

CROSSRAIL BOARD

**Minutes of the Meeting of the Board of Directors of Crossrail Limited
Held on Thursday 5 November 2015 at 13.00**

Crossrail Limited, 28th Floor Boardroom, 25 Canada Square, Canary Wharf, London E14 5LQ

Members:	In Attendance:	Apologies:
Terry Morgan <i>Chairman</i>	Martin Buck <i>Transition & Strategy Director</i>	Victoria Burnett <i>Head of Secretariat</i>
Andrew Wolstenholme <i>Chief Executive</i>	Mark Carne (Part of meeting) <i>Network Rail</i>	
Michael Cassidy <i>Non-executive Director</i>	Mark Fell <i>Legal Services Director & Company Secretary</i>	
Mathew Duncan <i>Finance Director</i>	Lucy Findlay <i>Chief of Staff</i>	
Phil Gaffney <i>Non-executive Director</i>	Paul Grammer <i>Commercial Director</i>	
Terry Hill <i>Non-executive Director</i>	Non Owen <i>Company Secretarial Assistant</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>	Matt Steele (Part of meeting) <i>Network Rail</i>	
	Valerie Todd <i>Talent and Resources Director</i>	
	Matt White (Part of meeting) <i>Surface Director</i>	

The meeting was quorate.

	<p>The Chairman welcomed Board members and attendees.</p> <p>The Board NOTED that Terry Hill had informed the Chairman and Company Secretary that he had taken up a new position with the ORR on its Highways Committee. The Company Secretary had advised that the position was unlikely to give rise to any conflict of interest.</p> <p>The Board NOTED Terry Hill's offer to absent himself during discussion of the Bond Street contract designers performance given his role with Arup.</p> <p>The Board also NOTED that, following the Board's approval of the appointment of Pam Alexander as a non-executive director of Crossrail, it was hoped that Sponsor approval would be confirmed in time for Pam Alexander to start on 1 December.</p>
BD MIN 151008	<p>Minutes of the Meeting of the Board held on 8 October 2015</p> <p>The Board APPROVED the minutes of the meeting held on 8 October 2015 for signature.</p>

<p>BD AC 151105</p>	<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>B16.033 – Security Arrangements – Simon Wright REPORTED that alternatives to bollards had been investigated with local authorities at all station entrances. The Centre for the Protection of National Infrastructure (CPNI) requirements for protection from hostile vehicles meant that bollards were the only practical option because of the large numbers of people using the entrances who would need to be able to pass through the Hostile Vehicle Mitigation measures quickly and easily. Daniel Moylan commented that the CPNI were responsive to alternative means of achieving security objectives. Michael Cassidy added that there was a potential conflict between the proposed locations of the artwork and the bollards at the entrance to the Liverpool Street station.</p> <p>The Board REQUESTED that further consideration be given to this matter by the Property Sub-Committee.</p> <p>Action: Simon Wright.</p> <p>B16.036 – Cancellation of Big Dig Survey – It was NOTED that, following the decision to cancel the Big Dig Survey, the corresponding weighting from the 'Are We World Class' section of the KPIs (3%) had been transferred to 'Are We Within Funding' IPO headroom KPI for 2015/16.</p>
<p>BD CBR 151105</p>	<p>Crossrail Board Report Period 7</p> <p>Andrew Wolstenholme introduced the Period 7 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"> • The concrete train had continued its work covering about 90m each shift; • Whitechapel had seen some improvement in performance in the Period; • Good progress had been made with SCL, first stage concrete, track, platforms and PES; • Progress continued to be made to align contractors' programmes around MOHS; • The Project was now reporting 67.1% complete against plan of 69.6%. This was a reduction from period 6 reflecting the approval of additional budget of £340m in the last period; • Cumulative SPI remained at 0.97 and CPI remained at 0.92; • In period SPI increased to 0.85 and in period CPI increased to 0.80; • The breach of IPO had increased by £5m to £99m at P50 reflecting earlier phasing of forecast spend resulting in a loss of interest and a reduction in the intervention points; • The AFCDC had not changed and remained within the IP1 compliant budget at P50. The P80 AFCDC remained at £12,056m (£121m above IP1) and there was now around a 30% chance of drawing on some of TfL's contingency; • Strategic risks and significant risks remained stable; and • The KPIs remained stable except for the positive movement in RIDDOR and LTC and the end date probability of achieving stage 3 December 2018 which has increased by 5% to 77% as recorded in the draft SACR14. <p><i>Are We Safe</i></p>

It was **NOTED** that:

- Safety performance had improved again in Period 7 with four weeks without any Lost Time Incidents - although there were six high potential near misses;
- RIDDOR AFR had reduced to 0.14 which was a more than 20% reduction from 2014/15 year end;
- HSPI had increased slightly to 2.25 and 15 of the 16 contracts reported scores of over 2.00;
- Lost time case AFR had reduced to 0.23 which was also a more than 20% reduction from 2014/15 year end;
- C340 had recorded over a 1000 days without a lost time case; 3 further contracts achieved over 2 years without a lost time injury – Custom House, Bond Street and Mile End;
- Stepping up week had been held during Period 8;
- It was likely that Safety performance during Period 8 would decline – given results received so far.

Are We on Time?

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

- The periodic CPI and cost variance at several of the major stations had continued to cause concern. In most cases the underlying drivers were insufficient prelims coupled with poor performance, and a difference between approved schedules and actual performance;
- Areas of minor reworking to secondary lining in tunnels following de-bonding and over-spraying at Bond Street and Tottenham Court Road were underway. Grouting around Electra House to improve ground conditions in advance of construction of AP9 escalator barrel remained a risk, with grouting scheduled until late November. Minor movements to Electra House had been recorded and mitigation put in place;
- Construction of the final cross passage CP5A and remaining first stage concrete placement in tunnels was progressing to plan;
- Rectification work at Tottenham Court Road Station to the Platform Edge Screen support brackets had progressed during the period. Forecast Sectional Completion 1 dates for the eastern platform tunnels had been put at risk due to delay in the delivery of the handover of the Western running tunnel to Systemwide on 30 November 2015;
- Whitechapel had had two successful weekend possessions in the period, with the majority of the planned critical works being completed in advance of the successful handback into operation. Mitigation was in place to recover works lost during the weekend possessions. Agreements had also been reached with LU and LO for the opening of the Temporary Ticket Hall to the public now planned for 18 January 2016;
- The Bond Street Station design contractor (Arup) continued to deliver substandard performance. Despite intervention by members of the Crossrail executive, recently completed critical design products, particularly electrical design specifications, were below the required quality standard. The Programme Director had recently intervened to instruct a remedial action plan and daily review meetings were now taking place;

- A MOHS compliant schedule was expected shortly for Ilford Yard. A plan had been developed to agree a programme and the cost forecast, including intervention by CRL at an executive level. Site constraints had been eased, as management action had improved the Greater Anglia Franchise holder's confidence in the project team, although there was a complex interdependency between the Crossrail work and other work on the Greater Anglia network;
- The Single Line Diagrams that define the critical dates for Systemwide to gain access into the numerous rooms and cable routes in each of the stations had been signed and agreed between the Stations Tier 1 contractors and the Systemwide team. These documents formed the foundation of the detailed integrated schedule between the Stations and Systemwide that supported the early dynamic testing of trains to commence in November 2017;
- Agreement of the MOHS Compliant schedule was on-going; Systemwide Contractors were collaborating to produce integrated programmes and significant progress had been achieved in the period through harmonising the C620 programme with that of the C610 Contractor;
- A revised Design Gate Review scope has been agreed and a revised On-board Engineering Train signalling equipment specification has been drafted and is under discussion with representatives of RfL's procurement team;
- The ORR decision on Train Protection Plan B was expected in December 2015 and until this was received there was a potential risk to Crossrail's ability to open Stage 2. Siemens would be instructed to undertake work to deliver Plan B as a parallel workstream to avoid disruption to the CBTC signalling design work;
- Systemwide continued advancement in design reviews, procurement, factory acceptance testing and delivery of equipment and machinery. However, progress when compared to forecast dates had continued to slip due to further movement of MOHS access dates.

Commercials Update


Paul Grammer provided an update on progress with commercial negotiations on the following contracts: C405 Paddington; C412 Bond Street; C422 Tottenham Court Road; C435 Farringdon; C502 Liverpool Street; C510/512 Whitechapel; C300/410 Tunnels West; C305 Tunnels East; C610 Systemwide; C828 Ilford Depot and C530 Woolwich.



Are we world class?

It was **NOTED** that:

- HRH the Duke of Edinburgh had visited C435 Farringdon station to see how the works were taking shape and to meet some of the apprentices, construction workers and engineers delivering the station.

	<ul style="list-style-type: none"> • External affairs activity had included a CNN broadcast on Crossrail and media and stakeholder visits to the project. • Women from across the project had participated in a speed mentoring event on the London Eye as part of 'International Day of the Girl'. The event highlighted opportunities and jobs available to students of Science, Technology, Engineering and Maths and was attended by girls from schools across London and the South East. • Joint CRL/TfL workings groups continued to work on transition plans. The Learning Legacy website development had been procured. <p>The Board NOTED the Board Report for Period 7.</p>
42/16	<p>CRLB 33/16 – Project Representative Report Period 06</p> <p>The Board received the Project Representative's (P-Rep) Project Status Report for Period 06 which noted the following:</p> <ul style="list-style-type: none"> • The risk that the IPO breach would increase further during future periods due to uncertainty regarding the conclusion of commercial negotiations including Ilford, most station contracts, and most of the Systemwide contracts. • The actions being taken to maintain the current position with regard to IPO breach or improve it. • The continued development of MOHS and that monitoring progress against the schedule as it currently stands can lead to anomalies in reporting. • Issues with Ilford Yard and the complexity of the site • Issues with On Network Works (ONW)/ Network Rail • Issues relating to key contractors' staff positions at Woolwich <p>The Board NOTED the Period 06 report.</p>
43/16	<p>CRLB 34/16 – Legal Report</p> <p>The Board received the Legal Report which updated the Board on legal matters.</p> <p>The Board NOTED the Legal Report including that:</p> <ul style="list-style-type: none"> • The judicial review application made by Mr Pritchett with respect to the Tottenham Court Road West site had been dismissed by the Judge at the Administrative Court on 29 October; and • 
44/16	<p>CRLB 35/16 – Business Plan 2016/17</p> <p>Andrew Wolstenholme and Mathew Duncan presented a paper which updated the Board on the Business Plan 2016/17.</p> <p>The Board would be asked to approve the final version of the Plan in December. In the meantime, a summary of the work carried out so far – including current budget proposals were presented to the Board for comment.</p> <p>It was NOTED that concerted efforts continued to bring costs down wherever</p>

	<p>possible to maintain the current headroom position with regard to IP1 or to improve it. Since the first round of departmental budget submissions, around £14m of cost had been taken out of the budget. The 'stretch target' was to improve headroom to IP1 by around £20m from the position at Period 7.</p> <p>The Board NOTED the Business Plan 2016/17 and REQUESTED that Mathew Duncan provide individual briefings to the non-executive Board members in advance of the final Business Plan being presented and check whether renewal of the Interim Funding Agreement with Network Rail was possible following NR's transfer into DfT.</p> <p>Action: Mathew Duncan</p>						
45/16	<p>CRLB 36/16 – SACR 14</p> <p>Andrew Wolstenholme presented the SACR 14 report highlighting some of the key messages to Sponsors relating to: Health and Safety performance; introduction of the Master Operational Handover Schedule; the 77% likelihood of achieving Stage Three Opening in December 18; milestones achieved since SACR 13; areas for Sponsor support; and key issues for the next six months.</p> <p>The Report provided context for the breach to IP0 – explaining that certainty around delivery had increased. Nonetheless, efforts to avoid any worsening of the breach position continued. The 2016/17 Business Plan process had included measures to challenge budgets presented; Crossrail would continue to challenge contractors' cost proposals, improve commercial certainty and seek efficiency gains in critical areas of production.</p> <p>The Board APPROVED the SACR 14 report subject to some minor amendments and NOTED that it would be submitted to Sponsors during the following week.</p>						
46/16	<p>CRLB 37/16 – Network Rail Presentation</p> <p>Mark Carne and Matt Steele provided a presentation on Network Rail's delivery of the On Network Works forming part of the Crossrail Programme which covered: health and safety performance; key outputs to meet Crossrail Stages and progress across the Programme; and key challenges.</p> <p>The Presentation also explored areas where Crossrail had expressed concern – such as ETCS Delivery and Christmas 2015 works. Matt Steele agreed to look in more detail at what access would be required in the Paddington Approaches are to install ETCS at the later date while TPWS was in operation.</p> <p>The Board NOTED the presentation and REQUESTED Network Rail should come back to the Board in the New Year (March).</p> <p>Action: Secretariat</p>						
47/16	<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 151001</td> <td>Andrew Wolstenholme</td> </tr> <tr> <td>Health and Safety Committee</td> <td>HS MIN 151005</td> <td>Andrew Wolstenholme</td> </tr> </table> <p>Verbal Updates of Recent Board Committee meetings</p> <p>Executive and Investment Committee 29 October 2015</p> <p>The following matters had been covered by the Committee:</p>	Executive and Investment Committee	EIC MIN 151001	Andrew Wolstenholme	Health and Safety Committee	HS MIN 151005	Andrew Wolstenholme
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	<ul style="list-style-type: none"> • Legal Report • Business Plan 16/17 • SACR 14 • Handover Strategy Update • Stage One Readiness Update <p>Health and Safety Committee 3 November 2015</p> <p>The following matters had been covered by the Committee:</p> <ul style="list-style-type: none"> • Period 7 Health and Safety Director's Report • Health and Safety Period six monthly look ahead • Have You Say Survey results • Health and Wellbeing update <p>The Board NOTED the Committee reports.</p>
AOB	<p>Major Incident Exercise - Exercise Eagle</p> <p>Andrew Wolstenholme reminded the Board that Exercise Eagle would be taking place on 06 November 2015 and therefore the Board would receive various communications relating to this exercise throughout the day.</p>

Signed by:

Terry Morgan
Non-executive Chairman

Pre-meeting Board Briefing – Thursday 5 November 2015

Members:	In Attendance:	Apologies:
Terry Morgan <i>Chairman</i>	Jeremy Bates (Part of meeting) <i>Head of Integration</i>	Victoria Burnett <i>Head of Secretariat</i>
Andrew Wolstenholme <i>Chief Executive</i>	Martin Buck <i>Transition & Strategy Director</i>	
Michael Cassidy <i>Non-executive Director</i>	Mark Fell <i>Legal Services Director & Company Secretary</i>	
Mathew Duncan <i>Finance Director</i>	Lucy Findlay <i>Chief of Staff</i>	
Phil Gaffney <i>Non-executive Director</i>	Paul Grammer <i>Commercial Director</i>	
Terry Hill <i>Non-executive Director</i>	Heather McPherson (Part of meeting) <i>Handover Manager</i>	
Robert Jennings <i>Non-executive Director</i>	Non Owen <i>Company Secretarial Assistant</i>	
Daniel Moylan <i>Non-executive Director</i>	Will Parkes <i>External Affairs Director</i>	
Simon Wright <i>Programme Director</i>	Chris Sexton (Part of meeting) <i>Technical Director</i>	
	Howard Smith <i>Operations Director</i>	
	Valerie Todd <i>Talent and Resources Director</i>	

1. Handover Strategy update

Chris Sexton, Jeremy Bates and Heather McPherson presented the Handover Strategy update which informed the Board about the updated strategy – produced with input from both LUL and RfL.

The Update went on to cover the Central Section Elements and some of the main challenges faced. There were three key themes relating to lessons learnt from other handovers in the rail industry which would inform the work to be carried out by the CRL Handover Team. They were: final owners did not want to accept assets for a number of reasons; lack of early agreement and planning of handover information; and legal/commercial agreements left too late.

The presentation highlighted areas of the programme which were the responsibility of NR to handover.

The Board **NOTED** the presentation.

2. Crossrail Rolling Stock Design and Branding

Howard Smith presented a video, due for release later in November, which showed the design of the Crossrail Rolling Stock.

The Board was updated on the logistics of stages 2-5 and what this meant for passengers. It was **NOTED** that there would be a programme of communication to manage users' expectations of what would be available and when.

The Board **NOTED** the presentation.