



Department
for Transport

From the Secretary of State
The Rt. Hon. Chris Grayling

Great Minster House
33 Horseferry Road
London
SW1P 4DR



Web site: www.gov.uk/dft

Lilian Greenwood MP
Chair of the Transport Committee
(sent via e-mail)

21 August 2018

Dear Lillian,

I am writing to inform you that, following a full open and fair public appointments process overseen by an independent advisory assessment panel and the Commissioner for Public Appointments, I have chosen Declan Collier as my preferred candidate for the important role of the next Chair of the Office of Rail and Road. The Prime Minister has confirmed her support.

Declan had a distinguished record in the transport sector and broader customer facing industry, with strong senior level experience. He has recently retired from the role of CEO of London City Airports (2012-18). Prior to this he was CEO of Dublin Airports Authority (2005-12). More broadly, he has worked in senior roles in Exxon Mobil and Esso Ireland. The latter grouping of roles were between 1978 and 2005 and include customer-facing roles. He is about to step down as President of the World Association of Airports, Airports Council International. Prior to taking on the role as Chair of the world board he served as Chair of the European board for two years. He was also until recently the Republic of Ireland Government's appointed public interest director on the board of Allied Irish Banks (UK) Ltd, where he was Chair of the Remuneration Committee. His current non-executive roles and experience includes Schiphol Airports Group, TCR International N.V., Deputy Chair of the Airport Operators Association (U.K) and Director of London First. His full CV is attached for your further information. Declan has declared that he has undertaken no political activity in the last five years, and I am satisfied that he has no conflicts of interest should he take up the role of ORR Chair.

My person specification for the ORR Chair was published in the advertisement for the role – details are set out in the annex to this letter, along with details of the salary. In summary, I was seeking a Chair who will be a strong customer champion, putting customers at the heart of decision-making, with the ability to manage complexity and effectively balance the ORR's wide range of statutory duties.

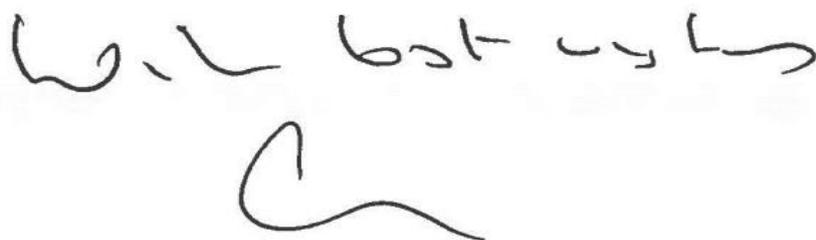
After carefully considering the advice of the independent advisory panel, I strongly consider that Declan meets these requirements and is an excellent

choice for the role of ORR Chair – having the necessary skills, experience and track record – to do this challenging role very well at a time of continuing reform and investment.

Turning to the further detail of the process, as I mention above, Declan Collier was selected following a fair and open competition, conducted in accordance with the Governance Code on Public Appointments and the Principles of Public Appointments. The competition was launched on 26 April 2018 and advertised until 3rd June. Forty eight applications were received from a number of backgrounds. Twenty five applicants returned the diversity questionnaire and a summary of the diversity of the field is in the annex to this letter. (The low response rate on the diversity questionnaires, which are voluntary, was disappointing and officials are considering how to encourage more applicants to return completed forms in future).

Seven shortlisted candidates were identified and then interviewed by the advisory assessment panel chaired by an experienced Senior Independent Panel Member, Olivia Grant OBE, DCL DL. The other panel members were Polly Payne (Director General of Rail Group at the Department for Transport), and Ian King (the lead non-executive director on DfT's Board). The panel assessed two candidates to be appointable and I met both of these candidates on 19th July before choosing my preferred candidate.

I look forward to receiving the Committee's views on Declan Collier, following its pre-appointment scrutiny hearing in due course. My officials stand ready to assist both the Committee and Mr Collier in preparing for that hearing. Denise Rose in the Department's rail team [REDACTED] [REDACTED] will be in touch with the Committee clerk in that regard.

Handwritten signature in blue ink, appearing to read 'W.L. Grayling' with a flourish below it.

Rt Hon Chris Grayling MP

SECRETARY OF STATE FOR TRANSPORT

ANNEX

Person specification

- Ideally, would be someone with commercial experience with an understanding of complex organisations;
- Ability to chair the board of a complex national body with a wide range of responsibilities effectively, with a strong ability to understand the customer perspective and put it at the heart of Board discussions;
- Ability to influence and represent the work of the ORR by building effective relationships with senior stakeholders across the road and rail sectors including politicians, senior officials, consumer and industry representatives and other regulators;
- Ability to be objective and commitment to evidence based decision making and transparency, demonstrating an understanding of the impact of decisions across the public and private sectors and on customers;
- Well-developed strategic understanding and tactical sense;
- Previous experience of working as a non-executive is essential and of chairing as a non-executive is desirable.
- Take the lead on the recruitment of any replacement Chief Executive.

Salary - £85,000 a year for a time commitment of 2 days a week (no other benefits).

Diversity

	Applied	Short Listed	Appointable
Number of Candidates	48	7	2
Monitoring forms returned	25	7	2
Gender			
Female	4	1	1
Male	20	6	1
Self Description	0	0	0
Prefer not to say	1	0	0
Disability			
Declared Disability	2	1	1
No disability	22	6	1
Prefer not to say	1	0	0
Ethnicity			
Bangladeshi	0	0	0
Chinese	0	0	0
Indian	2	0	0
Pakistani	0	0	0
Other Asian origin	0	0	0
African	1	0	0
Caribbean	0	0	0
Other black origin	0	0	0
Mixed ethnicity	0	0	0
White	21	7	2
Prefer not to say	1	0	0
Age			
18-25	0	0	0
26-35	1	0	0
36-45	2	0	0
46-55	9	3	0
56-65	10	4	2
66+	2	0	0
Prefer not to say	1	0	0
Sexual Orientation			
Straight	22	6	2
LGBTQ	0	0	0
Prefer not to say	3	1	0
Religion			
Person of faith/belief	18	5	2
No religion/Atheist	5	1	0
Prefer not to say	2	1	0
Principal Employment			
Civil Service	1	0	0
Private Sector	14	4	1
Third Sector	1	1	0
Wider Public Sector	2	0	0
Mixed	5	2	1
Prefer not to say	2	0	0
Political Activity*			
Political Activity undertaken	5	1	0
No political activity	19	6	2
Prefer not to say	0	0	0

* One applicant did not answer this question

Declan Collier BA. (Mod), MSc. Econ.



A seasoned NED and CEO with extensive global experience in aviation, energy and retail. Experienced in co-operatively working and chairing complex, multinational boards and board sub-committees. Has operated and managed businesses in regulated environments in the transport and energy sector. Track record of managing culture change in customer/consumer focused businesses. Delivered year on year double digit growth at private equity owned London City Airport, leading to a successful sales transaction of ~ £2.5bn. Skilled at building teams to deliver excellence. Focused on delivering Success, Profit, Innovation, and Sustainability.

Qualifications

- B.A. (Mod) Economics, Trinity College Dublin
- M.Sc. (Economics), Trinity College Dublin

Career Summary

- **2012 to 2018** London City Airport (LCY): Chief Executive Officer
- **2005 to 2012:** Dublin Airports Authority (DAA): Chief Executive Officer
- **2002 to 2005:** ExxonMobil: Global Alternative Fuels & European District Heating Manager.
- **2000 to 2002:** Esso Ireland Ltd: Chairman, Lead Country Manager
- **1997 to 2000:** Esso Ireland Ltd: Retail and Marketing Director
- **1978 to 1997:** ExxonMobil & Esso: Wide range of Senior Executive, Executive and Management roles in: Corporate, Sales, Business Development, Operations, Supply, Trading, Investment, and Retail activities.

London City Airport: Chief Executive Officer.

London City Airport (LCY) is a private equity owned, unique, profitable, unregulated airport. Catering for both Commercial and General Aviation, LCY operates within the world's busiest airports system and handled 4.6m passengers and ~80000 flights in 2016. Serving ~50 destinations mostly in Europe with daily connections to New York, it hosts 13 airlines. It has a unique passenger profile, an unrivaled and award-winning customer proposition and permission to grow.

Key achievements:

- Maintained a safe, secure and compliant operation
- Secured full planning permission for a circa £500m development of the airport in a very challenging political environment. When complete will lead to a significant increase in value
- Completed the successful sale of the airport for shareholders (GIP and Highstar Capital) at record multiples and valuation.
- Changed company culture from ' Mom and Pop' store business to a professional, corporate, commercial and successful entity.
- Created a 'high performance' organisation – focused on continuous improvement, agile, innovative and profitable.
- Delivered a 10% EBITDA CAGR between 2011 and 2016, (from £47m to £76m). Pax numbers increased by 60% to 4.6m (2011 to 2016). Market share increased by 17% since 2011.
- Asset value increased by £1.6bn
- Refinanced business - £365m secured at advantageous rates

- Paid dividends of circa £140m to shareholders (prior to sale)
- Developed and introduced airport industry firsts through digital innovation and technology
 - 'Crowdvision' - real time pax flows, combined with predictive modelling tools
 - Successfully introduced Phase 5 - 60sec check-in/bag tag and drop,
 - Digital advertising,
 - Digital Air Traffic Control.

Dublin Airport Authority (DAA) – The national airports authority: Chief Executive Officer.

The DAA is a Commercial Semi-State enterprise owned by the Irish State. It is entirely self-funded (no state funding). Responsible for the operation, management and development of the 3 main airports in Ireland: Dublin, Cork and Shannon. In addition, DAA owns and operates Aer Rianta International (ARI).

The DAA has a turnover of €600M and employs 6500 staff (3000 in Ireland, 3500 in its international business). ARI is in the top10 airport retailers globally with a managed turnover of US\$1.2bn, operating businesses in North America, the Caribbean, CIS, the Balkans, North Africa, the Middle East, the Gulf, India and China. The company also has/had investment interests/shareholdings in non-Irish airports in the UK (Birmingham), Germany (Dusseldorf, Hamburg) and Cyprus (Larnaca and Paphos).

DAA serves over 100 destinations ranging from the US to the Arabian Gulf, and across Europe. It hosts all major European and U.S. airlines, including the largest LCC in world, Ryanair, based in Dublin. Air Canada, Emirates, Etihad, Gulf, and Turkish Airlines were all added during my time.

The activities of Dublin airport are regulated by the Civil Aviation Regulator (CAR).

Key achievements:

- Operated a safe, secure and operationally compliant business across its core and construction activities.
- Delivered in excess of €850m EBITDA and €630m PAT in the period 2005 - 2010.
- Successfully delivered and commissioned a €1.6bn capital investment programme including the delivery and commissioning of Terminal 2 (T2) and associated infrastructure in the heart of an active operational environment at Dublin airport. The entire programme was safely delivered in an extremely rapid manner without any disruption to the day to day operations of the airport.
- Procured funding for the above programme from the commercial debt market in a very difficult funding environment. Launched and secured a €600m bond. Prior to this, succeeded in raising the credit rating of the business to support bond raising. Debt is spread across a variety of sources (bonds, EIB, commercial Banks) with good maturities and at advantageous rates.
- Successfully disposed of non-core activities a) Great Southern Hotels and b) Hamburg Airport shareholding and c) Birmingham Airport shareholding at premium prices.
- Secured shareholding in Larnaca and Paphos Airports.

Pre-DAA – Global Energy Sector

26 years in the global Energy industry working with ExxonMobil/Esso in a wide range of Executive and Senior management roles and a number of countries. Prior to the CEO role with DAA was based in the UK over a period of 10 years and managed a global business as Alternative Retail Fuels Manager and European District Heating Manager. The role involved responsibility for:

- A range of commercial operations and research projects focusing on the development and commercialization of alternative fuels for use in vehicles.
- The development and running of associated businesses in Europe, South America and Asia.
- The establishment of strategic commercial and investment plans for the implementation of alternative fuels businesses over a 20 to 30 year time horizon.
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In this context, had wide exposure to corporate board and management at a global level.

In addition, had responsibility for ExxonMobil's European District Heating businesses. The bulk of this business was concentrated in Germany, Austria and Italy.

Prior to last role with ExxonMobil, gained wide-ranging Executive/Senior management experience within the Energy Industry ranging across:

- Running of country operations (Esso Ireland - turnover in excess of €800m p.a. and annual PAT of €100m).
- The development and running of Convenience Retailing operations (up to a network of >3000 stores),
- Management of Industrial and Commercial businesses (covering large Industrial customers both Wholesale and Retail, Aviation and Marine Sales),
- Investment and acquisitions.
- Terminal operations (the receipt, storage and distribution of oil stocks).
- Trading
- Corporate activities such as strategic planning and business development.

Directorships:

Current:-

- Non-Executive Director, Allied Irish Banks (UK) Ltd.
- Chair, Remuneration Committee, AIB (UK) Ltd.
- Non-Executive Director, Schiphol Airports Group
- Non-Executive Director, TCR International N.V.
- President, World Association of Airports, Airports Council International (ACI);
- Deputy Chair, Airport Operators Association (UK)
- Director, London First
- Director, Dublin Theatre Festival

Memberships:

Current:-

- Member, Council, Confederation of British Industry (CBI), (London)

Directorships

Past:-

- Non-Executive Director, Allied Irish Banks (Group) Ltd. (Chair, Remunerations Cmttee)
- Director Londonia TopCo, PledgeCo, MidCo and BidCo, (London City Airport related)
- Director, Docklands Aviation Group Ltd
- Director, City Aviation Holdings Ltd
- Director, London City Airport Ltd
- Director, Dublin Airport Authority (DAA);
- Chair, Aer Rianta International (ARI).
- Director, DAA Finance Ltd.;
- Chair, ARI, North America,;
- Director, ARI, Middle East;
- Director, Delhi Duty Free Ltd.;
- Chair, Esso Ireland Ltd.,
- Chair, Mobil Oil Ireland Ltd.,
- Director, Esso Ireland Manufacturing Co. Ltd.,
- Director, Exxon Ireland
- Director, Esso Ireland Pension Trust Ltd.,
- Director, Mobil Ireland Pension Trust Ltd.,
- Director, Esso Exploration Ireland Ltd.,
- Chair Dublin Theatre Festival

Memberships

Past:-

- President, European Association of Airports, Airports Council International (ACI);
- Member Executive Council, IBEC; (IBEC is the National Employer Confederation of Ireland)
- Chair, European Policy Committee, IBEC;
- Member Stakeholder Board, National Convention Centre, Dublin;
- Deputy Chair, European Natural Gas Vehicle Association;
- Deputy Chair, Irish Petroleum Industry Association;