

Crossrail Sponsor Board Meeting No. 119B

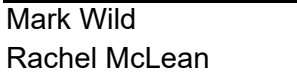
Thursday 4th June 2020, 1030-1200

Venue: Microsoft Teams

Sponsor Board Members

Ruth Hannant*	Chair, DfT, Director General of Rail
Shashi Verma*	TfL, Director of Strategy and Chief Technology Officer
Nicola Cox**	TfL, Head of Corporate Finance
Alex Luke**	DfT, Project Director
Alison Munro	Independent Member

In attendance

Kenny Laird	Technical Advisor to Sponsors
Alexandra Batey	TfL, Director of Investment Delivery Planning
Simon Adams	Head of Joint Sponsor Team (JST)
	JST, Secretariat
Andrew Wallace	JST
	JST
	Project Representative
	HM Treasury
Mark Wild	Crossrail Limited (CRL), Chief Executive Officer
Rachel McLean	CRL, Chief Finance Officer
Jim Crawford	CRL, Chief Programme Officer
Howard Smith	CRL, Chief Operations Officer
Angel Williams	CRL, Chief People Officer
Hannah Quince	CRL, Chief of Staff

Apologies

Simon Kilonback*	TfL, Chief Finance Officer
Matthew Lodge*	DfT, Director for Rail Infrastructure – South

(*Voting Members)

(**Alternate Voting Members)

1. Safety

CRL stated there are currently 1,598 staff on site undertaking maintenance of assets, care and custody activities and niche works. This number is expected to continue to grow as the work ramps up. Dynamic Testing has commenced and as staff prepare for the extensive routeway blockade activities, safety remains a priority.

2. Minutes and Actions of Meeting 118 Part B

The minutes and actions for meeting number 118b were discussed and agreed without alterations.

A progress update was provided on the open actions arising from previous Sponsor Board meetings, as summarised in the Part B action tracker.

3. Analysis of current performance trends and issues

CRL introduced the newly appointed CRL Chief People Officer (CPO), Angela Williams. CRL stated the role of the CPO is to lead the CRL change and transformation programme and deliver an organisational transition plan that is aligned with the governance and people strategy.

Schedule

Sponsors asked CRL for a schedule update and challenged CRL on the period on period slippages in Shafts and Portals handover dates and delays to the Bond Street SC1 milestone.

CRL stated there had been some progress with handover of Shafts and Portals, bringing the total S&Ps handovers achieved to six out of ten. CRL stated the causes of slippages for handover at Eleanor Street and Stepney Green are due to constraints on site access to complete outstanding works and completion of assurance documentation.

CRL stated that learning from experience of handovers to date, they have now introduced a staged handover process, Staged Completion for Familiarisation (SCF), that allows the IM entry to the asset and completion of remaining works on a T+8 basis. The process will also be deployed on the routeway packages to bring efficiencies to the process.

Sponsors challenged CRL on the cost implications of the T+8 process, which would require contractors to be engaged for longer. CRL explained that the T+8 intervention is central to the CRL cost control strategy and there will be a continued focus on Tier 1 resources to ensure a gradual burn down of resources. CRL stated that Bond Street SC1 milestone has been delayed due to the residual systems and electrical work items to be completed.

On Routeway, CRL updated that good progress was being made on Engineering Safety Justifications for Energy, Signalling and Tunnel Systems, however the production of Safety Justifications was a significant challenge.

Sponsors challenged CRL to provide an update on the efficiency and productivity achieved in the assurance process to date and asked if CRL had identified any potential efficiencies to deliver improvements. CRL stated they have initiated an assurance optimisation process with a twelve-point plan to deliver improved productivity and reduce the cycle time for documentation and sign off. The process introduces more robust controls around prioritisation and review of asset data, Health and Safety (H&S) files and Operations and Maintenance (O&M) documentation and will be used to underpin the Recovery plan.

Costs

CRL re-iterated that there have been no major near term financial developments pending the update to be provided following the review of the CRL recovery [REDACTED] to establish the associated cost impacts.

Sponsors challenged CRL on whether any steps were being undertaken to review indirect costs. CRL stated they are currently undertaking a major exercise on indirects that involves a review of the organisational effectiveness and an analysis of resource provision to identify efficiencies and cost reduction opportunities, noting it is beginning to have an impact.

Sponsors asked CRL to provide an update on the cost efficiencies achieved (**Action 119b/01**).

[REDACTED]

4. COVID-19 – Recovery Plan

Sponsors asked CRL for an update on the measures being implemented by the CRL to instate a COVID-19 Recovery Strategy for the CRL programme. CRL presented

. Sponsors asked for the CRL slides to be circulated (**Action 119b/02**).

Sponsors asked CRL

CRL responded that the Quantitative Schedule Risk Analysis (QSRA) would be completed and reflected in the updated DCS (**Action 119b/03**). Sponsors asked how and when the supply chain would be engaged to ensure their buy-in to the Recovery plan and updated DCS. CRL stated that they would have a better understanding of the blockade and supply chain engagement would follow and it was agreed that an update would be provided to Sponsors (**Action 119b/04**).

To allow Sponsors to engage in a more detailed review and challenge of the recovery planning and build confidence, Sponsors agreed that CRL should arrange a session with Sponsors to discuss the analysis to date, the assumptions and planning basis, the recovery plan development and how CRL plans to assure the recovery plan to demonstrate confidence in deliverability (**Action 119b/05**). Joint Sponsor Team to circulate the agenda for the Sponsor session with CRL on Recovery Planning (**Action 119b/06**).

CRL stated they have established cost models to generate a cost estimate range and presented the indicative cost ranges compared to the funding shortfall of range of £400m-£650m announced by CRL in November 2019.

Sponsors enquired if there were any opportunities to improve the outcomes and if CRL had completed the analysis to understand the underlying reasons for performance issues, slippage in milestones and low productivity to date to increase confidence in the Recovery Plan. CRL stated they are in the process of completing the analysis as part of the 2nd Line of Defence (2LoD) review and it was agreed that an update would be provided to Sponsors once the exercise is concluded (**Action 119b/07**).

CRL stated they had identified opportunities to optimise the close out of assurance activities and the close out of Trial Running and Trial Operations to deliver Stage 3 opening in late summer 2021. CRL stated that on assurance, the CRRP (Crossrail Risk Review Panel), has been challenged to review how all the final assurance strands could be pulled together, and any shortfalls addressed by using a pre-planned Structured Engineering Judgement approach (or equivalent). Sponsors asked if regulatory approvals would be required and CRL confirmed that approvals would be required from ASBO, RAB-C and ORR. Sponsors

asked CRL to provide an update on progress on the feasibility of applying the Structured Engineering Judgements to the assurance process (**Action 119b/08**).

5. AOB

None

Summary of actions:

No.	Action	Lead	Target and Update
119b/01	CRL to update Sponsors on the impact of steps in progress to reduce indirect costs	Rachel McLean	July 2020
119b/02	Circulate the COVID-19 Programme Recovery Sponsor Board Update slides	Hannah Quince	June 2020
119b/03	CRL to update Sponsors on updated DCS and supporting QSRA	Jim Crawford	July 2020
119b/04	CRL to update Sponsors on the supply chain verification when completed	Jim Crawford	August 2020
119b/05	CRL to arrange a session with Sponsors to discuss [REDACTED] the recovery plan development and how CRL plans to assure the recovery plan to demonstrate confidence in deliverability.	Mark Wild/ Hannah Quince	June 2020
119b/06	JST to circulate Sponsor agenda items to be covered in the session with CRL.	JST	July 2020
119b/07	CRL to update Sponsors on the findings from the CRL analysis of the underlying performance issues to date identified from the LoD 2 review	Rachel Mclean	July 2020
119b/08	CRL to update Sponsors on the progress with the feasibility of applying the Structured Engineering Judgements to the assurance process	Jim Crawford	July 2020