

CROSSRAIL SPONSOR BOARD MINUTES NO.110A

Friday 20th September 2019: 1430-1600

Venue: CRL, 5 Endeavour Square, Floor 10, Boardroom 2

Sponsor Board Members

David Hughes*	Chair, TfL, Investment Delivery Planning Director
Simon Kilonback*	TfL, Chief Financial Officer
Ruth Hannant*	DfT, Director General for Rail
Alison Munro	Independent Member

(* Voting Members)

In attendance

Shashi Verma	TfL, Director of Strategy and Chief Technology Officer
Kenny Laird	Technical Advisor to Sponsors
Simon Adams	TfL, Head of Joint Sponsor Team
Alex Luke	DfT, Project Director – Crossrail
██████████	DfT, Joint Sponsor Team, Secretariat
██████████	Project Representative
██████████	Project Representative
Paul Robins	Chair of RAB-C, for item 3

Apologies

Matthew Lodge*	DfT, Director for Rail Infrastructure - South
Tanya Coff	TfL, Finance Director for London Underground
Andrew Wallace	TfL, Joint Sponsor Team, Secretariat
██████████	HM Treasury

1. Minutes and Actions of Meeting 109a

The minutes and actions for meeting number 109a were discussed and agreed without alterations; all actions from meeting 109a have been completed and can be closed.

2. Progress Update

The Sponsor dashboard was presented, and the increase in the AFCDC to £15,505m (£42m in excess of funding) was noted. Sponsors noted that headcount had not decreased as expected and time dependent costs continue to accrue. A risk breakdown has been added to the dashboard, showing allocation against areas of tightening, Sponsors questioned whether the allocation against productivity was sufficient.

P-Rep explained that prolongation of resources on site is leading to slippage of dates and continued cost increases. Although the T-minus approach has helped CRL to focus more on the future, it has also highlighted missing elements that need addressing. Work is progressing, but not in line with cost projections and DCS board commitment dates are already at risk, with concerns around CRL's ability to mitigate. P-Rep also stated that Handover Execution Plans are providing clarity on how handovers will work and stated that exit strategies for each contract should be developed, to curtail the ongoing time dependent resource costs as a priority.

Sponsors noted that the CRL Board had tasked its Executive to revert in November with a revised forecast and schedule, demonstrating that current performance trends could be contained within the available funding and opening window **Action (110a/01)**.

3. RAB-C and Approvals Risk

FLU Testing

Kenny Laird introduced the paper on progress with FLU testing, highlighting that some technical issues have been identified during dynamic testing. It was noted that there is low confidence in the software being ready for Trial Running in [REDACTED] and the key risk is that CRL become 'trapped' in discovery mode, unable to detect and resolve software problems. This could potentially lead to reduced functionality in the software version used for ROGs, pushing Trial Running to the [REDACTED]. It was noted that the plateau team is now well established and starting to make a difference although uncertainties remain which could impact on timing.

Safety Approvals

Paul Robins, chair of RAB-C, presented the RAB-C process and its purpose, which is to provide independent assessment of safety justifications and other CRL documentary evidence, to provide assurance that the railway is safe. It was highlighted that the submission programme is determined by CRL, and the document backlog from CRL has increased, with a 'bow wave' that is becoming undeliverable in the necessary timescales. It was noted that alternative proposals using a group of experts making "structured engineering judgements" on whether it is safe to enter Trail Running are under discussion. Sponsors noted the alternative proposed and discussed the challenges. Paul Robbins highlighted that there would be impacts on RfLI as they are expecting a passenger ready railway at the start of Trial Running and in addition RAB-C does not have sufficient resources to meet demand, and concerns had been raised with CRL.

P-Rep noted that they have also raised this issue repeatedly, and that contractor performance is important and needs to be made visible.

Sponsors questioned whether there are incentives to drive delivery of documents and whether RAB-C had received documents for TCR. It was noted that documentation is already a contract obligation, but challenges remain in getting contractors to deliver. PR added that RAB-C had, so far, seen no documentation on TCR.

4. Stocktake

Simon Adams introduced the paper, explaining that the CRL scenarios describe the key risk areas – productivity, software, handover – which are already occurring.

Sponsors discussion included the need to understand how and where sponsors can help; an acknowledgement of progress made by CRL in establishing the DCS; but concerns with CRL's ability to keep to schedule and cost, timely delivery of assurance documentation, effective handovers and establishing exit strategies for Tier 1s.

Sponsors agreed that now is not the time to change the governance structure, but Sponsors agreed to continue to use sponsor NEDs to raise concerns at the CRL board and that CRL should not be distracted from their focus on delivery, which should be considered in sponsor requests.

5. Papers for Decision – P-Rep and KPMG

Sponsors agreed to the recommendations in both papers.

6. AOB

Greater London Authority (GLA) loan drawdown

It was noted that the Joint Sponsor Team, P-Rep and CRL had recently met to validate CRL's certified information in relation to the October drawdown from the GLA loan. Sponsors approved the October drawdown and asked the Joint Sponsor Team to confirm the outcome of the discussion with the GLA regarding certification.

It was noted that increased investment authority for CRL could not be granted in the absence of agreement to release the additional tranches of the loan facility from HMG **Action (110a/02)**.

Summary of actions:

No.	Action	Lead	Target and Update
110A/01	Action: Sponsors to review the outcome of the CRL November Board meeting.	CRL	Sponsor Board 112 - 15 Nov
110A/02	Access to contingent loan facility to be confirmed with HMG.	DfT	Sponsor Board 111 – 17 Oct