1,832)	(2,074)	59	213	300	2,163	2,509
Variance to explain	(92)	170	399	219	311	624	(750)	(12)

2014 Commentary:

Lower direct costs driven by lower prices and lower consumption.

2015 Commentary:

Higher direct costs driven by higher customer share.

2016 Commentary:

Higher direct costs driven by higher customer share.

2017 Commentary:

Higher direct costs driven by higher customer share.

2018 Commentary:

Higher direct costs driven by higher customer share.

2019 Commentary:

Higher direct costs driven by higher customer share.

2020 Commentary

Lower direct costs driven by lower consumption

2021 Commentary

Lower direct costs driven by lower consumption

17. Bus and Coach

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	1,100	1,454	1,450	1,443	1,445			
Annuity	396	503	478	445	385			
Allocated Costs	180	235	231	227	219			
Total Income to be recovered	1,676	2,192	2,159	2,115	2,049			
CAA Forecast (nominal prices)								
Direct Costs	1,190	1,584	1,607	1,657	1,714			
Annuity	429	548	530	511	456			
Allocated Costs	194	256	256	260	260			
Total Income to be recovered	1,813	2,387	2,393	2,428	2,431			
Prior Year Actuals								
Direct Costs						2,487	2,194	2,272
Annuity						456	468	475
Allocated Costs						260	267	271
Total Income to be recovered						3,241	2,929	3,018
Actual (Trading Statements)								
Total Income recovered	2,586	3,185	3,273	3,351	3,241	2,776	2,356	2,574
Variances (Actuals less CAA Forecast)	773	798	880	923	810	(465)	(573)	(444)
Adjustments in Scope								
Over/(under) recovery b/f from prior year	-	4	(355)	(318)	(39)	(26)	(179)	(841)
(Over)/under recovery to cfwd	(4)	355	318	39	26	179	841	1,471
Variance to explain	769	1,157	843	644	797	(311)	89	186

2014 Commentary:

The Trading Statement includes notional public buses income giving 100% customer share. The CAA settlement applies 60% customer share and excludes the public buses.

2015 Commentary:

The Trading Statement includes notional public buses income giving 100% customer share. The CAA settlement applies 60% customer share and excludes the public buses.

2016 Commentary:

The Trading Statement includes notional public buses income giving 100% customer share. The CAA settlement applies 60% customer share and excludes the public buses.

2017 Commentary:

The Trading Statement includes notional public buses income giving 100% customer share. The CAA settlement applies 60% customer share and excludes the public buses.

2018 Commentary:

The Trading Statement includes notional public buses income giving 100% customer share. The CAA settlement applies 60% customer share and excludes the public buses.

2019 Commentary:

The Trading Statement includes notional public buses income giving 100% customer share. The CAA settlement applies 60% customer share and excludes the public buses.

2020 Commentary

The Trading Statement includes notional public buses income giving 100% customer share. The CAA settlement applies 60% customer share and excludes the public buses.

2021 Commentary

The Trading Statement includes notional public buses income giving 100% customer share. The CAA settlement applies 60% customer share and excludes the public buses.

18. Common IT infrastructure

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	20	26	26	26	26			
Annuity	248	313	301	292	280			
Allocated Costs	11	14	13	13	12			
Total Income to be recovered	279	353	340	331	319			
CAA Forecast (nominal prices)								
Direct Costs	22	29	29	30	31			
Annuity	268	341	334	336	332			
Allocated Costs	12	15	15	15	15			
Total Income to be recovered	302	385	377	381	378			
Prior Year Actuals								
Direct Costs						1	1	1
Annuity						332	341	346
Allocated Costs						15	15	15
Total Income to be recovered						110	357	362
Actual (Trading Statements)								
Total Income recovered	230	284	388	454	110	75	87	589
Variances (Actuals less CAA Forecast)	(72)	(101)	11	73	(268)	(35)	(270)	227
Adjustments in Scope								
Over/(under) recovery b/f from prior year	0	(51)	(124)	(28)	16	(222)	(504)	(779)
(Over)/under recovery to cfwd	51	124	28	(16)	222	504	779	(433)
Variance to explain	(21)	(27)	(85)	29	(30)	247	5	(985)

2014 Commentary:

Managed Service costs not recovered through Passive LAN.

2015 Commentary:

Managed Service costs not recovered through Passive LAN.

2016 Commentary:

Managed Service costs not recovered through Passive LAN.

2017 Commentary:

More ports installed

2018 Commentary:

Variance in recovery between Active & Passive Lan

2019 Commentary:

Variance in recovery between Active & Passive Lan

2020 Commentary

Variance in recovery between Active & Passive Lan

2021 Commentary

Variance in recovery between Active & Passive Lan

19. HAL's contribution to the funding of the Heathrow Airline Operators Committee (AOC)

	9 months Apr to Dec 2014 £'000s	12 months Jan to Dec 2015 £'000s	12 months Jan to Dec 2016 £'000s	12 months Jan to Dec 2017 £'000s	12 months Jan to Dec 2018 £'000s	12 months Jan to Dec 2019 £'000s	12 months Jan to Dec 2020 £'000s	12 months Jan to Dec 2021 £'000s
CAA Forecast (11/12 Prices)								
Direct Costs	277	361	358	358	358			
Annuity	0	0	0	0	0			
Allocated Costs	33	43	43	43	43			
Total Income to be recovered	310	404	401	401	401			
CAA Forecast (nominal prices)								
Direct Costs	300	393	397	411	425			
Annuity	0	0	0	0	0			
Allocated Costs	36	47	48	49	51			
Total Income to be recovered	336	440	444	460	476			
Prior Year Actuals								
Direct Costs						774	645	465
Annuity						0	0	0
Allocated Costs						51	52	53
Total Income to be recovered						1,015	697	518
Actual (Trading Statements)								
Total Income recovered	389	482	519	513	1,015	734	219	657
Variances (Actuals less CAA Forecast)	53	42	75	53	539	(281)	(478)	139
Adjustments in Scope								
Over/(under) recovery b/f from prior year	-	(6)	(27)	7	(135)	55	92	(207)
(Over)/under recovery to cfwd	6	27	(7)	135	(55)	(92)	207	(35)
Variance to explain	59	63	41	195	349	(318)	(179)	(103)

2014 Commentary:

Driven by higher rent costs.

2015 Commentary:

Driven by higher rent costs.

2016 Commentary:

Driven by higher rent costs.

2017 Commentary:

Driven by increased scope and resource

2018 Commentary:

Driven by increased scope and resource

2019 Commentary:

Driven by increased scope and resource

2020 Commentary

Driven by reduced scope and resource

2021 Commentary

Driven by reduced scope and resource