



BD MIN 160204

CROSSRAIL BOARD

**Minutes of the Meeting of the Board of Directors of Crossrail Limited
Held on Thursday 4 February 2016 at 14.00
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>	Terry Hill <i>Non-executive Director</i>
Andrew Wolstenholme <i>Chief Executive</i>	Victoria Burnett <i>Head of Secretariat</i>	Valerie Todd <i>Talent and Resources Director</i>
Pam Alexander <i>Non-executive Director</i>	Mark Fell <i>Legal Services Director and Company Secretary</i>	
Michael Cassidy <i>Non-executive Director</i>	Lucy Findlay <i>Chief of Staff</i>	
Mathew Duncan <i>Finance Director</i>	Paul Grammer <i>Commercial Director</i>	
Phil Gaffney <i>Non-executive Director</i>	Will Parkes <i>External Affairs Director</i>	
Robert Jennings <i>Non-executive Director</i>	Howard Smith <i>Operations Director</i>	
Daniel Moylan <i>Non-executive Director</i>	Matt White (Part of meeting) <i>Surface Director</i>	
Simon Wright <i>Programme Director</i>		

The meeting was quorate.

	The Chairman welcomed Board members and attendees.
BD MIN 160114	Minutes of the Meeting of the Board held on 14 January 2016 The Board APPROVED the minutes of the meeting held on 14 January 2016 for signature subject to the correction of a typographical error so that it was recorded that, "the Board also APPROVED the proposed increase to Investment Authority of [REDACTED]"
BD AC 160204	Actions and Matters Arising The Board NOTED that there were no outstanding actions 'due' for this meeting that were not completed or covered elsewhere on the agenda.
BD CBR 160204	Crossrail Board Report Period 10 Andrew Wolstenholme introduced the Period 10 Board Report providing an overview and highlighting key ' Are We Within Funding? ' performance results.

It was **NOTED** that the Executive was in the process of reviewing the format of the Board Report and the first draft would be presented to the next Board meeting in March.

Andrew Wolstenholme also **INFORMED** the Board that Steve Hails, Health and Safety Director, had tendered his resignation and would leave Crossrail between now and the end of June. Work was underway to find a replacement.

With reference to the Board Report, it was **NOTED** that:

- It had been a positive period in terms of production with the percentage completed matching expectations, although the overall variance against completion remained at 2.8%. Underperformance on stations and Systemwide had been offset by better than planned performance in civils. Production rates for concreting standard track slab had shown significant improvements since the New Year;
- Cumulative SPI remained at 0.96 and cumulative CPI remained at 0.92. In Period CPI increased to 0.87 (P9 0.84) and in period SPI increased to 0.86 (P9 0.82). Increases were predominately driven by the implementation of compensation events for Systemwide access mitigation measures and first stage concrete works at Pudding Mill Lane;
- The P50 AFDC had decreased by £1.7m due to the net effect of a number of small increases and decreases across the programme. The intervention points remained constant resulting in an improvement to the position to IP0 which was now £106m above IP0 at P50 compared to £107m above IP0 at P9. Headroom to IP1 at P50 had increased to £134m (P9 £132m). The P80 AFDC had decreased to £12,073m (£137m above IP1) and indicated that there remained a greater than 30% chance of drawing on some of TfL's contingency;
- Crossrail costs were £29m below the amount forecast in the 15/16 business plan, driven [REDACTED];
- Strategic risks and significant risks remained stable. The KPIs had remained stable also, except for rolling stock delivery;
- The extension of the Network Rail interim finance agreement had been approved at the Sponsor Board meeting in January as was the realignment of the PDP incentive scheme. Both those issues would proceed to respective Sponsor governance meetings during February and March; and
- The Sponsor Board had welcomed the approach CRL was taking with respect to the reported Intervention Point position at SACR 14 and would write to CRL prior to the submission of SACR15.

Are We Safe?

It was **NOTED** that:

- Safety performance in Period 10 had improved slightly and included two incident free weeks;
- There had been two significant incidents in Period 10 including one RIDDOR lost

time injury;

- RIDDOR AFR had remained at 0.16 and the lost time case AFR remained at 0.24 and HSPI had increased to 2.32 (up from 2.28);
- Health and safety performance for C610 had not improved and following the number of incidents in Period 9, previous poor performance and lack of improvement on HSPI, C610 had attended the Health and Safety Committee again on 25 January. C610 remained the only contract to be below the 2.0 benchmark for HSPI;
- The Shutdown-Start-up health and safety campaign that took place in Period 10 had been well received by the sites;
- C340 had completed over three years without a lost time injury and three other contracts had achieved over two years without a lost time injury – Custom House, Bond Street, and Mile End;
- During the past two weeks two contracts had achieved one million hours without a lost time incident – C305 Eastern Running tunnels and C435 Farringdon; and
- The outcome for Period 11 was currently at 0.22 for lost time and 0.14 for RIDDOR;

Are We on Time?

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

- The C300/410, Bond Street and Tottenham Court Road station teams were working with the Chief Engineer and C121 to close out SCL quality issues;
- The effects of ground movement at Electra House remained an issue, although the initial ceiling stability mitigations were now in place and seemed to be effective. The utility survey of London Wall Buildings had identified and proposed mitigations to a number of gas related safety issues which would be undertaken prior to restarting mining;
- The eastbound platform tunnel had now been handed over to C610. Following the incorrect fabrication of some PES components, a solution had been developed through design modifications. Productivity had been addressed and was no longer an issue;
- The interim station at Whitechapel had opened to the public on 18 January with LU staff having completed their familiarisation process;
- The Project team at Ilford had continued to experience delays to the delivery of the Paintshop and Logistics Buildings due to poor performance of the subcontractor and discussions were underway between Crossrail and the contractor to resolve the matter;
- Crossrail had sought clarification from its Joint Sponsors as to the funding for a temporary second link at Old Oak Common, required by GWR during BTUK Depot construction. CRL had proposed that the costs of this change to scope be funded via the On Network Works RAB; and

- Crossrail had instructed Siemens to move ahead with the Plan B signalling plan. Plan A would now be re-sequenced as the derogation for use of TPWS+ would be time limited.

Network Rail On Network Works

Matthew White presented an overview of issues relating to the On Network Works. It was **NOTED** that:

- On Network Works were 58% complete and the Christmas works had gone smoothly and to plan;
- Network Rail had expressed concerns about the on-going performance of its main supplier, Costain. These centred on a lack of robust engineering management in readiness for major possession works, (Shenfield sidings works at Easter being the most critical), and a competent team to manage sub-contractors. Network Rail had made recent changes to its own organisation, and was engaging with Costain at executive level. Crossrail was supporting Network Rail's escalation with both Costain and Atkins, the principal designer.
- The Easter works programme had not yet been agreed and work was underway to get a plan in place.
- Crossrail had commissioned a report by John Boss on the On Network Works programme to identify the commercial and schedule risks. The Board would be presented with a summary of that report in April.

Commercials Update

Paul Grammer provided an update on progress with the following contracts: C405 Paddington; C412 Bond Street; C422 Tottenham Court Road; C535 Farringdon; C510/512 Whitechapel; C300/410 Tunnels West; C305 Tunnels East; C610 Systemwide; C828 Ilford Depot; C530 Woolwich; C620 Signalling; and C660 Communications.

Risk Update

Mathew Duncan presented a forecast of movement in AFCDC against IPO approaching SACR15.

Are we world class?

It was **NOTED** that:

- The Queen would be visiting the Bond Street Station site on 23 February;
- The Crossrail media tonality score in Period 10 was positive in 47% of articles with negative coverage at 3%; and
- The Crossrail Quality Performance Index had been established and was now reporting in the Board report.

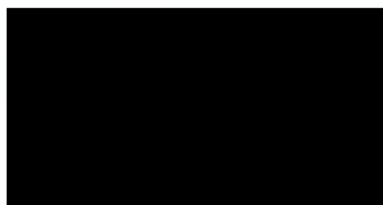
The Board **NOTED** the Board Report for Period 10.

<p>62/16 VERBAL</p>	<p>Project Representative Draft Report Period 10</p> <p>Andrew Wolstenholme provided a verbal update on the Project Representative's (P-Rep) Draft Project Status Report for Period 10 which noted:</p> <ul style="list-style-type: none"> • The increase in AFCDC and a risk that the IP0 breach would increase and headroom to IP1 would decrease; • Cost and schedule performance of Systemwide contracts continued to be poor; • The ongoing difficulty in obtaining the assurance evidence and documentation for handover to the IM at Canary Wharf; • Slower than expected progress at Woolwich; • Issues regarding the interdependence of Gidea Park works and Ilford Yard works and blockades; • Network Rail was resetting its AFC sums as part of its budget to complete exercise; and • Siemens would be unable to complete all the conditions attached to its 60% design gate review by end January 2016.
<p>63/16</p>	<p>CRLB 51/16 – Legal Report</p> <p>The Board received the Legal Report which updated the Board on legal matters.</p> <div style="background-color: black; width: 100%; height: 80px; margin: 10px 0;"></div> <p>The Board NOTED the Legal Report.</p>
<p>64/16</p>	<p>Minutes of Board Committees for Reference</p> <p>The Board received the following minutes for reference:</p> <p>Executive and Investment Committee EIC MIN 160106</p> <p>Verbal Updates of Recent Board Committee meetings</p> <p>Executive and Investment Committee 27 January 2016</p> <p>The following matters had been covered by the Committee:</p> <ul style="list-style-type: none"> • Crossrail Integration Facility; • Learning Legacy Website; • Board Report Period 10; • Legal Report; • Update on Over Site Development Programme;

	<ul style="list-style-type: none"> • Report on Crossrail office accommodation; • TUCA Update – handover arrangements; and • Annual Review of Corporate Policies <p>Health & Safety Committee 25 January 2016</p> <p>The following matters had been covered by the Committee:</p> <ul style="list-style-type: none"> • Period 9 and 10 Health and Safety Director's Report; • Health and Safety six period look ahead; • C610 – Health and Safety Improvement Plan – presented by Terence Watson, Managing Director of Alstom, Jonathan Willcock, Systems and Infrastructure Managing Director of ATC and Darren James Managing Director of Costain; and • The recently held Construction Health Summit. <p><i>(Executive Directors, (with the exception of Andrew Wolstenholme), and other executive meeting attendees left the meeting).</i></p> <p>Remuneration Committee 4 February 2016</p> <p>Michael Cassidy provided a verbal summary report of the Remuneration Committee held earlier in the day. The Committee had agreed the Chief Executive's pay award for 2016-17 and performance bonus and LTIP payments for 2015-16.</p> <p>The Board NOTED the Committee reports.</p>
AOB	<p>NED Only Session</p> <p>Non-executive Directors provided feedback on the day's meeting.</p>

Signed by:

Terry Morgan
Non-executive Chairman



Pre-meeting Board Briefing – Thursday 4 February 2016

Members:	In Attendance:	Apologies:
Terry Morgan <i>Chairman</i>	Simon Bennett (part of meeting) <i>Head of Learning Legacy</i>	Terry Hill <i>Non-executive Director</i>
Andrew Wolstenholme <i>Chief Executive</i>	Siv Bhamra (part of meeting) <i>Rail Systems and Commissioning Director</i>	Valerie Todd <i>Talent and Resources Director</i>
Pam Alexander <i>Non-Executive Director</i>	Victoria Burnett <i>Head of Secretariat</i>	
Michael Cassidy <i>Non-executive Director</i>	Martin Buck <i>Transition & Strategy Director</i>	
Mathew Duncan <i>Finance Director</i>	Karen Elson (part of meeting) <i>Learning Legacy Programme Manager</i>	
Phil Gaffney <i>Non-executive Director</i>	Mark Fell <i>Legal Services Director & Company Secretary</i>	
Robert Jennings <i>Non-executive Director</i>	Lucy Findlay <i>Chief of Staff</i>	
Daniel Moylan <i>Non-executive Director</i>	Paul Grammer <i>Commercial Director</i>	
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	Howard Smith <i>Operations Director</i>	

1. Crossrail Integration Facility (CIF)

Siv Bhamra presented the Board with an overview of the Crossrail Integration Facility. The main objectives of the Facility were: to provide validation testing of hardware and software interfaces between critical systems (including CBTC, PSDs, SCADA, TPWS and ETCS); and to mitigate risks to project delay and cost increase through early detection and resolution of defects in a test environment.

The presentation covered: the main challenges; a diagrammatic representation of the early de-risking test strategy and impact of risk reduction; a summary of the benefits of the Facility; an overview of the physical structure; a summary of Crossrail testing requirements; key dependencies; and key milestones.

It was **NOTED** that consideration would be given as to whether to retain the Facility beyond the Crossrail project.

The Board **NOTED** the presentation.

2. Learning Legacy Website Review

Simon Bennett and Karen Elson presented an update on progress with the Learning Legacy Website in advance of the launch on 26 February. After reminding the Committee of the objectives of the Project and work carried out so far, Simon and Karen provided a short online demonstration of the website showing the design layout and how it might be used by stakeholders.

The Board **NOTED** the presentation.

