

CROSSRAIL SPONSOR BOARD MINUTES NO.100A

MINUTES OF MEETING HELD ON

Monday 10 December 2018, 9.00-10.15

Venue: DfT, Great Minster House, 33 Horseferry Road, Room 3/23

Present:

Polly Payne*	Chair, DfT Director General for Rail
Simon Kilonback*	TfL, Chief Financial Officer
David Hughes*	TfL, Director of Strategy & Network Development
Matt Lodge*	DfT, Director for Major Rail Projects

Simon Adams	Head of Joint Sponsor Team (JST)
██████████	JST, Secretariat

By invitation

Nick Joyce	DfT, Director General for Resources and Strategy (for Items 1 & 2)
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Graham Stockbridge	DfT, Crossrail Project Director
██████████	DfT, Crossrail Deputy Project Director
██████████	Project Representative
██████████	Project Representative
Andrew Wallace	JST

(* Voting Members)

1. Minutes and Actions of Meeting 99a

The minutes of the last meeting, held on the 15 November were agreed.

██████████ summarised the actions:

- 99a/01-03** On Undertakings and Assurances (U&As), the JST is working to identify appropriate governance routes within each organisation, discussing with Crossrail Limited (CRL) how best to ensure arrangements are in place for handover, and agreeing an engagement plan with relevant stakeholders to make them aware of the commitments and better understand any potential costs and liabilities. An update will be provided to Sponsors at the February Sponsor Board, including on any support required.
- 99a/04** A workshop was held in November for KPMG to present its emerging recommendations to CRL and Sponsor representatives.
- 99a/05** JST wrote a letter to CRL, confirming the outcome of Sponsor Board discussions on SACR20, and this was sent by the Chair of the Sponsor Board.
- 99a/06** JST prepared the Terms of Reference for KPMG to undertake the 'Chronology of Events' review. This was discussed in Item 3.

Sponsors noted the progress in agreeing on a new CRL Chair and Deputy Chairman and that this would be announced later that day (10 December). Sponsors agreed for the Sponsors' letter, which sets out priorities for the new Chairman, to be finalised and sent to the Senior Independent Non-Executive Director (**Action 100a/01**).

2. Funding and Financing agreement

Sponsors noted that the funding and financing solution was being finalised and that a public announcement would follow. Nick Joyce emphasised that Sponsors needed a clear view of CRL's cash requirement and forecast. Sponsors agreed to raise this with CRL in Part B. Sponsors noted their gratitude to colleagues in each organisation whose work had enabled the agreement.

3. Independent reviews update

██████████ presented on the 'Chronology of Events' KPMG review. He explained that Phase 1 of the review, which considered what had been reported and when to Sponsors by CRL, had been completed on 9 December. The JST had asked KPMG to complete Phase 2 for the week commencing 7 January 2019, which would focus on what actions CRL and Sponsors had taken in response to this reporting.

Simon Adams presented on the timescales for KPMG's financial and commercial and governance reviews. KPMG had been asked to brief Mark Wild on the recommendations (to follow-up on the KPMG/CRL/Sponsor workshop). The governance review was expected in draft before Christmas with the commercial and financial review to follow in draft in the New Year. Sponsors agreed that both reviews should be finalised as soon as possible.

Matt Lodge updated Sponsors on the National Audit Office (NAO) review. He explained that the review is an investigation to establish the facts, rather than a value for money report which evaluates consequences. Matt said the NAO were keen to talk to TfL colleagues about the Rolling Stock and Depot contract and DfT would make contact through the JST. The NAO were aiming to complete the review in February 2019 but the timescales were being reviewed based on the work involved.

4. Discussion of Part B Agenda

Sponsors noted the unmitigated schedule in the CRL slides and agreed it was important to understand the actions that CRL were taking to mitigate this and provide a robust estimate for Stage 3 opening.

In order to improve the flow of information Sponsors agreed there would be an agenda item with Sponsor representatives (Matt Lodge and David Hughes) at the end of the CRL Board, as suggested by KPMG. The JST were tasked with organising this. (**Action 100a/02**).

Sponsors agreed to ask CRL about its resourcing plan and assurance.

P-Rep noted that P-Rep would be looking in more detail at the delivery of station works and noted that CRL were extrapolating the scope to go at stations based on works at Tottenham Court Road. He noted that Tottenham Court Road was one of the most stable stations and therefore CRL needed to be careful in relying on a simple extrapolation.

P-Rep said that since joining the project he had identified five key critical paths: the routeway completion; station completion and integration; the on-board train software; the integration between the on-board train software and the Siemens track-side software; and finally, the safety case and approvals and P-Rep noted P-Rep believed there was a "bow wave" of approvals coming.

P-Rep thanked Sponsors for the letter, which they had sent setting out desired behaviours and priorities for P-Rep, and said it was very helpful.

Andrew Wallace noted that the JST and P-Rep were working together to consider the challenges and implications of the compression of the stage opening dates, with Stage 2:2, 5A and 3 all currently planned to open in close succession. A paper would be presented on this at the next Sponsor Board.

Sponsors thanked P-Rep for their thoughts and asked for there to be a P-Rep agenda item during every Part A of the Sponsor Board for them to present on the critical issues with a short accompanying paper. **(Action 100a/03).**

Matt Lodge asked about the process for updating the Master Operational Handover Schedule (MOHS), noting it took a long time and whether there was something more fleet of foot which could be used to reflect the fast-paced nature of the programme. Simon Kilonback agreed and said there needed to be a separation between the dates which CRL were using [REDACTED]. He noted something similar was needed on cost forecasting. Matt Lodge suggested Sponsors needed a monthly update on the forecast stage opening dates.

5. AOB

Matt Lodge noted [REDACTED]

Action Tracker:

No.	Action	Responsible	Target
100a/01	The Sponsors' letter, which sets out priorities for the new Chairman, to be finalised and sent to the Senior Independent Non-Executive Director.	[REDACTED]	Complete
100a/02	JST to organise an agenda item at the end of the CRL Board with Sponsor representatives (Matt Lodge and David Hughes) to improve the flow of information.	[REDACTED]	Complete
100a/03	P-Rep agenda item during every Part A of the Sponsor Board for P-Rep to present on the critical issues with a short accompanying paper.	[REDACTED] s & P-Rep	Complete – added as a standing agenda item to the forward look and P-Rep Executive Summaries to be included in the Sponsor Board pack