



BD MIN 150910

CROSSRAIL BOARD

**Minutes of the Meeting of the Board of Directors of Crossrail Limited
Held on Thursday 10 September 2015 at 13.00
28th Floor Boardroom, 25 Canada Square, Canary Wharf, E14 5LQ**

Members:	In Attendance:	Apologies:
Terry Morgan <i>Chairman</i>	Martin Buck <i>Transition & Strategy Director</i>	Jayne McGivern <i>Non-executive Director</i>
Andrew Wolstenholme <i>Chief Executive</i>	Victoria Burnett <i>Head of Secretariat</i>	Valerie Todd <i>Talent and Resources Director</i>
David Allen <i>Finance Director</i>	Paul Grammer (Part of meeting) <i>Commercial Director</i>	
Michael Cassidy <i>Non-executive Director</i>	Mark Fell <i>Legal Services Director & Company Secretary</i>	
Phil Gaffney <i>Non-executive Director</i>	Lucy Findlay <i>Chief of Staff</i>	
Terry Hill <i>Non-executive Director</i>	Hugh Norie (Part of meeting) <i>Engineering Expert Panel</i>	
Robert Jennings <i>Non-executive Director</i>	Will Parkes <i>External Affairs Director</i>	
Daniel Moylan <i>Non-executive Director</i>	Howard Smith <i>Operations Director</i>	
Simon Wright <i>Programme Director</i>		

The meeting was quorate.

	<p>The Chairman welcomed Board members and attendees.</p> <p>Apologies were received from Jayne McGivern and Valerie Todd.</p> <p>The Chairman reminded the Board that this would have been Jayne's last Board meeting as she would be standing down at the end of September. The Board RECORDED its thanks to Jayne for her valuable contribution as a Board member. It was NOTED that a process was in place, being overseen by the Nominations Committee, to recruit a new Non-executive Director as soon as possible.</p>
BD MIN 150716	<p>Minutes of the Meeting of the Board held on 16 July 2015</p> <p>The Board APPROVED the minutes of the meeting held on 16 July 2015 for signature.</p>
BD AC 150910	<p>Actions and Matters Arising</p> <p>The Board NOTED the following status updates for actions due for this meeting that were not already covered elsewhere on the agenda:</p>

	<p>15.082 – OSD and Urban Realm Strategy – It was reported that TfL’s Finance and Policy Committee on 30 July had approved the proposal to procure completion of the shell and core of the oversite development above the new Crossrail station at Tottenham Court Road West using the current contractor.</p> <p>16.024 – ETCS – Plan A/Plan B – It was reported that Network Rail had notified Crossrail that it would not be able to deliver ETCS (Plan A) in time for Stage 2 opening. Work on Plan B was continuing, although approval of its use on Crossrail would not be forthcoming from the ORR until the end of the year.</p> <p>The Board REQUESTED that senior executives from Network Rail should be invited to attend the November Board meeting to provide a fuller explanation on Plan B and provide assurance around its delivery and implementation.</p> <p>Action: Andrew Wolstenholme</p> <p>16.028 – Annual Sustainability Report – Will Parkes reported that there were a number of activities and communication forums that contributed to maintaining the high profile of Crossrail’s sustainability story. This year’s Annual Sustainability Report would be submitted to the Global Reporting Initiative for assessment.</p>
<p>BD CBR 150910</p>	<p>Crossrail Board Report Period 5</p> <p>Andrew Wolstenholme introduced the Period 5 Board Report providing an overview and highlighting key ‘Are We Within Funding?’ performance results. It was NOTED that:</p> <ul style="list-style-type: none"> • Progress against the schedule during Period 5 had been good, both in terms of production and alignment around MOHS; • It had been a positive period for Systemwide with Connaught tunnel track complete and delivery of the concrete train at Plumstead Depot; • Whitechapel remained a big area of focus and a more detailed report would be presented to the Board in October; • Cumulative SPI and CPI remained stable at 0.97 and 0.93 respectively; • In Period 5, SPI improved to 1.03 (from 0.71); • The Project remained within funding, although the breach of IP0 continued into Period 5 - increasing from the previous period from £35m to £46m. The AFCDC had increased by £10.3m during the period but it remained within the IP1 compliant budget at P50. However, at P80 the AFCDC was £11,999m (£47m above IP1), meaning that there was a greater than 20% chance of needing to draw on TfL’s contingency; • Over the last year the P50 AFCDC had increased by £53m. £31m of this had been caused by additional scope instructed by Sponsors, (£13m for an additional train, £11m for yellow plant, £6m for communications equipment and £1m for DOO CCTV); • Overall project completion had now reached 67.9% (a variance from plan of 1.9%);

- Crossrail had reinvigorated its 'Six Sigma' delivery strategy to capitalise on the programme's potential to reduce delivery costs, maintain schedule and mitigate risk through the utilisation of data driven tools and methodologies.

The Board **REQUESTED** that Simon Wright provide a progress report on the Six Sigma delivery strategy at the informal Board meeting in December.

Action: Simon Wright

Are We Safe

- Safety performance improved in Period 5. There were four significant incidents (compared to 18 in Period 4). RIDDOR AFR remained at 0.16; HSPI remained at 2.27; Lost time case AFR reduced from 0.29 to 0.28;
- 5 contracts had achieved over 1 year without a lost time injury; C520 and C340 had both gone over two years without a lost time injury; and
- Points of focus for Period 5 included lifting operations, the Have Your Say survey and Stepping Up Week preparation as well as incident and observation reporting.

Are We on Time?

Simon Wright presented an overview of delivery performance highlighting some of the key issues:

- To date, 14km of SCL had been installed versus a plan of 15.7km. Period progress for SCL was below plan with 0.13km being completed. Platform construction had gathered pace with more than 1,300m³ installed in the period and the Connaught track laying now complete;
- The Network Rail Crossrail AFC remained at £1,990m. The headroom to the funding limit remained at £189m. The On Network Works were 49% complete;
- Excavation work on the additional shaft in the Whitechapel Sports Centre Astro turf pitch would commence on 14 September. Cost and schedule performance at Whitechapel during the period was unsatisfactory, caused by a combination of poor performance (opening of the temporary Ticket Hall had been postponed now scheduled for November), and an underestimate of costs in the original tender;
- Poor ground conditions were affecting progress of C510 at Moorgate Box. Sand has been encountered and, as yet, remedial grouting had failed to stabilise the area. The option of using a freezing methodology was being considered should the grouting technique prove to be ineffective;
- Inspections for areas of SCL de-bonding at Tottenham Court Road and Bond Street were largely complete following the quality issues reported in Period 2. Areas of minor reworking had been identified and repairs scheduled, with only a small amount of testing remaining. Work to test

	<p>tunnels elsewhere was underway. No further areas of de-bonding above axis had been identified so far;</p> <ul style="list-style-type: none"> • Work to remove the TBMs from Farringdon was progressing approximately six weeks ahead of schedule; and • The plunge column quality issues at Paddington Station had now been resolved. However, work continued to address previously reported quality issues with poured concrete in the station's elliptical columns. <p><i>Commercials Update</i></p> <p>Paul Grammer provided an update on progress with commercial negotiations on key contracts following the submission of updated Bottom Up Forecasts. At Period 5 all contractors' submissions were within CRL's AFC with the exception of C510/512 Whitechapel and C828 Ilford Depot. [REDACTED]</p> <p>Are we world class?</p> <p>It was NOTED that:</p> <ul style="list-style-type: none"> • The Crossrail Innovation Forum had met on 18 August 2015, providing final endorsement of the progress of ideas for funding, as well as discussing the innovate18 transition strategy; • A Defective Quality Management System notice had been issued to C336 Paddington New Yard due to not closing out NCRs in a timely manner and quality control failure. Quality Performance Assurance Assessment had been completed on C644 during the period. Reports had been finalised and issued. C435 had created Lessons Learned on MCRs/Readiness Reviews Civils to MEP/Architectural; • External Affairs activity included broadcast coverage on the discovery of a suspected Great Plague burial site at Broadgate and media and stakeholder visits to the project. Other Stakeholders were also updated on project progress; and • A transition business case had been prepared for Crossrail's Audit function and subsequently agreed by the Executive and Investment Committee on 1 September. <p>The Board NOTED the Board Report for Period 5.</p>
24/16	<p>CRLB 17/16 – Project Representative Report Period 04</p> <p>The Board received the Project Representative's (P-Rep) Project Status Report for Period 04 which noted the following:</p> <ul style="list-style-type: none"> • Poor performance for Health and Safety in Period 4; • A significant increase in cumulative overspend "due to poor production by some contractors and increased expenditure on preliminaries on most contracts";

	<ul style="list-style-type: none"> • Significant contingency drawdown was forecast in the Commercial and Change Subcommittee pipeline especially for Liverpool Street; • CRL had continued to modify and improve MOHS but schedule pressures remained at Central Section Stations, particularly at Whitechapel; • A meeting was being organised by CRL involving the Joint Sponsor Team and TfL to progress a number of affirmations including those on 4G and WiFi provision; • Further development of the Signalling Integration Facility relied on the conclusion of commercial arrangements; • Concerns with regard to On Network Works (ONW)/Network Rail around the management of Variation Notices and Variation Instructions; • An anomaly in the reported data between CRL Project Managers' forecasts and performance measurements which should be resolved once all Systemwide Contract schedules are aligned with MOHS; • The decision not to proceed with opening the temporary ticket hall at Whitechapel (TTH) on 21 September; • Canary Wharf Group (CWG) was targeting practical completion 4 months ahead of schedule; and • Lloyds Register/Ricardo Rail verification assessments continued to progress slowly. <p>The Board NOTED the Period 04 report.</p>
25/16	<p>CRLB 18/16 – Legal Report</p> <p>The Board received the Legal Report which updated the Board on legal matters.</p> <p>The Board NOTED the report including that the judicial review application by Mr Pritchett with respect to Tottenham Court Road West would be heard in the Administrative Court on 29 October 2015.</p>
26/16	<p>CRLB 19/16 – Business Planning Update</p> <p>Andrew Wolstenholme presented an overview of the process for review and approvals for business planning for 2016/17. The work would be run concurrently with the preparation of the SACR 14 to allow for the development of any remedial plans to reduce or remove any non-compliance with intervention points. The timetable was as follows:</p> <p>10 September</p> <ul style="list-style-type: none"> • Walkthrough of SACR 14 and 2016/17 business plan methodology • Approach to identifying opportunities for reduction in spend • 2016/17 draft corporate objectives <p>8 October</p> <ul style="list-style-type: none"> • Approval of 2016/17 corporate objectives • Discussion on business plan 2016/17 assumptions and opportunities for reduction in spend

	<p>5 November</p> <ul style="list-style-type: none"> • Presentation of SACR14 prior to submission to Sponsors <p>3 December</p> <ul style="list-style-type: none"> • Presentation of 2016/17 business plan for Board approval prior to submission to TfL <p>3 March 2016</p> <ul style="list-style-type: none"> • Approval of final metrics for 2016/17 corporate objectives <p>Draft corporate objectives for 2016/17 were also presented to the Board and Board members were asked to review them in advance of being presented with a final version for approval at the Board meeting on 8 October. The Board NOTED a new objective for 2016/17 – “Manage the level of change” and the potential for duplication with the existing objective “Manage change and control our risks to maintain affordability” and QUERIED whether the proposed weighting of 1% was sufficient.</p> <p>Action: Andrew Wolstenholme</p>
27/16	<p>CRLB 20/16 – Engineering Expert Panel Final Report</p> <p>Hugh Norie presented the Engineering Expert Panel’s final Report to the Board. (The Panel’s brief would be completed at the end of September.) Overall the Panel had been impressed by the way that the engineering part of the project had been carried out and was of the view that the working relationship between Crossrail and the Panel had been positive and productive.</p> <p>The scope of the Panel’s Report included: Panel Work undertaken since the last report to the Board in 2014; SCL Tunnel Construction; TBM Drives & Cross-Passages; Liverpool Street & Electra House C510 (BBMV); Farringdon Tunnels (C435 BFK); Farringdon TBM Dismantling (C305); Tottenham Court Road and Bond Street (C410 BFK); Site Safety; Work to be Completed; and Overview of Crossrail Subsurface Work.</p> <p>The Board NOTED its thanks to Hugh Norie and the Panel for the valuable contribution made to the Crossrail project.</p> <p>The Board NOTED the report.</p>
28/16	<p>CRLB 21/16 – Commercial: Decision Making/ Governance</p> <p>Mark Fell presented a paper that set out the governance framework for decision making for Commercial as prescribed by the Scheme of Authorities. The paper also explained the role of the Commercial & Change Sub Committee which was the forum authorised to take decisions below Board level relating to Investment Authority and Commitment Authority. Decisions taken at the Sub Committee followed a robust process of review and challenge.</p> <p>The Board considered whether it was appropriate at this stage of the Project for the Scheme of Authorities to be reviewed, particularly as it was likely that a breach of IPO would be reported at the time of the submission of SACR 14. The Executive was ASKED to bring a proposal to the next meeting.</p> <p>Action: Mark Fell/David Allen</p>
29/16	<p>Minutes of Board Committees for Reference</p> <p>The Board received the following minutes for reference:</p>

	<p>Executive and Investment Committee EIC MIN 150709 EIC MIN 150806 Andrew Wolstenholme</p> <p>Health and Safety Committee HS MIN 150713 Andrew Wolstenholme</p> <p>Verbal Updates of Recent Board Committee meetings</p> <p>Executive and Investment Committee 3 September 2015</p> <p>The following matters had been covered by the Committee:</p> <ul style="list-style-type: none"> • C610 Readiness for construction; • Round 5 performance assurance results; • Audit function transition plan; and • Update from Network Rail focussing on its strategic approach to stakeholder communications. <p>Health and Safety Committee 8 September 2015</p> <p>The following matters had been covered by the Committee:</p> <ul style="list-style-type: none"> • Period 5 Health and Safety Director's performance report; • Period 5 and 6 'look ahead' report; and • A presentation from Volker Fitzpatrick on the C828, Ilford Yard Health and Safety Improvement Plan. <p>The Board NOTED the Committee reports.</p>
AOB	<p>It was NOTED that the recruitment process for a Finance Director to replace David Allen was going well and that the Panel had arrived at a short list of four candidates who were being interviewed during the week.</p> <p>The Board REQUESTED that Simon Wright bring an update on progress with the Crossrail Integration Facility to a future informal session of the Board.</p> <p>Action: Simon Wright</p>

Signed by: _____

Terry Morgan
Non-executive Chairman

Pre-meeting Board Briefing – Thursday 10 September 2015**Members:****In Attendance:****Apologies:**

Terry Morgan <i>Chairman</i>	Simon Bennett (Part of meeting) <i>Head of Learning Legacy</i>	Jayne McGivern <i>Non-executive Director</i>
Andrew Wolstenholme <i>Chief Executive</i>	Martin Buck <i>Transition and Strategy Director</i>	Valerie Todd <i>Talent and Resources Director</i>
David Allen <i>Finance Director</i>	Victoria Burnett <i>Head of Secretariat</i>	
Michael Cassidy <i>Non-executive Director</i>	Karen Elson (Part of meeting) <i>Learning Legacy Programme Manager</i>	
Phil Gaffney <i>Non-executive Director</i>	Mark Fell <i>Legal Services Director & Company Secretary</i>	
Terry Hill <i>Non-executive Director</i>	Lucy Findlay <i>Chief of Staff</i>	
Robert Jennings <i>Non-executive Director</i>	Will Parkes <i>External Affairs Director</i>	
Daniel Moylan <i>Non-executive Director</i>	Chris Sexton (Part of meeting) <i>Technical Director</i>	
Simon Wright <i>Programme Director</i>	Howard Smith <i>Operations Director</i>	

1. Learning Legacy Plan

Simon Bennett and Karen Elson presented a summary report of the Learning Legacy Plan. The Board was supportive of the work being carried out and **REQUESTED** that an update on progress be presented at the Board meeting immediately before the Plan was launched.

Action: Simon Bennett

2. Security Update

Chris Sexton provided an update report on Crossrail's security arrangements including site security, incident and business interruption response, security of the Crossrail railway through design (physical and cyber security) and IT security.

The Board **REQUESTED** that consideration be given to providing alternatives to security bollards outside stations that would be more appealing aesthetically and blend in with the physical surroundings.

Action: Chris Sexton

The Board **NOTED** the report.