

Crossrail Sponsor Board Meeting No. 122B


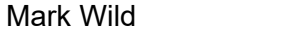
Thursday 27th August 2020, 1000-1130

Microsoft Teams

Sponsor Board Members

Matthew Lodge*	Chair, DfT, Director for Rail Infrastructure – South
Alex Luke**	DfT, Crossrail Project Director
Julian Ware**	TfL, Head of Corporate Finance
Nicola Cox**	TfL, Head of Corporate Finance
Alison Munro	Independent Member

In attendance

Kenny Laird	Technical Advisor to Sponsors
Simon Adams	Head of Joint Sponsor Team (JST)
Andrew Wallace	JST
	JST, Secretariat
	JST
	Project Representative (P-Rep)
Mark Wild	HM Treasury
Jim Crawford	Crossrail Limited (CRL), Chief Executive Officer
Rachel McLean	CRL, Chief Programme Officer
Hannah Quince	CRL, Chief Finance Officer
	CRL, Chief of Staff

Apologies

Simon Kilonback*	TfL, Chief Finance Officer
Polly Payne*	DfT, Director General of Rail
Shashi Verma*	TfL, Director of Strategy and Chief Technology Officer
Alexandra Batey	TfL, Director of Investment Delivery Planning
Howard Smith	CRL, Chief Operating Officer
Angela Williams	CRL, Chief People Officer

(*Voting Members)

(**Alternate Voting Members)

1. Safety Moment

CRL stated that in Period 4, the safety focus was on the blockade activities. There has been adherence to the use of Personal Protective Equipment (PPE) and COVID-19 testing when required. There has not been any new High Potential Incidents (HPIs). The 2 HPIs that occurred in the previous period were still under formal investigation. A visit to Whitechapel site was undertaken with Andy Byford and CRL stated that overall safety is good and people on site are not complacent. Lessons learnt will be captured and shared across various sites.

2. Minutes and Actions of Meeting 121b

The minutes and actions for meeting number 121b were discussed and agreed with minor alterations.

A progress update was provided on the open actions arising from previous Sponsor Board meetings, as summarised in the Part B action tracker.

3. Analysis of current performance trends and issues

Schedule

Sponsors asked CRL for an update on Period 4 milestones that have been achieved against planned, and a progress update on implementation of Staged Completion for Familiarisation (SCF) and T-plus process for Shafts & Portals (S&Ps). CRL stated that Fisher Street Shaft and North Woolwich Portal had achieved full handover. CRL stated that although Stepney Green was due to achieve SCF no 17 August 2020, it had been delayed due to a single point failure and the wiring design needs to be revised to rectify the failure. Sponsors asked if there are risks remaining on the T-plus dates. CRL stated that the T-plus dates are targets and when issues arise such as the electrical works, then physical modifications need to be implemented to the electrical circuits, they get retested and finalise the associated paperwork as soon as possible thereafter. CRL concluded by stating that there have been learnings from the handover of S&Ps which will be captured and transferred to stations handover with the aim on institutionalising changes into the project as well as sharing with other programmes, including HS2.

Sponsors asked for an update on the Bond Street Station (BOS) delivery strategy. CRL stated that they are in the process of progressively clearing SC1 work items which are down to c.30 Elemental Outstanding Work Lists (EOWLs). CRL outlined the plan to get to SC1, which will involve a submission to RABC on 30 September and securing approval by 7 October 2020. They are in the process of novating to CRL 28 Tier 2 and 3 contractors from CSJV. Sponsors challenged CRL to outline the plan and estimated costs to get to SC2 and CRL stated that once contracts are signed with the Tier 2 and 3 contractors, they will develop the programme to deliver SC2 in summer 2021 and look at opportunities to improve schedule. CRL stated that once the plan to achieve BOS St SC2 is developed, this will be followed by the cost estimate by end of October 2020 (**Action 122b/01**).

Sponsors asked CRL what the next key decision required of Sponsors to support CRL. CRL stated they need a decision on the configuration state of the infrastructure for Trial Running by [REDACTED]. CRL also stated that they will present a paper to CRL Executive by end of September and Sponsors thereafter, setting out the implications for operations in revenue service and develop a forward look of other potential decisions that may require sponsor input. (**Action 122b/02**).

Costs

Sponsors challenged CRL to explain what has been delivered in Period 4, the programme-wide initiatives underway to help reduce costs, specifically indirect costs. CRL stated that the [REDACTED] with the spend in period of [REDACTED], which was [REDACTED] over the short-term forecast. The expenditure was on initiation of the construction blockade, progress on S&Ps and Bismarck tests. Expenditure on indirects remains at [REDACTED] per period. Sponsors enquired about the forward-looking cost trends and CRL stated work continues to finalise the cost estimate aligned with the scope and schedule. However, there are pressures given the level of delegated authority available, as it is impacting on the certainty that CRL could provide to staff, given the competing priorities on the programme. CRL stated they were keen to minimise the potential for project teams being distracted due to the uncertainty. Sponsors noted the CRL concerns and reassured CRL that discussions are in progress but the request for an increase in Investment Authority needs to be supported by

data and information to inform the required decisions on Investment Authority. Sponsors agreed that CRL should make a request for the remaining [REDACTED] of Investment Authority for Sponsors consideration (**Action 122b/03**). Sponsors asked CRL to provide the forward investment authority profile to Sponsors to inform their decision (**Action 122b/04**).

4. Update on DCS 1.1 and CRL assurance

DCS Planning/ Costs

Sponsors asked CRL to explain the costs and schedule basis for the DCS 1.1. CRL explained that the DCS 1.1 is based on [REDACTED] and had been endorsed by the CRL board for use as the base case to inform internal planning. CRL highlighted that activities for the routeway, blockade close out plans and Siemens work are well understood and have been validated and bought into by supply chain. CRL explained that the stations plan was yet to be fully validated by the supply chain and they expected the validation exercise to be concluded in September 2020. CRL stated the plan to submit the final DCS 1.1 to the board in October 2020 will be anchored on [REDACTED]

Sponsors challenged CRL to explain the schedule dates for the DCS based [REDACTED]. CRL highlighted that the [REDACTED] dates are indicative only and risks and uncertainties remain on those dates, as the input from Tier 2 and 3 contractors is still outstanding. CRL concluded by stating that [REDACTED] could potentially result in 2 cycles of slippages, while [REDACTED] which is being used as the planning basis, mitigates stage 4 and 5 impacts.

Sponsors asked CRL to outline the extent to which the costs forecasts are aligned with the DCS 1.1. CRL explained that the costs forecast is fully aligned with the DCS 1.1 [REDACTED]. CRL highlighted there is confidence in the routeway forecasts, but more work is required on the stations recovery strategy and the supply chain have been instructed accordingly. CRL explained that they plan to explore opportunities where possible to reduce costs, particularly in relation to demobilisation of contractors and use of the Alternative Delivery Model (ADM). Sponsors enquired about the indirect costs and CRL stated that they have a workforce model in place to support the indirect costs forecast. Sponsors noted the update provided and the final update of the DCS 1.1 and aligned cost forecast to be available after the October 2020 update to the Board (**Action 122b/05**).

5. Construction Blockade Progress Update

Sponsors asked CRL for an update on the blockade which is due to conclude on the 18 September 2020. CRL stated that the blockade is progressing well with 898 activities completed out of 930. There has been progressive improvement in productivity levels from 80% at the start to the current level of 93%. The blockade is 70% complete overall. Sponsors enquired about the next steps on the blockade and CRL stated there are 11 days of construction to go and work scope inspections are being carried out with robust change controls in place. This will be followed by the System Integration Dynamic Tests (SIDT). Sponsors noted the progress and asked CRL to explain the Elemental Outstanding Works Lists (EOWs) run down rates in the performance dashboard. CRL stated there is a lag between completion of the physical works, sign off and loading of evidence onto the system, as such they will need a few weeks to close out EOWs on the system at end of blockade.

6. Staged Opening Readiness

Sponsors asked CRL to clarify the level of definition of the plans for stage 4 and 5 within DCS 1.1. CRL explained that stage 3 is the focus at present and as such although all the critical activities for stage 4 and 5 are logic linked in the DCS 1.1, they are at a different level of maturity when compared to the definition of plans for stage 3. CRL stated they are considering assurance and transitions as part of their Trial Running Mobilisation Board (TRMB) to address operations and reliability issues in the future.

7. AOB

Sponsors updated CRL on the progress with the workstreams to deliver the planned governance transition. TfL Sponsors explained they are setting up the new internal governance with CRL which includes mapping the Scheme of Authorities to the new governance structure. DfT Sponsors stated that the governance transition had been approved in principle and work was in progress to secure final approvals. Sponsors assured CRL that there would be a smooth handover at the next CRL board to ensure that business transfers across seamlessly. The sequence of steps and exchange of letters between DfT and TfL that are required to enact the transition were outlined and it was noted that the communications plans would be shared and agreed between Sponsors and CRL. It was noted that the first Elizabeth Line Delivery Group (ELDG) will be held on 17 September 2020. It was also agreed that the next Sponsor Board will be the final meeting and the agenda will be focussed on close out (**Action 122b/06**). Sponsors agreed that at the final meeting they would satisfy themselves that any outstanding actions are effectively allocated and transferred to the relevant post transition governance groups/committees (**Action 122b/07**). It was also agreed that a Sponsor Board effectiveness review exercise be undertaken to capture lessons and best practices on governance (**Action 122b/08**).

Summary of actions:

No.	Action	Lead	Target and Update
122b/01	Develop the plan and estimated costs to deliver Bond Street SC2	Jim Crawford	October 2020
122b/02	CRL to present the infrastructure configuration state for Trial Running to Sponsors and set out the implications for operations in revenue service and develop a forward look of other potential decisions that may require sponsor input	Jim Crawford	October 2020
122b/03	CRL to submit investment authority request to Sponsors for circa [REDACTED]	Rachel McLean	September 2020
122b/04	CRL to provide the forward investment authority profile to Sponsors	Rachel McLean	September 2020
122b/05	CRL to provide final update of the DCS 1.1 and aligned cost forecast	Jim Crawford/	October 2020

		Rachel McLean	
122b/06	SB 123 will be the final Part B session with an agenda focussed on close out and transition	JST/CRL	September 2020
122b/07	Complete review of outstanding SB Part A and B actions and re-assign as appropriate to relevant post transition governance groups/committees	JST/TfL	September 2020
122b/08	Conduct a SB effectiveness assessment and summarise key lessons learnt	JST/Sponsors	September 2020