



CROSSRAIL BOARD

**Minutes of the Meeting of the Board of Directors of Crossrail Limited
Held on Thursday 28 March 2019 at 09:30
6RMR03, 5 Endeavour Square, Stratford, London E20 1JN**

Members:	In Attendance:	Apologies:
Tony Meggs <i>CRL Chair</i>	Funmi Amusu <i>Assistant Company Secretary</i>	
Phil Gaffney (part of the meeting) <i>Non-executive Director</i>	Sarah Atkins <i>TfL</i>	
David Hendry <i>Chief Finance Officer</i>	Susan Beadles <i>Head of Legal Services & Company Secretary</i>	
Robert Jennings <i>Non-executive Director</i>	[REDACTED] <i>Project Representative (PRep)</i>	
Anne McMeel <i>Non-executive Director</i>	Nisrine Chartouny <i>Head of Commercial</i>	
Nelson Ogunshakin (part of the meeting) <i>Non-executive Director</i>	Lucy Findlay <i>Chief of Staff</i>	
Andy Pitt <i>Non-executive Director</i>	Peter Henderson <i>Programme Director</i>	
Nick Raynsford <i>Deputy CRL Chair</i>	Howard Smith <i>Chief Operating Officer</i>	
Chris Sexton <i>Deputy CEO</i>	Colin Brown (Items 1 – 6 only) <i>Technical Director</i>	
Mark Wild <i>Chief Executive Officer</i>	Richard Schofield (Item 4 only) <i>Programme Director, MTR Crossrail</i>	
	Mike Brown (Item 16 only) <i>TfL</i>	
	Ruth Hannant (Item 16 only) <i>DfT</i>	
	David Hughes (Item 16 only) <i>TfL</i>	
	Bernadette Kelly (Item 16 only) <i>DfT</i>	

The meeting was quorate.

	<p>The Chair welcomed Board members and attendees.</p> <p>Directors' Interests</p> <p>Members were reminded that any interests in a matter under discussion must be declared at the start of the meeting, or at the commencement of the item of business.</p> <p>There were no interests declared in relation to the business of the meeting.</p> <p>However, the meeting NOTED that Andy Pitt was the Chair of Cross London Trains and that Equitix Ltd, a shareholder in Cross London Trains as part of the 345 Rail Leasing Consortium, was involved in the sale and lease back of the Class 345 trains.</p>
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BD MIN 190228	<p>Minutes of the Meeting of the Board held on 28 February 2019</p> <p>The Board APPROVED the minutes of the meeting held on 28 February 2019 for signature.</p>
BD AC 190328	<p>Actions</p> <p>19.131 – Network Rail (NR) organisation – the Board NOTED that Mark Langman, NR’s Route Managing Director Great Western and Wales and Neil Thompson, NR’s Director of Crossrail project works would, in future, manage the relationship between NR and CRL.</p> <p>The Board REQUESTED a deep dive into the challenges being faced on the project at Bond Street station.</p> <p>Action: Mark Wild/ Peter Henderson</p> <p>The Board NOTED that all other ‘due’ actions were closed or covered by the agenda for the day’s meeting.</p>
66/19	<p>CRLB 66/19 – Earliest Opening Programme Update</p> <p>The Board received an update on the outputs of the further work undertaken since the Board meeting on 28 February 2019 towards establishing an Earliest Opening Programme (EOP).</p> <p>The Board NOTED the following:</p> <ul style="list-style-type: none"> • the emerging plans in connection with the development of the software, the enhancements that had been and were being made to the engineering team and the proposed assurance plans; • the further details of work to define quantities to go, initiatives to enhance delivery and improvements to parts of the CRL operating model and resourcing; • the outline of the next steps in terms of clarity around programme and cost and what was anticipated would be completed by the time of the extraordinary Board meeting on 17 April 2019; • due to the substantial demobilisation of the organisation that had previously taken place, rebuilding the organisation with the right resources at the same time as developing the EOP was proving to be a challenge but was being managed; • to provide the Board with confidence in the EOP and as a progressive second line of defence for the EOP, two assurance bodies and check points had been set up, facilitated by Deloitte and supported by subject matter experts – the Red Team and the Black Team. The Red Team would validate the technical core of the EOP and the Black Team would assure the complete programme end to end, including time, cost and commercial risk; • the Board NOTED the report from the Red Team Assurance Review of the EOP which had taken place on 20 March 2019. It was NOTED that the report would be updated to include management actions/ responses to the outputs from the Red Team Assurance Review and circulated to the Board prior to the Board meeting on 17 April 2019. The Board NOTED

Andy Pitt's offer of assistance in preparing the management responses particularly with regard to the availability and reliability of the trains. The Board also **NOTED** that at the Board meeting on 17 April 2019, they would require assurance from the Executive Team that taking into account the outputs from the Red Team Review, improvements had been made to the EOP;

- the Black Team Assurance Review was scheduled to take place on 9 April 2019 and would be independently chaired. The Board **NOTED** that they would receive the report from the Black Team Review on 17 April 2019 and **REQUESTED** that the independent chair of the Black Team Assurance Review should attend the CRL Board meeting on 17 April 2019 to present their findings;

Action: Chris Sexton

- Resources from the PDP were being used to strengthen the leadership at some of the stations including with Systemwide and C660 and there were some early signs of improved productivity on sites. [REDACTED]

- The Board considered the information on Quantities to Go and **NOTED** that it would be helpful to provide this same level of detail to the Board with regard to the trains and signalling;

- The overview of critical directorates for the EOP was discussed and the Board **NOTED** that organisational gaps. The Board **NOTED** that the EOP would require a significant recruitment exercise and considered that it was important to develop a resourcing plan, including considering the assignment of some people from London Underground and MTR. A clear operating model for the revised organisation was important. The Board **REQUESTED** an update on organisational structure and recruitment on a regular basis;

Action: Chris Sexton

- The Commercial Strategy was **NOTED** and the Board **REQUESTED** that the risks around costs i.e. cost to go per station and for the whole project in terms of fixed and non-fixed costs should be made available to the Board;

Action: David Hendry/ Nisrine Chartouny

- The Board **REQUESTED** that the Commercial Strategy should form part of the Black Team Review and should be clear on the strategy for Bombardier in terms of managing trains and reliability;

Action: Nisrine Chartouny

- The plan for Stage 4 was **NOTED**;
- The Board considered the Communications Strategy for the EOP, **NOTING** that a well thought out approach was key.

The Board **NOTED** that it would be a challenge to be in a confident position to

approve the EOP plan in mid-April 2019, considering the limited amount of time before then and the amount of work still left to finalise the plan. The Board considered that to provide them with more confidence in the EOP, they would require:

- evidence that the EOP was based on robust data and an understanding of the risks surrounding the plan;
- assurance of the signalling and dynamic testing plan including entry and exit criteria and a one-team approach to signalling and software convergence;
- more granularity around the work being done on testing and commissioning; and
- in addition to the software drops needed, assurance of ‘reliable service’ was key.

The Board **REQUESTED** that the Executive team should also consider an alternative plan to the EOP and present this at the Board meeting on 17 April 2019.

Action: Howard Smith/ Peter Henderson

67/19

[REDACTED]

	<p>█ [REDACTED]</p> <p>[REDACTED]</p>
<p>BD CBR 190320</p>	<p>Crossrail Board Report Period 12</p> <p>The Board NOTED the Board Report for Period 12.</p> <p>The Board discussed and NOTED the following:</p> <ul style="list-style-type: none"> • A plan to refresh the SHELТ meetings going forward was underway including changing the meeting attendees and agenda. The intention was to have these changes in place by the end of April 2019; • There was more stability in the cost programme. Also, the presentation of the data on risk and cost to go in the appendices in the Board Report was much clearer; • There was more clarity on the wrongside failure incident which occurred on 17 February 2019. [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] • Another incident had occurred which had imposed limits on testing speed – Siemens had provided a revision to the train software which reduced the train’s responsiveness to braking. As a result, temporary speed restrictions had been put on the train. [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] <p>Action: Mark Wild (Colin Brown)</p>
<p>68/19</p>	<p>CRLB 68/19 – Revised Scheme of Authorities and Draft Terms of Reference for the Investment Committee</p> <p>The Board APPROVED the revised Scheme of Authorities subject to amendments being made relating to: clarification that the delegated levels of Investment Authority are cumulative and relate to a request or series of requests relating to an event; and the removal of the HR Director’s authority to further delegate the authority to sign contracts of employment.</p> <p>The Board APPROVED the draft Terms of Reference for the Investment Committee, subject to an amendment being made to clarify that, in the absence of the Chair, any interim Chair of the Committee must be a Non-Executive Director.</p> <p>The Board NOTED the intention for the first meeting of the Investment Committee to take place on 17 April 2019. It was also NOTED that the intention was for Sarah Atkins to become a member of the Investment Committee upon her official appointment to the CRL Board as a TfL Nominated Director.</p>
<p>69/19</p>	<p>CRLB 69/19 – Progress Update on the Implementation of the KPMG Recommendations</p> <p>The Board NOTED the progress in implementing actions in response to the recommendations made in the KPMG Governance and Financial &</p>

	<p>Commercial reviews of CRL including the trackers for monitoring management's response to the recommendations.</p> <p>The Board considered that it was necessary to provide clarity on the adoption or completion of the KPMG recommendations including what had been closed out, what was being integrated into working practices and for those recommendations that had not been closed out, target dates for completion or integration into business as usual.</p> <p>The Board NOTED that there were seven draft Sponsor "reserved matters" being proposed by Sponsors and REQUESTED clarification on what these matters were.</p> <p>Action: Lucy Findlay</p>
70/19	<p>CRLB 70/19 – 2018 Crossrail Limited Gender Pay Gap Report</p> <p>The Board received a paper updating the members on the 2018 CRL gender pay gap report, following the request at the 28 February 2019 Board meeting to amend the foreword to the Report.</p> <p>The Board AGREED to publish the gender pay gap report on the Crossrail website and to submit calculations to the Government Equalities Office gender pay gap portal no later than 31 March 2019.</p>
71/19	<p>CRLB 71/19 – Approval of Certified Information for Funding Drawdown Date of 26 April 2019</p> <p>The Board received a paper seeking the Board's approval of the CRL Certified Information required under clause 5.3 of the Supplemental Agreement with TfL and DfT relating to the provision of additional funding for the project and the corresponding Supporting Statement in relation to the 26 April 2019 funding drawdown.</p> <p>The Board:</p> <ul style="list-style-type: none"> • APPROVED the Certified Information and Supporting Statement; and • AUTHORISED the CFO or other Director to sign the certified information and submit this along with the amended Supporting Statement to the Sponsors on 28 March 2019.
72/19	<p>CRLB 72/19 – Increase in the Authorised Share Capital of CRL and Issue and Allotment to Transport Trading Ltd</p> <p>The Board NOTED the shareholder resolution of Transport Trading Limited (TTL) to:</p> <ul style="list-style-type: none"> • increase the authorised share capital for CRL to £10,300 million, divided into 5,150 million A shares of £1 each and 5,150 million B shares of £1 each; • authorise the directors of CRL to issue and allot shares in CRL up to the newly increased amount provided that this authority should, unless renewed, varied or revoked expire on the date five years from the date of this resolution; and • amend CRL's Articles of Association to reflect the increase; <p>and the Board RESOLVED to issue and allot to Transport Trading Limited 780 million A shares at £1 each and 780 million B shares at £1 each.</p>
73/19	<p>Project Representative Report Period 11</p> <p>The Board reviewed and NOTED the PRep Report for Period 11 and NOTED</p>

	<p>the highlights of the Period 12 report.</p> <p>The Board REQUESTED that at the next Board meeting on 25 April 2019, there should be a discussion with Network Rail focused on Stage 5a.</p> <p>Action: Howard Smith</p>			
	<p>Minutes of Board Committees for Reference</p> <p>The Board received the following minutes for reference:</p> <table border="1" data-bbox="365 427 1385 533"> <tr> <td>Executive and Investment Committee</td> <td>EIC D 190223</td> <td>Mark Wild</td> </tr> </table> <p>Verbal Updates of Recent Board Committee meetings</p> <p>The Board NOTED the verbal update by Anne McMeel on the matters discussed at the Audit and Assurance Committee meeting on 25 March 2019.</p>	Executive and Investment Committee	EIC D 190223	Mark Wild
Executive and Investment Committee	EIC D 190223	Mark Wild		
AOB	There was no other business.			
Verbal	<p>De-brief Discussion with the Sponsors</p> <p>The Board provided the Sponsors with an overview of the matters that had been considered during the meeting, the main focus being on the plan for the EOP and the challenge to have a final plan ready for approval in April 2019; the need to consider an alternative plan in the event that the EOP was not approved; and a joined up approach with the Sponsors on communicating the revision to the schedule.</p> <p>Other matters discussed included the improved stability of costs; dynamic testing and issues with Siemens; alignment on the resources needed and the possibility of taking on staff from TfL and NR; and the management of the timing of the release of the Public Accounts Committee (PAC) Report and the approval of the EOP.</p>			
NEDs Only Session	Non-executive Directors discussed the day's meeting.			

Signed by:
Tony Meggs
 Chair
