



BD MIN 190131

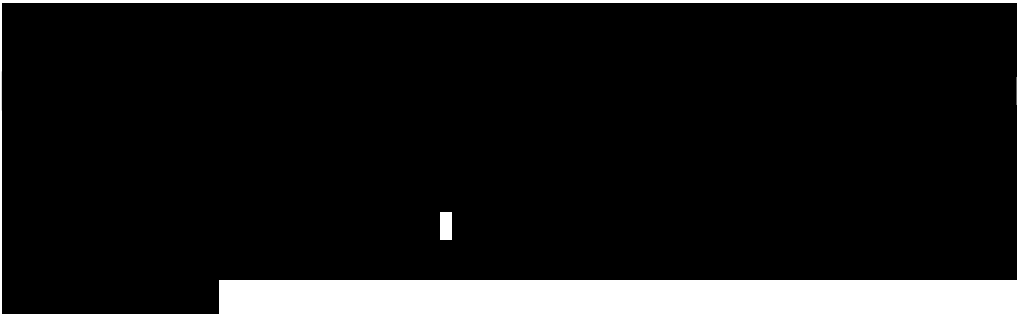
CROSSRAIL BOARD


**Minutes of the Meeting of the Board of Directors of Crossrail Limited
Held on Thursday 31 January 2019 at 11:08
10Boardroom01, 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 – via conference call (part of the meeting) <i>Non-executive Director</i>	Susan Beadles (part of the meeting) <i>Head of Legal Services & Company Secretary</i>	
David Hendry (part of the meeting) <i>Chief Finance Officer</i>	Nisrine Chartouny (part of the meeting) <i>Head of Commercial</i>	
Robert Jennings <i>Non-executive Director</i>	Lucy Findlay <i>Chief of Staff</i>	
Anne McMeel <i>Non-executive Director</i>	Peter Henderson <i>Programme Director</i>	
Nelson Ogunshakin <i>Non-executive Director</i>	Howard Smith <i>Chief Operations Officer</i>	
Andy Pitt <i>Non-executive Director</i>	Simon Adams (Items 13 & 14 only) <i>Joint Sponsor Team</i>	
Nick Raynsford (part of the meeting) <i>Deputy CRL Chair</i>	Tom Clifton (Item 13 only) <i>KPMG</i>	
Chris Sexton <i>Deputy CEO</i>	David Hughes (Items 13 & 14 only) <i>TfL</i>	
Mark Wild <i>Chief Executive</i>	Mike Kent (Item 13 only) <i>KPMG</i>	
	Matt Lodge (Items 13 & 14 only) <i>DfT</i>	
	Richard Powell (Item 13 only) <i>KPMG</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>BD MIN 181219 & 190110</p>	<p>Minutes of the Meetings of the Board held on 19 December 2018 and 10 January 2019</p> <p>The Board APPROVED the minutes of the meetings held on 19 December 2018 and 10 January 2019 for signature, subject to minor amendments being made as discussed at the meeting.</p>

BD AC 190131	Actions The Board NOTED that all 'due' actions were covered by the agenda for the day's meeting.
56/19	Matters Arising Supplemental Agreement relating to the Crossrail PDA – Additional Funding The Board was presented with a late paper seeking authority for CRL to enter into a Supplemental Agreement (SA) with Transport for London (TfL) and the Department for Transport (DfT) relating to the provision of additional funding required for the project. The Board was asked to grant commitment authority for CRL to execute the Supplemental Agreement (SA) as a deed. The Board NOTED that the requirement for CRL to execute the SA had been imposed on it by the Sponsors, that CRL Executives were not involved in the drafting or negotiation of the terms of the SA and that the SA had only been presented to CRL Executives in the week of the Board meeting. The Board NOTED that the SA placed obligations on CRL which reflected HM Treasury's requirement that the Sponsors must be satisfied with the rigour in CRL's financial management and planning. The Board NOTED that the SA provided a detailed procedure with which CRL would need to comply to drawdown any funding; documented the requirement for the CRL to work with the Sponsors to implement the recommendations of the KPMG review into CRL's governance; and amended the Sponsors Agreement and the Project Development Agreement (PDA). The Board members expressed their reservation with being presented with this key agreement without sufficient prior notice for them to give it due consideration before the Board meeting.  The Board NOTED that it was important that Sponsors engage with the CRL Board on key matters such as the SA, and not just with the CRL Executives. The majority of the members of the Board APPROVED CRL executing the SA on the conditions that: 1. A covering letter should be prepared to accompany the information that the Board was being asked to certify, explaining the basis of preparation of the information on which the Board was placing reliance, including any qualifications and assumptions, as well as any information that relied on any judgement or opinion being made; Action: Susan Beadles/ David Hendry

	<p>2. </p> <p>Action: Susan Beadles</p> <p>The Board NOTED that the Head of Legal Services could provide a copy of the Directors and Officers Liability Insurance if requested by any of the Board members.</p>
<p>BD CBR 190131</p>	<p>Crossrail Board Report Period 10</p> <p>The Board NOTED the Board Report for Period 10.</p> <p>The Board discussed the following:</p> <ul style="list-style-type: none"> • Consideration should be given to whether there were adequate controls in place to prevent individuals from getting close to the railway and electrical equipment and the HSPI should be reviewed to ensure that it was completely reflective of the current work being done on the project. The Board NOTED the need to consider the expertise of MTR to investigate safety incidents; • Dynamic Testing had commenced and was progressing well (single shift dynamic testing commenced on 14 January 2019 and 24 hours dynamic testing commenced on 20 January 2019). The next stage of dynamic testing would be multi train testing due to commence in February 2019; • It was important to build up the train mileage as this was key to determining the reliability of the trains; • The Board NOTED the outcomes of the Period 11 AFC Reviews that were held between 24 – 28 January 2019 and involved a finance and commercial review of 20 key contracts with the contract project management teams of each contract. The next AFC reviews were scheduled for 14 – 18 February 2019. An update on the re-forecast and 2019/20 business plan would be provided to the Board on 28 February 2019; • The Board NOTED the current project commercial status including that of the Supplemental Agreements for the Tier 1 contracts; • The Board NOTED the additional resources identified to support the delivery of the programme; • The third series of the BBC documentary on the project, ‘The Fifteen Billion Pound Railway’ would be aired on BBC Two on Wednesday 13 February 2019; • The NAO investigation into the project was scheduled to be published in two tranches – a factual report by the end of February 2019 and an evaluation of the project by April 2019, both timelines were subject to change; • There was a new page on Enterprise Risks in the Board Report. These risks were owned by the CEO and members of the Senior Leadership Team and would be presented in a recognisable risk management framework to the Board at the next meeting on 28 February 2019. Work was also ongoing on developing and setting out those risks that fell below enterprise level. The Board considered that it was necessary for the Executive Directors to engage with the Board in the agreement of the

	Enterprise Risks; and <ul style="list-style-type: none"> The interface between CRL and Sponsor meetings regarding the revised cost and programme plan was NOTED. 						
50/19	CRLB 50/19 – Health and Safety Briefing This item was deferred until the next Board meeting on 28 February 2019.						
51/19	CRLB 51/19 – Earliest Opening Programme The Board NOTED the plan for the Earliest Opening Programme, which would also be presented to the Sponsor Board on 15 February 2019. The meeting also NOTED that the plan for the revised programme would be presented to the Board for approval on 28 February 2019.						
52/19	CRLB 52/19 – Investment Authority for Major Contracts The Board APPROVED a paper seeking the allocation of £454m of Financial Budget and the award £431.8m of Investment Authority to the major contracts and Indirects, including amounts that had been previously loaned from contracts which had a short-term surplus.						
53/19	CRLB 53/19 – Annual Declaration of Interests The Board NOTED the Register of Directors’ Interests as at January 2019.						
54/19	CRLB 54/19 – Project Representative Report (P-Rep) Period 9 The Board reviewed and NOTED the P-Rep Report for Period 9. Mark Wild provided a verbal summary of the issues that were expected to be raised in the Period 10 report which were NOTED by the Board.						
	<p>Minutes of Board Committees for Reference</p> <p>The Board received the following minutes for reference:</p> <table border="1"> <tr> <td>Executive and Investment Committee</td> <td>EIC D 190103 EIC D 190114</td> <td>Mark Wild</td> </tr> </table> <p>Verbal Updates of Recent Board Committee meetings</p> <table border="1"> <tr> <td> <p>Executive and Investment Committee 23 January 2019 Matters covered by the Committee were:</p> <p>Board agenda items:</p> <ul style="list-style-type: none"> Draft Board Report Period 10 Earliest Opening Programme Interface between CRL and Sponsor Meetings Investment Authority for Major Contracts <p>Other items:</p> <ul style="list-style-type: none"> Technical Directorate – Systems Integration </td> <td></td> <td>Mark Wild</td> </tr> </table>	Executive and Investment Committee	EIC D 190103 EIC D 190114	Mark Wild	<p>Executive and Investment Committee 23 January 2019 Matters covered by the Committee were:</p> <p>Board agenda items:</p> <ul style="list-style-type: none"> Draft Board Report Period 10 Earliest Opening Programme Interface between CRL and Sponsor Meetings Investment Authority for Major Contracts <p>Other items:</p> <ul style="list-style-type: none"> Technical Directorate – Systems Integration 		Mark Wild
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55/19	<p>CRLB 55/19 – Briefing by KPMG on Governance & Financial and Commercial Reports (to include CRL paper on prioritisation and implementation of recommendations)</p> <p>The Board received an overview from KPMG on the findings and recommendations from their independent reviews of Crossrail, NOTING the key recommendations on schedule, cost and risk; CRL controls and reporting; CRL organisation; and CRL Board and Committees.</p> <p>The Board was also presented with a paper setting out CRL’s Corporate Governance revision and response to the KPMG recommendations and NOTED the items for consideration and subsequent action.</p> <p>The Board NOTED that steps were already being taken to implement the recommendations made in the KPMG reports. It was NOTED that each recommendation had been assigned to a member of the Senior Leadership Team and that a single tracker co-owned with the Joint Sponsor Team was being maintained to record the outcomes of their implementation by CRL and Sponsors.</p> <p>The Board NOTED that there would be thorough monitoring of CRL’s implementation of the recommendations and this would be shared with the Sponsors.</p>
Verbal	<p>De-brief Discussion with the Sponsors</p> <p>The Board held a discussion with representatives of the Sponsors and the Joint Sponsor Team on matters relating to the Supplemental Agreement relating to additional funding; funding for On Network Works; and the National Audit Office review into Crossrail.</p>
AOB	<p>The Board NOTED the following:</p> <ul style="list-style-type: none"> • Robert Jennings, one of the DfT nominated Non-executive Directors, reminded the Board that his term of appointment would end in April 2019; and • In 2017, there had been a review of the work done on Crossrail to capture lessons learnt to share with the Crossrail 2 project. From August 2018, more learning had been documented during the testing and commissioning phase and the lessons learnt were now substantially complete. Comments/ recommendations on this work would be welcome from any of the Board members. The Board considered the possibility of establishing a governance process for documenting lessons learnt from the project. <p>There was no other business.</p>
NEDs Only Session	Non-executive Directors discussed the day’s meeting.

Signed by:
Tony Meggs
Chair