



CROSSRAIL BOARD

**Minutes of the Meeting of the Board of Directors of Crossrail Limited
held on Thursday 26 February 2015 at 13.30
28th Floor Boardroom, 25 Canada Square, Canary Wharf, E14 5LQ**

Members:

In Attendance:

Apologies:

Terry Morgan (Chairman) <i>Chairman</i>	Mark Fell <i>Legal Services Director & Company Secretary</i>	Martin Buck <i>Transition & Strategy Director</i>
Andrew Wolstenholme <i>Chief Executive</i>	Lucy Findlay <i>Chief of Staff</i>	
David Allen <i>Finance Director</i>	Will Parkes <i>External Affairs Director</i>	
Michael Cassidy <i>Non-executive Director</i>	Howard Smith <i>Operations Director</i>	
Phil Gaffney <i>Non-executive Director</i>	Valerie Todd <i>Talent and Resources Director</i>	
Terry Hill <i>Non-executive Director</i>	Hugh Norie (agenda item 6 only) <i>Chair, Engineering Expert Panel</i>	
Robert Jennings <i>Non-executive Director</i>		
Jayne McGivern <i>Non-executive Director</i>		
Daniel Moylan <i>Non-executive Director</i>		
Simon Wright <i>Programme Director</i>		

The meeting was quorate, and no directors declared conflicts of interest in relation to any matters discussed.

	The Chairman welcomed Board members and attendees.
BD MIN 290115	Minutes of the Meeting of the Board held on 29 January 2015 The Board approved the minutes of the meeting held on 29 January 2015 for signature.
BD AC 260215	Actions and Matters Arising The Board noted the updates provided on the outstanding actions. 62/15 Ilford Depot and 63/15 Yellow plant update provided during Board report discussion. 55/15 David Allen updated the Board on his examination of the six central section contracts. He had concluded that meeting the Financial Directors of Morgan Sindall and Kier would be appropriate. He agreed to update the Board following his

	<p>conversations with those two Directors.</p> <p>Action: David Allen</p> <p>17/15 had been moved to the March Board meeting to enable alignment with CTOC participation.</p>
<p>BD CBR 260215</p>	<p>Crossrail Board Report</p> <p>The Board considered the Crossrail Board Report for Period 11, noting that performance during the period had been relatively stable. The project was 0.9% behind programme.</p> <p><i>Are we safe?</i></p> <p>Overall, safety performance had decreased, with the RIDDOR AFR rate deteriorating to 0.23. HSPI had increased slightly to 2.28 from 2.25 in Period 10; 15 out of 16 contracts had achieved HSPI scores of 2.00 or above (equivalent to 94% of the contracts). The points of focus for the Period included preparing for the launch of a new Crossrail-wide induction course, Golden Rule refresh, Target Zero reboot and Stepping up week.</p> <p>There had been four RIDDOR Majors, one RIDDOR 7+ day injury, one 3+ day lost time incident and two lost time injuries during Period 11. The Lost Time Case AFR had deteriorated to 0.37 from 0.35. As a consequence of the performance a short shut-down at Bond Street had been called and an emergency SHELТ organised with action plans to be provided by contractors.</p> <p>The inquest into the tragic fatality at Fisher Street Shaft on 7 March 2014 had commenced and the HSE investigation was ongoing. The Board requested an update on the outcome at a future meeting.</p> <p>Action: Mark Fell</p> <p>The cycling fatality on 19 February was raised and a point made that there had been no communication with the Board. The Executive was asked to address this concern.</p> <p>Action: Simon Wright/Steve Hails</p> <p>Industrial relations activities at Bond Street and Whitechapel were also noted.</p> <p><i>Are we within funding?</i></p> <p>The Project remained within funding. The P50 AFCDС had increased slightly to £11,728m (from £11,707m) with the headroom to Intervention Point (IP) 0 decreasing to £15m (from £35m). The headroom to IP1 had decreased, with the P80 AFCDС now £4m below IP1, compared to £24m in Period 10. The EAC (Estimate at Completion) Low and EAC High had both decreased in the Period by £4m and £27m respectively, resulting in the P50 AFCDС of £11,728m being £113m below EAC Low (£138m in Period 10).</p> <p>The cumulative SPI had remained at 0.99 and cumulative CPI had remained at 0.94, with the period SPI decreasing to 0.99 from 1.06 in Period 10 and period CPI improving to 0.95 from 0.81 in Period 10. The periodic CPI and cost variance at Paddington, Bond Street, Tottenham Court Road, Farringdon, Liverpool Street and Whitechapel continued to cause concern.</p> <p>Programme Change increased in the Period by £17m mainly due to a change to the</p>

procurement strategy for the Systemwide point machine supplier, systemwide lifting facilities for tunnel ventilation plant installation and systemwide communications systems redesign for the emergency services network for which a Sponsor instruction is expected.

Direct costs (including risk) in Period 11 were £12.4m below the Business Plan, while indirect costs were £1.5m below the Business Plan.

The Board discussed the guidance provided by the Sponsor Board meeting on 23 February regarding the funding of yellow plant. Implementation of that guidance would mean that the project would be required to fund approximately £10 million of the total cost of the yellow plant, which is estimated to be £25 – 30 million. No budget provision has been made in respect of that cost. The Board noted that the interpretation of the relevant clauses in the Project Development Agreement and Sponsors Requirements was not entirely clear. A number of suggestions were made in respect of how to account for the change and how to respond to the Sponsor Board when their guidance letter was received. It was **AGREED** that the draft CRL response to Sponsors' guidance would be shared with the Board prior to formal submission.

Action: Andrew Wolstenholme

Sponsors would not be instructing CRL to accommodate early demolition of the Royal Mail Group building at Paddington having agreed that it would risk delay to Stage 3 opening. Sponsors would be asking CRL to work with Sellars to explore providing in 2017 earlier access than currently planned.

Are we on time?

The Board received a presentation by Simon Wright, Programme Director, which highlighted progress and challenges across the programme. The Board noted that substantial completion at Canary Wharf station had not yet been achieved and CRL would not be making the milestone payment until it had been certified.

Surface works were now 38% complete. A considerable amount of risk and assurance activity was ongoing related to NR's planned Easter 2015 works. The Board requested an update on "Plan B" TPWS+ in June/July.

Action: Simon Wright

Are we world class?

In Period 11 there had been no level 2 incidents and the overall energy reduction target was being exceeded. The total number of apprentices engaged on Crossrail was now over 420.

Upcoming external affairs activities included a number of high profile meetings and site visits, the archaeological excavations commencing at Liverpool Street and plans to mark the end of tunnelling. The exhibition at the London Transport Museum to mark the end of tunnelling on Crossrail had opened on 1 February 2015 and would remain on display for 6 months.

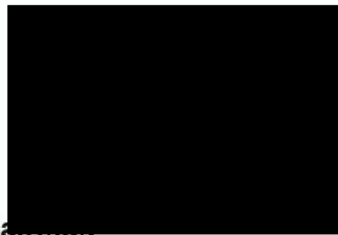
The Board requested feedback on the findings of the Big Dig Survey noting there has been a 92% response rate. They also requested informal briefings on the Sustainability Dashboard and community investment activities.

	<p>Action: Valerie Todd (Big Dig), Chris Sexton (sustainability dashboard) and Will Parkes (community investment activities).</p> <p>Legacy pension arrangements for Crossrail had been discussed at the February Sponsor Board meeting. A working party, which includes DfT representation, continues to manage the process of identifying the preferred option and the commercial terms considered appropriate by TfL. Once all terms are known and due diligence has been completed, a further paper would be brought to the CRL Board for approval and then submitted to the Sponsor Board.</p> <p>The Board NOTED the report.</p>									
69/15	<p>CRLB PAPER 42/15 – Project Representative Report</p> <p>The Board received the Project Representative's Project Status Report for Period 10.</p> <p>The Board NOTED the report.</p> <p>Andrew Wolstenholme highlighted two issues in the draft PRep Period 11 report namely the erosion of float in the programme and progress on reporting non-linear activities.</p>									
70/15	<p>CRLB PAPER 43/15 – Legal Report</p> <p>The Board received the Legal Report which updated the Board on legal matters.</p> <p>The Board NOTED the report</p>									
71/15	<p>CRLB PAPER 44/15 – Engineering Expert Panel Report</p> <p>The Board received an Engineering Expert Panel Report from Hugh Norie. The Report and presentation highlighted the successful progress that had been made on the project over the last year. Hugh Norie highlighted the importance of compiling the lessons learned during the civil engineering phase and that these lessons could influence future standards. It was agreed that the Programme Director should arrange to meet Hugh Norie after conclusion of the Fisher Street inquest to discuss any lessons to be learned from that incident.</p> <p>Action: Simon Wright</p> <p>The Board NOTED the report.</p> <p>Simon Wright noted that the Engineering Expert Panel was coming to the end of its work as the project moves to the next phase and that the Operations and Systems Expert Panel was active.</p>									
72/15	<p>Minutes of Board Committees for Reference</p> <p>The Board received the following minutes for reference:</p> <table border="0"> <tr> <td>Executive and Investment Committee</td> <td>EIC MIN 210115</td> <td>Andrew Wolstenholme</td> </tr> <tr> <td></td> <td>EIC MIN 260115</td> <td>Andrew Wolstenholme</td> </tr> <tr> <td>Health and Safety Committee</td> <td>HS MIN 190115</td> <td>Andrew Wolstenholme</td> </tr> </table>	Executive and Investment Committee	EIC MIN 210115	Andrew Wolstenholme		EIC MIN 260115	Andrew Wolstenholme	Health and Safety Committee	HS MIN 190115	Andrew Wolstenholme
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	Verbal Updates of Recent Board Committee meetings		
	Executive and Investment Committee	EIC 180215	Andrew Wolstenholme
	Health and Safety Committee	HS 160215	Andrew Wolstenholme
73/15	<p>AOB</p> <p>Way finding - the Board REQUESTED consideration of way finding at a future Board meeting.</p> <p>Action: Chris Sexton</p> <p>4G and WiFi in stations, tunnels and on trains - the Board noted current discussions with Sponsors regarding the scope of work to be carried out.</p> <p>Board dates - the Board noted that due to a scheduling error it would be necessary to issue the Board Report as a late paper May-December 2015 but the meeting dates would remain as scheduled.</p>		

Signed by:

Terry Morgan
 Non-executive Chairman



Pre-meeting Board Briefing – Thursday 26 February 2015**Members:****In Attendance:****Apologies:**

Terry Morgan (Chairman) <i>Chairman</i>	Mark Fell <i>Legal Services Director & Company Secretary</i>	Martin Buck <i>Transition and Strategy Director</i>
Andrew Wolstenholme <i>Chief Executive</i>	Lucy Findlay <i>Chief of Staff</i>	
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Terry Hill <i>Non-executive Director</i>	Siv Bhamra (part of meeting) <i>Systemwide Director</i>	
Robert Jennings <i>Non-executive Director</i>	Karen Elson (part of meeting) <i>Learning Legacy Project Manager</i>	
Jayne McGivern <i>Non-executive Director</i>	Colin Gainsford (part of meeting) <i>Systemwide Delivery Director</i>	
Daniel Moylan <i>Non-executive Director</i>	Rob Halstead (part of meeting) <i>Head of Risk Management</i>	
Simon Wright <i>Programme Director</i>		

1. Learning legacy

The Board received a presentation from Karen Elson outlining the plans and objectives for Crossrail's learning legacy.

The Board considered that: it was an ambitious and valuable project; it should not be restricted to focussing on civil engineering; linking with the Knowledge Transfer Networks could be useful; and it would be important to include any mistakes that Crossrail had made in order that other projects could avoid them.

The Board **NOTED** the presentation.

2. Update on Early Proving Railway

The Board received a presentation from Colin Gainsford and Siv Bhamra on progress to provide an early proving railway.

The Board considered that it would be useful for an update on progress at each meeting during discussion of the Board report.

Action: Simon Wright

The Board **NOTED** the presentation.

3. Risk Briefing

The Board received a presentation from Rob Halstead which included reference to the current risk profile, the volume of change, the new Master Operational Handover Schedule from 1 April 2015, the upcoming SACR confidence number and headroom to IP0.

The Board **NOTED** the presentation.

