



BD MIN 190425

**CROSSRAIL BOARD**

**Minutes of the Meeting of the Board of Directors of Crossrail Limited  
Held on Thursday 25 April 2019 at 11:00  
10Boardroom01, 5 Endeavour Square, Stratford, London E20 1JN**

<b>Members:</b>	<b>In Attendance:</b>	<b>Apologies:</b>
Tony Meggs <i>CRL Chair</i>	Funmi Amusu <i>Assistant Company Secretary</i>	
Sarah Atkins <i>Non-executive Director</i>	Susan Beadles <i>Head of Legal Services &amp; Company Secretary</i>	
Phil Gaffney <i>Non-executive Director</i>	[REDACTED] <i>Project Representative (PRep)</i>	
David Hendry <i>Chief Finance Officer</i>	Nisrine Chartouny <i>Head of Commercial</i>	
Robert Jennings <i>Non-executive Director</i>	Lucy Findlay (part of the meeting) <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 Operating Officer</i>	
Andy Pitt <i>Non-executive Director</i>	Matt Randerson (Item 4 only) <i>Project Manager – Bond Street Station</i>	
Nick Raynsford <i>Deputy CRL Chair</i>	Mark Langman (Item 5 only) <i>NR Route Managing Director, Western Route</i>	
Chris Sexton <i>Deputy CEO</i>	Neil Thompson (Item 5 only) <i>NR Regional Director for Infrastructure Projects</i>	
Mark Wild <i>Chief Executive Officer</i>	Mike Brown (Item 15 only) <i>TfL</i>	
	David Hughes (Item 15 only) <i>TfL</i>	
	Simon Kilonback (Item 15 only) <i>TfL</i>	
	Matt Lodge (Item 15 only) <i>DfT</i>	
	Polly Payne (Item 15 only) <i>DfT</i>	

The meeting was quorate.

	<p>The Chair welcomed Board members and attendees.</p> <p><b>Directors' Interests</b></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>
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BD MIN 190328	<p><b>Minutes of the Meeting of the Board held on 28 March 2019</b></p> <p>The Board <b>APPROVED</b> the minutes of the meeting held on 28 March 2019 for signature.</p>
BD AC 190425	<p><b>Actions</b></p> <p><b>19.145 – Reserved Matters</b> – the Board <b>NOTED</b> that clarity was being sought from Sponsors on the status of reserved matters being proposed by Sponsors in response to a KPMG Sponsors’ action.</p> <p>The Board <b>NOTED</b> that all other ‘due’ actions were closed or covered by the agenda for the day’s meeting.</p>
04/20	<p><b>CRLB 04/20 – Bond Street Station</b> [REDACTED]</p> <p>The Board received a presentation on Bond Street Station, highlighting the historic and current issues faced at the site. [REDACTED] [REDACTED] [REDACTED] [REDACTED]</p> <p><b>Action:</b> Nisrine Chartouny</p> <p>The Board also:</p> <ul style="list-style-type: none"> <li>• <b>REQUESTED</b> a monthly update on progress against milestones and productivity at Bond Street Station.</li> </ul> <p><b>Action:</b> Peter Henderson</p> <ul style="list-style-type: none"> <li>• Considered that Bond Street Station should be included on the visualisation board and weekly dashboard;</li> <li>• Challenged the Executive to continue to highlight critical risks and issues to the Board; and</li> <li>• <b>NOTED</b> that the metrics for monitoring the implementation of Earliest Opening Programme (EOP) including the key issues should be highlighted to the Board and <b>REQUESTED</b> that the draft Delivery Control Schedule (DCS) and the CRL Operating Model should be presented to the next Board meeting on 21 May 2019.</li> </ul> <p><b>Action:</b> Peter Henderson/ Chris Sexton</p>
05/20	<p><b>CRLB 05/20 – Network Rail Update</b></p> <p>The Board <b>NOTED</b> the Network Rail (NR) presentation including the updates on TfL Rail performance; On-Network Works completed; Stage 5a infrastructure works; enhanced stations; Anglia works to go; Elizabeth Line Stage 2 Phase 2; NR’s ‘One Vision’ approach and ‘Putting Passengers First’ programme.</p> <p>It was <b>NOTED</b> that a deep dive session on Bombardier Transportation’s software would be arranged for the Board in July 2019.</p> <p>The Board <b>NOTED</b> that NR’s regular attendance at CRL Board meetings</p>

	would now be on a quarterly basis.
06/20 Paper A	<p><b>CRLB 06/20 – Earliest Opening Programme – Cost and Risk</b></p> <p>The Board received a paper providing an initial update on the early progress with developing cost estimates for the high level EOP schedule.</p> <p>The Board:</p> <ul style="list-style-type: none"> <li>• <b>NOTED</b> the approach taken in a limited period of time to produce a programme-wide cost estimate for the proposed EOP;</li> <li>• <b>NOTED</b> that the cost model used to develop the estimate relied on output from the currently available high level EOP schedule and that the limitations and the level of uncertainty was currently being addressed in a more detailed level 1.5 schedule;</li> <li>• <b>NOTED</b> the concerns about the reliability of some of the cost information and risk assessments used in the model and the steps proposed to be taken to improve the reliability of the information and estimates;</li> <li>• <b>ENDORSED</b> the further work required to develop and assure the estimate to produce a more reliable programme-wide cost estimate, which work could only be completed once the level 1.5 schedule had been produced for the proposed EOP and once the contractors had confirmed CRL's estimates, where applicable;</li> <li>• <b>NOTED</b> that the model currently suggested an AFCDC of [REDACTED] inclusive of P50 risk provision [REDACTED] and an AFCDC of [REDACTED] inclusive of a P80 risk provision using a Monte-Carlo analysis, but that, in the judgement of the Chief Finance Officer (CFO) and Head of Commercial, these figures should be taken as indicative only, given the stage of development of the schedule and risk assessments, the P50 being the reporting level required by the Crossrail Project Development Agreement (PDA); and</li> <li>• <b>NOTED</b> the further analysis provided during the meeting and that the reference case option, waiting for all stations to be available for comparison against the EOP, was still in development.</li> </ul> <p>The Board <b>NOTED</b> that whilst the approach to funding assumptions was sensible and cautious, it was dependent on getting the 'buy-in' of the contractors on productivity and deliverability; and that consideration should be given to what further steps could be taken to mitigate risk and therefore, costs more aggressively, to drive forecast costs down. The Board <b>REQUESTED</b> metrics around these issues going forward.</p> <p><b>Action:</b> David Hendry/ Nisrine Chartouny</p>
06/20 Paper B	<p><b>CRLB 06/20 – Earliest Opening Programme Update</b></p> <p>The Board received a further update on the work carried out to develop the EOP, following on from the 17 April 2019 Deep dive on the EOP.</p> <p>The Board <b>NOTED</b> that they had sufficient confidence in the amount of work</p>

	<p>that had been done to develop the EOP, <b>NOTING</b> that there were risks identified in cost and delivery which would require further analysis, mitigation and close monitoring. On this basis and provided that the public announcement of the revised delivery schedule was clear on the amount of work that remained to be done, the Board:</p> <ul style="list-style-type: none"> <li>• <b>ENDORSED</b> the core logic and sequence of the EOP;</li> <li>• <b>NOTED</b> that the high level EOP schedule entailed a level of uncertainty currently being addressed in a more detailed level 1.5 schedule;</li> <li>• <b>CONFIRMED</b> after due consideration that, notwithstanding the limitations in the information provided, but taking into account the latest information on schedule and cost provided at the meeting, the Board had sufficient confidence to announce a Stage 3 EOP opening window;</li> <li>• <b>AUTHORISED</b> the Chair to write to the Sponsors to advise them of the announcement and start the process of making any necessary amendments to the Crossrail PDA; and</li> <li>• <b>NOTED</b> that further work was required to assess the evolution from Stage 3 to 4 and 4 to 5 and <b>AGREED</b> that the outcome of this work should be presented to the CRL Board.</li> </ul> <p><b>Action:</b> Howard Smith/ Peter Henderson</p> <p>The Board also <b>NOTED</b> the draft letter from the Chair to the Sponsors, the draft press release on the revised delivery schedule and the draft Q&amp;As.</p>
07/20	<p><b>CRLB 07/20 – Approval of Certified Information for Funding Drawdown Date of 24 May 2019</b></p> <p>The Board received a paper seeking approval of the CRL Certified Information required under clause 5.3 of the Supplemental Agreement with TfL and DfT relating to the provision of additional funding for the project and the corresponding Supporting Statement in relation to the 24 May 2019 funding drawdown.</p> <p>The Board:</p> <ul style="list-style-type: none"> <li>• <b>APPROVED</b> the Certified Information and Supporting Statement, which in this instance would be a copy of CRL Board paper 06/20 – Earliest Opening Programme – Cost &amp; Risk, as considered by the Board at this meeting on 25 April 2019; and</li> <li>• <b>AUTHORISED</b> the CFO or other Director to sign the certified information and submit this along with the amended Supporting Statement to the Sponsors on 25 April 2019.</li> </ul>
08/20	<p><b>CRLB 08/20 – Revised Commercial Strategy to Support EOP</b></p> <p>The Board <b>CONSIDERED</b> and <b>ENDORSED</b> a paper explaining the commercial strategy that had been developed to facilitate the implementation of the development of the EOP through to Stage 5, within the funding package.</p>



	<p>conversations with the workforce when they visit Crossrail sites;</p> <p><b>Action:</b> Peter Henderson</p> <ul style="list-style-type: none"> <li>• Consideration should be given to utilising MTR, London Underground and Rail for London resources on the programme to achieve a higher and faster acceptance rate of installations and the railway and as a substantial addition to the capabilities of the contractors;</li> <li>• The review into the Siemens wrong side failure incident was almost complete and the report produced from the review would be submitted to the Railway Assurance Board (Crossrail) (RAB(C)). This would be followed by a visit to Siemens in Paris to ensure that the safety of the software was being treated as a priority;</li> <li>• The Board <b>REQUESTED</b> that the next Board Report for the meeting on 21 May 2019 should track the progress of the project against the revised plan as opposed to the Master Operational Handover Schedule (MOHS).</li> </ul> <p><b>Action:</b> Peter Henderson</p>
10/20	<p><b>Project Representative (PRep) Reports for Periods 12 and 13</b></p> <p>The Board reviewed and <b>NOTED</b> the PRep Report for Period 12.</p> <p>The Board <b>NOTED</b> the following from the PRep Report for Period 13:</p> <ul style="list-style-type: none"> <li>• the importance of Stage 5a being delivered in December 2019 and questions on the level of confidence that this key milestone would be achieved and the actions being taken to secure the date;</li> <li>• poor milestone adherence and issues with delivery performance and questions on the additional measures planned to address this;</li> <li>• the opportunity to integrate the Operators/ Maintainers into the Crossrail delivery team and the need for CRL to provide a detailed integration plan; and</li> <li>• that CRL's EOP delivery strategy contained elements that were optimistic and others that were pessimistic, but overall it presented a balanced view on the likelihood of achieving Stage 3 Opening in December 2020.</li> </ul>
	<p><b>Minutes of Board Committees for Reference</b></p> <p>There were no Committee minutes for this meeting.</p> <p><b>Verbal Update of Recent Board Committee meeting</b></p> <p>The Board <b>NOTED</b> the verbal update by Nelson Ogunshakin on the matters discussed at the Investment Committee meeting on 17 April 2019.</p>
AOB	<p>The Board <b>NOTED</b> the following:</p> <ul style="list-style-type: none"> <li>• the progress update on the implementation of the KPMG recommendations;</li> <li>• the Integrated Audit Assurance Plan would be presented to the next Board meeting on 21 May 2019, after which it would be approved by the Chair of the Audit and Assurance Committee for implementation, prior to the next Audit and Assurance Committee meeting in June</li> </ul>

	<p>2019;</p> <ul style="list-style-type: none"> <li>• a forward planner for future Board meetings would be prepared and circulated with Board papers going forward.</li> </ul> <p>The Board also <b>NOTED</b> that it was Robert Jennings’s last meeting and thanked him for his significant contribution to the project.</p> <p>There was no other business.</p>
<p><b>Verbal</b></p>	<p><b>De-brief Discussion with the Sponsors</b></p> <p>The Board provided the Sponsors with an overview of the matters that had been considered during the meeting, the main focus being on the endorsement of the core logic and sequence of the EOP and the public announcement that would be based on this; the risk still around the revised schedule including cost risk; [REDACTED] NR’s first regular attendance at CRL Board meetings; the revised Commercial Strategy; [REDACTED] and an update on safety.</p>
<p><b>NEDs Only Session</b></p>	<p>Non-executive Directors discussed the day’s meeting.</p>

Signed by:  
 Tony Meggs  
 Chair

[REDACTED]