

Agenda

Meeting: Elizabeth Line Committee

Date: Thursday 29 October 2020

Time: 2.00pm

Place: Teams Virtual Meeting

Members

Heidi Alexander (Chair)
Anne McMeel (Vice-Chair)
Sarah Atkins
Prof Greg Clark CBE

Dr Nelson Ogunshakin OBE
Mark Phillips
Kaythryn Cearns OBE (Government
Representative)

Copies of the papers and any attachments are available on [tfl.gov.uk How We Are Governed](https://tfl.gov.uk/How-We-Are-Governed).

To maintain social distancing in the current circumstances, the meeting will be held by videoconference or teleconference. The meeting remains open to the public, except for where exempt information is being discussed as noted on the agenda, as it will be webcast live on the TfL YouTube channel. A guide for the press and public on attending and reporting meetings of local government bodies, including the use of film, photography, social media and other means is available on www.london.gov.uk/sites/default/files/Openness-in-Meetings.pdf.

Further Information

If you have questions, would like further information about the meeting or require special facilities please contact: Sue Riley or Amusu Funmi; sueriley@tfl.gov.uk; FunmiAmusu@crossrail.tfl.gov.uk

For media enquiries please contact the TfL Press Office; telephone: 0343 222 4141; email: PressOffice@tfl.gov.uk

Howard Carter, General Counsel
Wednesday 21 October 2020

**Agenda
Elizabeth Line Committee
Thursday 29 October 2020**

1 Apologies for Absence and Chair's Announcements

2 Declarations of Interests

General Counsel

Members are 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.

Members must not take part in any discussion or decision on such a matter and, depending on the nature of the interest, may be asked to leave the room during the discussion.

3 Governance Transition Arrangements (Pages 1 - 8)

General Counsel

The Committee is asked to note its Terms of Reference and the transition arrangements for the Crossrail project.

4 Safety Update (Pages 9 - 12)

Commissioner

The Committee is asked to note the current safety performance of the project.

5 Project Progress and Schedule Update (Pages 13 - 14)

Crossrail Chief Executive

The Committee is asked to note the paper.

6 Elizabeth Line Readiness (Pages 15 - 16)

Managing Director, London Underground and TfL Engineering

The Committee is asked to note the paper.

7 Finance Update (Pages 17 - 18)

Chief Finance Officer, Crossrail and Divisional Finance Director, London Underground

The Committee is asked to note the paper.

8 Project Representative Report (Pages 19 - 20)

Crossrail Chief Executive

The Committee is asked to note the paper and the supplementary information on Part 2 of the agenda.

9 TfL Audit and Assurance (Pages 21 - 30)

General Counsel and Director of Risk and Assurance

The Committee is asked to note the paper and approve the proposal that IIPAG undertake third line assurance for the Crossrail project.

10 Enterprise Risk Update – Opening of the Elizabeth Line (ER14)
(Pages 31 - 36)

Crossrail Chief Executive and Managing Director London Underground and TfL Engineering

The Committee is asked to note the paper.

11 Members' Suggestions for Future Discussion Items (Pages 37 - 40)

General Counsel

The Committee is asked to note the forward programme and is invited to raise any suggestions for future discussion items for the forward programme and for informal briefings.

12 Any Other Business the Chair Considers Urgent

The Chair will state the reason for urgency of any item taken.

13 Date of Next Meeting

To be confirmed.

14 Exclusion of the Press and Public

The Committee is recommended to agree to exclude the press and public from the meeting, in accordance with paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended), in order to consider the following items of business.

15 Project Representative Report (Pages 41 - 342)

Exempt supplemental information relating to the item on Part 1.

Elizabeth Line Committee



Date: 29 October 2020

Item: Governance Transition Arrangements

This paper will be considered in public

1 Summary

- 1.1 On 1 October 2020, the responsibility for the Crossrail project moved to sit directly with TfL. This is to ensure that decision making is seamless and fully aligned during the critical final phases of the programme, as the operational testing is undertaken and the remaining parts of the railway are completed and transferred to our operational teams. The governance transition plans were approved by the Board and Department for Transport (DfT).
- 1.2 This paper provides an overview of the new governance arrangements for the Crossrail Project.

2 Recommendation

- 2.1 The Committee is asked to note the paper.**

3 Governance Transition Arrangements

- 3.1 In developing proposals for the transition of the governance of the Crossrail project, we have worked to a number of objectives, including:
- (a) no interruption to the “Target Zero” world class safety management system;
 - (b) the cost of governance transition is minimised and is made as early as possible, with minimal disruption to existing processes;
 - (c) Crossrail, as a programme team, remains focused on the delivery of the Elizabeth Line and is not distracted by governance changes;
 - (d) Crossrail Limited (CRL) continues to fulfil its statutory and contractual obligations;
 - (e) to take control of the risk to TfL’s Business Plan from the completion of the Elizabeth line;
 - (f) to allow rapid decisions to be made on a whole-life and pan-TfL basis; and
 - (g) to enable a “One TfL” culture, by removing potential barriers between the Crossrail project and TfL.

- 3.2 The transition will occur in phases; this initial phase focussed on changes to top level governance to simplify decision making and allow TfL greater control over its risk exposure. Later phases will address achieving full passenger service and closing out the project.
- 3.3 The governance arrangements for the Crossrail project, following the initial phase of transition, are outlined below:
- (a) CRL has been retained as a corporate entity with an officer level board to meet Companies Act requirements, consistent with TfL's other subsidiary entities;
 - (b) the Elizabeth Line Committee has been established as a new special purpose Committee of the Board to address the Crossrail project and bringing the Elizabeth line into full passenger service;
 - (c) the CRL Remuneration, Investment and Audit Committees have been stood down and those functions have been adopted by the relevant TfL Committees, with corresponding changes made to their terms of reference;
 - (d) the Elizabeth Line Readiness Group has been re-formed as the Elizabeth Line Delivery Group (ELDG), chaired by the Commissioner to ensure appropriate oversight of the delivery of the Elizabeth line by Crossrail and TfL Executive;
 - (e) amendments have been made to TfL's Standing Orders to ensure that appropriate delegations and authorities apply to CRL;
 - (f) the Sponsor Board has been stood down and any matters reserved to DfT alone or to both Sponsors will be referred to DfT as required;
 - (g) the Project Representative (P-Rep) continues to provide independent oversight on behalf of this Committee and its members (including DfT) and is invited to present its views to both the Committee and ELDG.

4 Elizabeth Line Committee

- 4.1 The Terms of Reference for the Committee are set out at Appendix 1.
- 4.2 The initial membership of the Committee is: Heidi Alexander as Chair; Anne McMeel as Deputy Chair, Dr Nelson Ogunshakin OBE; Prof. Greg Clark CBE; and Mark Phillips, all of whom are currently Board members, together with Sarah Atkins who was a TfL-nominated non-executive director on the CRL Board.
- 4.3 DfT has appointed Kathryn Cearns OBE as a Special Representative to attend the meetings of the Committee, as a non-member. Kathryn was a DfT-nominated non-executive director on the CRL Board.
- 4.4 The P-Rep report will be submitted to the Committee in the same way it has been submitted to the Programmes and Investment Committee and a redacted version will continue to be published on our website.

- 4.5 As the project reaches its later stages, it is anticipated that the remit and membership of the Committee will change and, eventually, when steady state operations are reached, the Elizabeth line's activities will be governed in the same way as TfL's other operational activities, without the need for a special purpose Committee. Any proposed change to the core purpose of the Committee or the reservation to it of TfL's approval of any changes to the Sponsors' Requirements for the project will require the approval of DfT, under the revised Sponsors Agreement.

5 Elizabeth Line Delivery Group

- 5.1 The ELDG will ensure that the plans for delivery of the Crossrail infrastructure are aligned with TfL's Business Plan and that the Elizabeth line delivers the outputs specified in the Sponsors Requirements, within the Financial Authority and Programme and Project Authority granted by TfL.
- 5.2 The ELDG will oversee decisions with regard to pan-TfL implications. All decisions relating to the delivery of the Crossrail infrastructure that might impact TfL's Business Plan, or capital, operating and revenue budgets outside of the remit of the Chief Executive of Crossrail, will be referred to the Commissioner at ELDG and, if in excess of £100m, to this Committee. Decisions will be evaluated recognising whole life cost and value. The Commissioner will, with the Chief Finance Officer, also control the draw down of Programme and Project Authority for the Crossrail project as part of ELDG activity.

6 Core Agreements and Standing Orders

- 6.1 As the Sponsor Board is stood down and the DfT's role as joint Sponsor is wound down, it was necessary to make changes to the Core Agreements. Consistent with the objective of ensuring the transition is achieved as simply as possible and is made as early as possible, minimal changes were made to the Core Agreements at this time. The loan facility and related agreements entered into with DfT for funding purposes in 2019 for the Crossrail project remain unchanged.
- 6.2 Standing Orders have been amended to provide for the Committee and related matters, including the reservation of certain matters to the Committee that are currently reserved to the Board specifically in relation to the Crossrail project.

List of Appendices:

Appendix 1 – Elizabeth Line Committee Terms of Reference

List of Background Papers:

Board Chair's Action paper on Crossrail Governance Transition

<http://content.tfl.gov.uk/20200930-board-chairs-action-crossrail-governance-transition-web.pdf>

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Elizabeth Line Committee

Status Decision-making with full delegated powers within its terms of reference.

Part 5A of the Local Government Act 1972 applies as this is a Committee of TfL.

This is a special purpose Committee established as part of the transition of the Crossrail Project to simplify decision making and provide assurance and oversight for the Board on the completion and close out of the Crossrail Project and the opening of the Elizabeth line.

Membership

Chair Heidi Alexander

Vice Chair Anne McMeel

Other Members Prof Greg Clark CBE
Dr Nelson Ogunshakin OBE
Mark Phillips
Sarah Atkins (non-voting)

In attendance:

Government Special Representative

Commissioner

Chief Finance Officer

Managing Director London Underground and TfL
Engineering

Crossrail Chief Executive

Crossrail Chief Finance Officer

Crossrail Programme Director

Crossrail Chief People Officer

Elizabeth Line Chief Operating Officer

Any Board Member may attend and with the Chair's agreement other persons may attend all or any part of a meeting

Secretary To be agreed by General Counsel

Quorum Three members

Frequency of Meetings

1. The Committee will meet at least six times a year, or at such greater frequency as determined by the Chair.

Terms of Reference

Remit

2. This is a special purpose Committee established as part of the transition of the Crossrail Project to simplify decision making and provide assurance and oversight for the TfL Board on the completion and close out of the Crossrail Project and the opening of the Elizabeth line.
3. The Committee will receive regular update reports and assurance on the progress of the Crossrail Project including, without limitation, reports and assurance on safety aspects of the Crossrail Project and will provide oversight on the completion and close out of the Crossrail Project and the opening of the Elizabeth line.

Approvals

4. The Committee is authorised to review and grant any Authorities under Standing Orders and other approvals on the following in relation to the Crossrail Project:
 - (a) the provision of any guarantee (or other form of credit support) to CRL that exceeds £100m;
 - (b) approval of any change of or amendment to the Sponsor's Requirements;
 - (c) approval of any change to the Crossrail Project where the value of such change exceeds £100m;
 - (d) the acquisition or disposal by CRL (whether in a single transaction or series of transactions) of any business (or any material part of any business) or any shares in any company;
 - (e) the creation of any encumbrance (such as a mortgage or other security) in respect of any part of CRL's undertaking, property or assets;
 - (f) any proposal to wind up CRL (or similar proceedings);
 - (g) approval of any amendments, variation or modification to or waiver in respect of the Principal Project Documents over £50m;
 - (h) any other matter expressly provided for in the Principal Project Documents as requiring the approval of TfL;

- (i) any other matter that is a Specified Matter under the Sponsors Agreement and so reserved to the Sponsors or TfL alone; and
- (j) the provision of financial assistance for the purposes of section 159 of the GLA Act to any body or person.

Advice to the Board – Specific issues relating to the Crossrail Project

- 5. The Committee will advise on and assist the Board with issues relating to the progress of the Crossrail Project.
- 6. The Committee will provide advice as necessary in relation to the following matters reserved to the Board for determination:
 - (a) changes to the membership and remit of the Committee as it considers appropriate from time to time.
 - (b) proposals for schemes under the GLA Act for the transfer of the following (prior to submission to the Mayor):
 - (i) property, rights and liabilities between TfL and its Subsidiary Entities or between its Subsidiary Entities; and
 - (ii) key system assets;
 - (c) Disposal or transfer in connection with the delivery of TfL's Investment Programme of the whole or any part of TfL's or a Subsidiary Entity's Undertaking when the number of staff involved exceeds 100.

Relationship with the Programmes and Investment Committee and Finance Committee

- 7. Where any Authority or approval is within the remit of this Committee, it shall not be within the remit of the Programmes and Investment Committee or the Finance Committee.

Mayoral Directions

- 8. The Committee will consider at each meeting a report on the implementation of any applicable Direction from the Mayor relating to the Crossrail Project or the Elizabeth line.

Reporting

- 9. The Committee will report any meeting to the Board at the next ordinary Meeting.

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Elizabeth Line Committee



Date: 29 October 2020

Item: Safety Update

This paper will be considered in public.

1 Summary

1.1 This paper provides an update on safety on the Crossrail project.

2 Recommendation

2.1 **The Committee is asked to note the paper.**

3 Safety Update

- 3.1 Health and safety remains the top priority and overall performance is kept under constant scrutiny especially now that we have a consistent number of operatives on site having remobilised after the Safe Stop. A number of 'watch points' have been identified through the Safety and Health Leadership Team (SHELT) including, electrical safety, working at height and safe systems of work. Project-wide targeted assurance has been initiated with specific focus on these aspects.
- 3.2 Due to the incident trends emerging in Period 5 and 6, a programme wide electrical safety summit was held with the Senior Authorised Persons representing the component projects that comprise the overall Crossrail project (Projects). The summit reviewed learning from recent events as well as good practice. Working groups have been mobilised to take forward improvement actions and site-based assurance programmes. The feedback session is planned for 23 October 2020.
- 3.3 In Period 6 there were two injury accidents resulting in time off work (of which one was a reportable seven day+ lost time injury accident). Both accidents occurred at the Whitechapel Project and were ankle injuries. One Operative missed a single shift having turned his ankle descending a short Cat ladder. Another Operative had more than seven days' absence having turned his ankle on the last step whilst descending a permanent (finished) stairway. Although he had an historic ankle injury, the situation was exacerbated by the fact he was wearing non-compliant safety boots.
- 3.4 In response, the Whitechapel Project Team has undertaken a review of the site, checked all PPE across the supply chain and have initiated a Back to Basics campaign. In addition, the Senior Leadership Team chairs working groups to review and mitigate Fatal and Severe Risks.
- 3.5 There were also three High Potential Near Miss (HPNM) events. In Crossrail, a HPNM is any incident that could have been an accident, that has the potential to have been significantly more serious than the actual outcome. It is an

assessment and judgement between the parties involved to reach an agreed status.

- 3.6 The three HPNM events in the period have been fully investigated and corrective actions taken to prevent re-occurrence. The learning (from all Period 6 incidents) has been shared at SHELТ and the Learning Forum.
- 3.7 The Accident Frequency Rate (AFR) decreased from 0.08 to 0.07. The Lost Time Index has remained static at 0.13. The HPNM rate has increased from 0.24 to 0.27.
- 3.8 The Covid-19 Gold Response Team continues to meet on a weekly basis with the ability to immediately increase the frequency of meetings if required. Scenario testing regarding potential impacts of increased social distancing, enhanced lockdowns, and compromised sites, is ongoing. Across the programme, most office-based staff continue to work remotely in order to limit the spread of the coronavirus pandemic.
- 3.9 In period 6, the Gold Response Team has stood up a new Silver Command to consider our detailed response plan for the Covid-19 second wave and beyond. The remit of the Silver Command has been briefed and focused on designing the response based on:
 - (a) the priority activities to protect the programme;
 - (b) the input scenarios – e.g. Route Control Centre risks;
 - (c) critical resources that might not be available due to restrictions on movements, or infections within key skills sets;
 - (d) alignment and linkage with TfL (Major Project Directorate and London Underground); and
 - (e) finalising the plan utilising the work done to date both recently and back during the Safe Stop.
- 3.10 Members of the executive, Senior and Extended Leadership Teams have continued to visit the Project Sites to conduct safety engagement visits. Also, in pursuit of Target Zero (our Green weeks) a proposal is being drafted to be consulted with the Executive Group on the future structure and cadence for Periodic H&S Performance review. This proposal will be available in Period 7.
- 3.11 Following the governance transition earlier this month, the allocation of health and safety leadership engagement has been updated. The Executive Group will continue to provide oversight across several sites. Leaders have been selected to provide support to specific sites and guided to provide active mentorship to site leaders regarding health and safety matters.
- 3.12 In the period, an extensive safety validation was conducted of the new changes to the Crossrail Chief Programme Officer's (CPO's) organisation. Emerging as one of the actions has been the appointment of the Delivery Director into the Crossrail Duty Holder position of CDM Assurance Manager. Competence assessments and appointments are being conducted across the CPO Directorate ahead of the changes coming into effect. Going forward, CDM compliance is a standard agenda item in the Client Compliance Review.

3.13 The teams are focused on the planning and implementation of all the arrangements to ensure a safe transition from the Construction Commissioning Railway Rulebook to the Railways and Other Guided Transport Systems (Safety Regulations 2006 Rulebook. The safe handover of numerous elements e.g. Custom House, is providing assurance, learning and improvements for all the upcoming transfers of safety accountabilities.

List of Appendices:

None

List of Background Papers:

None

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Elizabeth Line Committee



Date: 29 October 2020

Item: Project Progress and Schedule Update

This paper will be considered in public

1 Summary

1.1 This paper provides an update on the status of the Crossrail project.

2 Recommendation

2.1 The Committee is asked to note the paper.

3 Crossrail update

3.1 We have continued to work on a plan to drive the project to completion and our initial proposal indicates the central section of the Elizabeth line opening during the first half of 2022. The proposal is not a confirmed opening window and remains subject to review and validation.

3.2 The routeway construction blockade has completed successfully with a high level of productivity achieved and a major programme of works delivered across 42km of the central section routeway by the supply chain. The blockade achieved 96 per cent productivity against plan and the tunnels are now in a physical position to support Trial Running. The blockade has demonstrated strong performance and has helped to recover significant time lost due to the temporary pause in construction works as a result of the coronavirus pandemic.

3.3 All shafts and portals have now reached either full handover to the Infrastructure Manager (IM) or are under Staged Completion for Familiarisation. This means that the safety critical works have been completed with only minor works and assurance documentation left to complete. This will be carried out by a dedicated resource and will allow the IMs to get familiar with the assets. All shafts and portals are expected to be handed over by the end of the year.

3.4 All central section stations, except Bond Street, are now certified as ready to support Trial Running. Bond Street will be Trial Running ready by the end of October 2020.

3.5 Dynamic Testing continues in a 24/7 mode with good execution but with test case passes below expected levels. These software issues are being investigated with the supply chain to ensure that the train and signaling software is in a position to start the Systems Integration Dynamic Testing (SIDT) phase as early as possible in December 2020.

3.6 SIDT provides a valuable opportunity to test the complex systems in operation-like scenarios and begin to understand the reliability performance of the railway.

Achieving SIDT in early December 2020 is an important milestone for the programme and an important step towards entering Trial Running in early 2021.

- 3.7 Planning for Trial Running and the key dates to be achieved in advance of it is being managed through a weekly Trial Running Mobilisation Board, with the programme pivoting to a countdown approach. This is providing visibility of what is needed to support Trial Running, by when and the status of each item.
- 3.8 The commissioning of stations remains an area of priority focus. A key intervention has been the establishment of the Plateau 2 team which will create a collaborative approach and environment to support the leadership of this complex, multi stakeholder activity.
- 3.9 In addition, a 'blockade mentality' is being implemented for the management of the stations programme. This involves knowing the scope of works remaining, measuring performance against this in a detailed and simple way, and having frequent intervention-based management meetings to resolve issues and replan works as soon as deviation from targets occurs. Together, these will provide greater control over the systems works remaining and will ensure there is alignment between all stakeholders. Paddington and Farringdon are the first stations to enter this process, with construction works at Farringdon now complete.
- 3.10 We continue to work through the execution plan for the completion of Bond Street station. The transfer of subcontractors has been a key priority. The critical path of the programme is dependent on the achievement of SC2 (ready for Trial Operations) at Bond Street in the summer of 2021.
- 3.11 Network Rail's major upgrade works to surface stations on the eastern and western sections of the railway continue to progress, with step-free access being prioritised where possible.
- 3.12 Work is underway on detailing the Elizabeth line risk landscape. This will form the basis of shared strategic risks for all parties involved in the delivery and operation of the Elizabeth line.
- 3.13 We are working collaboratively to identify residual works and how they can best be delivered. The principles of an alternative delivery model for non-essential works were reviewed and re-endorsed to enable the development of efficient ways of delivering the residual works. We will undertake an analysis of the costs and benefits of alternative approaches on two stations before standing up a residual works teams to deliver the identified works.

List of Appendices:

None

List of Background Papers:

None

Contact Officer: Mark Wild, Crossrail Chief Executive
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Elizabeth Line Committee



Date: 29 October 2020

Item: Elizabeth Line Readiness

This paper will be considered in public

1 Summary

- 1.1 This paper provides an update on the performance of the TfL Rail operational service and the status of the readiness of the Infrastructure Managers (IM) for the operations and maintenance of the railway after handover from Crossrail.

2 Recommendation

- 2.1 **The Committee is asked to note the paper.**

3 Performance of Operational Service

- 3.1 TfL Rail services continue to deliver very high performance, with 96.8 per cent of trains meeting the reliability target in the four-week period between 23 August and 19 September 2020. We have consistently provided a service above our target of 95 per cent and have returned service levels back to those operated before lockdown.
- 3.2 Actions have been identified to improve the reliability of the full-length units that have experienced delays in the period. Actions include driver briefings and improved management of incidents by technicians and operator. In addition, a software patch will be available in October 2020 to reduce signalling resets with an additional software upgrade available in December 2020.
- 3.3 From 14 September 2020, TfL Rail services between Paddington and Heathrow have been operated entirely by the Class 345 Elizabeth line trains. The units inherited from the previous Heathrow Connect service have been withdrawn with customers benefiting from much longer and more spacious trains with full air conditioning and modern customer information.

4 Rolling Stock Reliability

- 4.1 Crossrail has developed a plan for reliability growth of the rolling-stock through mileage accumulation in the current operational service and during testing in the central operating section through the period of Systems Integration Dynamic Testing, Trial Running and Trial Operations. A software development plan has also been developed to respond to issues as they are identified.

5 Operational Readiness

- 5.1 In preparation for taking on the remaining assets, further recruitment and training,

particularly of maintenance staff, is underway. This training is being undertaken in full compliance with the safe systems of work in place in response to the coronavirus pandemic. The risk remains, however, that further restrictions, if introduced, may impact training.

- 5.2 Nearly 70 per cent of the asset training has been delivered in readiness for the central operating section being classified as an operational railway, under the Railways and Other Guided Transport Systems (Safety) Regulations 2006.
- 5.3 A detailed plan for maintenance specific safety training has been agreed. Supporting the training plan, a five element maintenance competency plan, including procedure/standards development; recruitment; training; competency; and support contracts, have been developed and competence assessments have already commenced. Support contracts will supplement a lack of skilled resource and help mentor staff during their period of development. In addition, critical resource has been identified from the Crossrail project team to support.
- 5.4 Following the completion of the blockade, the current focus of readiness activities includes the review and acceptance of asset data, drawings and operational and maintenance manuals. We are working collaboratively with the project team and contractors to optimise the review and acceptance cycle with the aim of minimising the need for resubmissions.
- 5.5 We continue to develop the detailed functionality and commissioning of the Route Control Centre in Romford. Any further commissioning activities required during the period of Trial Running will be incorporated into the plan.
- 5.6 We continue to work through the execution plan for the completion of Bond Street station. The transfer of subcontractors has been a key priority and discussions are taking place regarding options for Bond Street delivery within TfL.

6 Residual Works Programme

- 6.1 We are working collaboratively to identify residual works and how they can best be delivered. The principles of an alternative delivery model for non-essential works were reviewed and re-endorsed to enable the development of efficient ways of delivering the residual works. We will undertake an analysis of the costs and benefits of alternative approaches on two stations before standing up a residual works team to deliver the identified works.

List of Appendices:

None

List of Background Papers:

None

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Elizabeth Line Committee



Date: 29 October 2020

Item: Finance Update

This paper will be considered in public

1 Summary

1.1 This paper provides an update from the Crossrail project finance team.

2 Recommendation

2.1 **The Committee is asked to note the paper.**

3 Background

3.1 The current £2.15bn financing package for the Crossrail project was agreed between the Department for Transport (DfT), the Greater London Authority and TfL in December 2018 (the Financing Package). We continue to assess the potential range of costs associated with the proposed opening window and based on the latest proposal, the cost to complete the Crossrail project is currently expected to be up to £1.1bn above the Financing Package. We will continue to review the cost schedule and update as appropriate.

3.2 We are in discussion with the DfT regarding how funding of the additional costs will be resolved while the Financing Package remains in place.

List of Appendices:

None

List of Background Papers:

None

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Elizabeth Line Committee



Date: 29 October 2020

Item: Project Representative Report

This paper will be considered in public

1 Summary

- 1.1 This paper provides an update on the periodic reports from the Project Representative (P-Rep) on Crossrail.
- 1.2 A paper is included on the Part 2 agenda which contains supplementary information that is exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the business affairs of TfL.

2 Recommendation

- 2.1 **The Committee is asked to note the paper and the supplementary paper on Part 2 of the agenda.**

3 Project Representative

- 3.1 The P-Rep is in place to provide the Sponsors, TfL and the Department for Transport, with oversight of project delivery, advise and raise points of challenge to the Sponsors and scrutinise progress.
- 3.2 In line with the commitments made by the Mayor for greater transparency of the Crossrail project, the most recent P-Rep reports are included as part of the regular update to the Committee. We have already published the reports from 2018/19, 2019/20 and the first report of 2020/21. The latest reports are now available on our website¹.
- 3.3 As with all the P-Rep reports, it has been necessary to make some redactions to the reports prior to publication to protect commercially sensitive material. We have sought to keep such redactions to a minimum. An unredacted version of the P-Rep report has been included in the paper on Part 2 of the agenda.
- 3.4 P-Rep highlighted the following key areas of concern:
 - (a) How will the transition to a new organisation address behaviours and culture, to ensure adherence to the performance schedule?
 - (b) How will Crossrail ensure integration of its teams and supply chain, to achieve planned completion dates?

¹ <https://tfl.gov.uk/corporate/publications-and-reports/crossrail-project-updates>

- (c) Given concerns with funding, resources and past productivity levels, what assurance can Crossrail provide that the delivery control schedule is properly resourced to deliver the key programme milestones?

3.5 The P-Rep observations are shared with Crossrail and will be discussed in detail by Crossrail, P-Rep and the Commissioner at the regular meetings of the newly established Elizabeth Line Delivery Group and Crossrail produces a response to the P-Rep report. The response from Crossrail is included with the P-Rep reports on our website (with an unredacted version being included in the paper on Part 2 of the agenda).

List of Appendices:

Exempt supplemental information is contained in a paper on Part 2 of the agenda

List of Background Papers:

None

Contact Officer: Mark Wild, Crossrail Chief Executive
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Email: MarkWild@tfl.gov.uk

Elizabeth Line Committee



Date: 29 October 2020

Item: TfL Audit and Assurance

This paper will be considered in public

1 Summary

1.1 This paper provides an overview of the role of the Internal Audit in relation to the Crossrail project, the activities planned to be carried out in 2020/21 and proposals for delivery of third line project assurance activities going forward.

2 Recommendation

2.1 **The Committee is asked to note the paper and approve the proposal that IIPAG undertake third line assurance for the Crossrail project.**

3 Background

3.1 Within Crossrail, there are a number of functions involved in the delivery of assurance operating across the three lines of defence model.

3.2 Internal Audit provides third line audit assurance services to Crossrail in accordance with the “three lines of defence” model as follows:

- (a) First line of defence – control and monitoring arrangements carried out by the functions responsible for managing the risks/ controls;
- (b) Second line of defence – typically audit and inspection regimes carried out by teams separate from those responsible for managing the risks/ controls, but reporting through the Crossrail management hierarchy; and
- (c) Third line of defence – fully independent audit and review activities. Typically, activities will have a strategic focus, with reporting to the Audit and Assurance Committee, and the Committee as appropriate.

3.3 The current Internal Audit Plan (IAP) for 2020/21 is attached in Appendix 1 and an overview of the work in progress is attached in Appendix 2.

4 Development and Delivery of the Plan

4.1 The starting point for the development of the IAP is a review of the Crossrail enterprise risks identified during 2019 and the key controls over those risks. The plan is structured around the enterprise risks.

4.2 We have consulted with senior management to get their views on where assurance work would add the most value, and shared the draft plan for comment. However, the final decision on what is included rests with Internal Audit.

- 4.3 In developing the plan, we have also had regard to the assurance being provided by other assurance teams within Crossrail to ensure that the work is carried out by the most appropriate team and that duplication of effort is avoided. We will review the IAP throughout the year as assurance work is carried out and changes to the enterprise risks are identified.
- 4.4 Internal Audit delivers its work according to defined processes and procedures, set out in its audit manual, in line with relevant statutory requirements and professional standards.
- 4.5 We produce a quarterly update report on progress against the plan and we regularly review and update the plan throughout the year, in liaison with management, to reflect changing business priorities. Any changes to the plan will be presented to the Audit and Assurance Committee for approval.

5 Focus Areas for 2020/21

- 5.1 We will continue to focus on cost management and other key risk areas such as safety, readiness for handover, organisational change and the management of scope to go.
- 5.2 Following a recommendation from a review carried out by the Infrastructure and Projects Authority (IPA) in 2019, in light of other assurance activity in relation to schedule management there are no audits in the 2020/21 plan in that area.

6 Third line Project Assurance Activities

- 6.1 Following the transfer of the Crossrail project into TfL, discussions have taken place about how third line assurance will be carried out on the project. It is proposed that the current TfL Independent Investment Programme Advisory Group (IIPAG) undertake this work going forward. This has been discussed and agreed with all key stakeholders in TfL and Crossrail and with the Chair of IIPAG and so we are seeking the Committee's approval of this change.
- 6.2 Subject to that approval being given, TfL will make the necessary changes to IIPAG's Terms of Reference (which currently exclude them working on Crossrail) and agree the specific activities they will undertake. There may be a need to supplement the IIPAG team to ensure that they can cover the additional Crossrail work alongside all aspects of their TfL work plan and cross cutting work. Further details of how IIPAG will undertake these third line activities will be shared with this Committee once finalised.

List of Appendices:

Appendix 1 – Internal Audit Plan 2020/21

Appendix 2 – Work in progress at the end of Q1 2020/21

List of Background Papers:

None

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Rolling Crossrail Plan (2020/21): Appendix 1

This is the current audit plan as at end Q2

Strategic Risk No.	Strategic Risk	Audit Title	Objective	Planned Period
E07	Delivering a safe, operable and maintainable railway to enter Trial Running according to the plan in the current climate.	Readiness for Trial Running	To provide assurance over the operational readiness of the operators to commence Trial Running	Q3
SC4	Volume of residual works may impact operation and safety of the railway (ADM)	Alternative Delivery Model	To provide assurance that the alternative delivery strategy is effective	Q3
FC3	Crossrail may not be able to demonstrate sufficient commercial and/or financial control.	Management of Indirect Costs	To provide assurance that the Crossrail organisation is managing indirect costs in line with Programme requirements	Q4

Strategic Risk No.	Strategic Risk	Audit Title	Objective	Planned Period
		Management of Staff Costs	To provide assurance that the Contractual Appointments process is being approached and managed in a transparent and effective manner.	Q2
		Crossrail Complaints Commissioner Accounts	To provide assurance over the accounts of the Crossrail Complaints Commissioner for the period ending 31 March 2020.	Q2
		Management of AFC	To provide assurance over the effectiveness of controls for management of AFC	Q4
		Risk Management	To provide assurance over adequacy and effectiveness of risk management in Crossrail	Q2
SC3	Tier 1 close out not aligned with the programme demobilisation dates	Demobilisation of Tier 1 Contractors	To provide assurance that the controls over contractor demobilisation are effective	Q3

Strategic Risk No.	Strategic Risk	Audit Title	Objective	Planned Period
OC1	Crossrail and TfL may fail to delivery on the transition plan to complete the programme.	Transfer of CRL programme to TfL	To provide assurance on the effectiveness of controls around the transfer of the Crossrail programme to TfL	Q3
HS4	Safety performance could be impacted by changing from the Crossrail programme rules to the IM operational rules.	HSE framework	To provide assurance over the adequacy and effectiveness of the HSE framework	Q3

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Work in progress at the end of Q1 2020/21 – Appendix 2

Grouped by Strategic Risk

- Six audits were in progress at the end of Q1 having been delayed due to COVID 19 lockdown and furlough of the audit team. Status has been updated to reflect progress to date

Strategic risk	Audit title	Objective	Current status	Notes
OC1 Crossrail and TfL may fail to deliver on the transition plan to complete the programme.	Governance and Organisational Effectiveness	To provide assurance over the adequacy and effectiveness of arrangements designed to ensure timely project delivery	Draft Report issued	This was issued prior to furlough – still awaiting response from CRL
	Culture Change	To review the degree to which culture has changed and is embedded in line with agreed values and behaviours	In Reporting	Draft report in review by audit management
SC4 Volume of residual works may impact operation and safety of the railway (ADM)	Consents Compliance Governance	To provide assurance over the adequacy and effectiveness of controls to monitor and manage compliance with planning, traffic and environmental consents requirements.	Follow up	Conclusion - Requires Improvement
	Adequacy of the Supply Chain Assurance Framework	To provide assurance over the adequacy of the controls to manage key risks within Crossrail's supply chain (Tier 2 and Tier 3)	Follow up	Conclusion - Requires Improvement
FC3 Crossrail may not be able to demonstrate sufficient commercial and/or financial control.	Counter fraud assurance	To review the adequacy and effectiveness of fraud prevention controls	Follow up	Conclusion - Requires Improvement
	Crossrail Complaints Commissioner Accounts	To provide assurance over the accounts of the Crossrail Complaints Commissioner for the period ending 31 March 2019.	In Reporting	Draft report issued -awaiting feedback

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Elizabeth Line Committee



Date: 29 October 2020

Item: Enterprise Risk Update – Opening of the Elizabeth Line (ER14)

This paper will be considered in public

1 Summary

1.1 This paper gives an update on the risks to opening of the Elizabeth line and the controls and mitigations for these risks.

2 Recommendation

2.1 The Committee is asked to note the paper.

3 Background and Current Status

3.1 ER14 describes the key risks to the timely opening of the Elizabeth line. Further delays to opening of the line would adversely impact our customers, finances and the confidence of stakeholders.

3.2 The Elizabeth line opens in stages, with Stages 1, 2 and 5A already in operation as TfL Rail services between Liverpool and Shenfield in the east and between Paddington and Reading/ Heathrow in the west. Further stages will see the opening of the central section (Stage 3 - between Paddington and Abbey Wood /Stratford) and then further integration of the line and through services from the east (Stage 4) and west (Stage 5).

3.3 We have continued to work on a plan to drive the project to completion and, although some details are still to be finalised, our initial proposal indicates the central section of the Elizabeth line opening during the first half of 2022. The proposal is not a confirmed opening window and remains subject to review and validation.

3.4 The current £2.15bn financing package for the Crossrail project was agreed between the Department for Transport (DfT), the Greater London Authority and TfL in December 2018 (the Financing Package). We continue to assess the potential range of costs associated with the proposed opening window and based on the latest proposal, the cost to complete the Crossrail project is currently expected to be up to £1.1bn above the Financing Package and proposals on arrangements for further funding will be considered separately in due course. We will continue to review the cost schedule and update as appropriate.

- 3.5 A number of controls are in place to strengthen the governance of the delivery of the project and to manage the wider risks. In particular, the responsibility for the governance of the Crossrail programme has moved to sit directly with TfL following approval by the Board and DfT Ministers. The new arrangements will ensure that decision making between the Crossrail project and our operational teams is seamless and fully aligned during the critical final phases of the programme as the operational testing is undertaken and the remaining parts of the railway are completed and transferred to TfL.
- 3.6 The transition will simplify responsibilities, with a single Elizabeth Line Delivery Group comprising senior members of TfL, London Underground and the Crossrail project, and chaired by the Commissioner and high-level oversight provided by this Committee.
- 3.7 As noted above, additional funding is required to complete the Crossrail project and we are in discussions with the DfT regarding how funding of the additional costs will be resolved.
- 3.8 A key action currently is to maintain delivery activity in line with the new delivery schedule and implement mitigation plans which may be necessary as a result of possible further restrictions announced by Government as a result of the coronavirus pandemic.

List of Appendices:

Appendix 1 – ER14 Risk template

List of Background Papers:

None

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ER 14 - Opening of the Elizabeth Line

RISK DETAILS

Risk Level: 0

Stakeholders: Wild, Mark; Coff, Tanya; Wright Tricia; Mc Naught Peter; Byford, Andy; Batey, Alex; Kilonback, Simon;

Risk Owner (Accountable): Andy Lord

Responsible Manager: Smith, Howard ; Stuckey Martin

Business Area: London Underground

Risk Title: Opening of the Elizabeth Line

Risk Description: Although there are five distinct stages to the opening of the Elizabeth line, this risk mainly refers to further delay in the scheduled opening (first half of 2022) of Central Section between Paddington (Crossrail) and Abbey Wood, but noting that the revenue benefits are in stages 4 and 5.

MTS / Corporate Strategy: A good public transport experience

Panel / Committee oversight: Programmes and Investment Committee

Risk ID (ARM): ER 14

Objective: Capacity & Growth

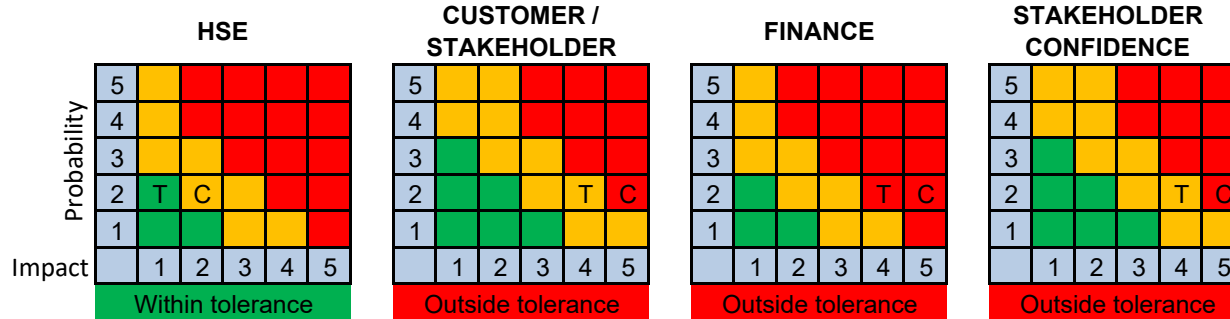
Doc Version: 0.6

Overall Control Effectiveness Rating: Adequately Controlled

Last update: 25/09/2020

RISK ASSESSMENT

Threat



	CURRENT		TARGET		ASSESSMENT RATIONALE Probability of further delay is Low in accordance with the current modelling results.
	Assessment	Score	Assessment	Score	
Probability:	2: Low: 5% to <25%	2	2: Low: 5% to <25%	2	
HSE:	2: Low	2	1: Very Low	1	
Customer/Stakeholder:	5: Very High	5	4: High	4	
Finance (£m):	5: Very High: ≥£50m	5	4: High	4	
Stakeholder Confidence:	5: Very High	5	4: High	4	
Overall Risk Rating:	17		14		

Key Risk Indicator	Location
T-minus process tracker (go/ no-go)	TBC
Regular reporting	
Daily Vis	

PRE-RISK EVENT

CAUSES	
Title	Description
Systems Complexity	Complex design and software configuration
Testing & Commissioning	Testing & Commissioning issues. Issues with Systems Integration
Reliability	Poor reliability of systems, incl. train /software prolongs testing and/or ability to bid Stages 4 /5B timetables prior to Stage 3
Staged opening	Complexities in aligning the delivery, assurance and operational activities for a phased programme of commissioning and opening
Delay Recovery	Contractors inability to recover delays or major dispute with a contractor and / or COVID 19 impacts
Operators readiness	Programme elongation impacts staff and skills retention. Poor supplier contract performance.
Contractual arrangements	Incomplete information available (e.g. asset information) to support operational activities
Emergency Situations	Emergency situations e.g. fire, serious rail incident

CONTROLS (preventative)			Control Effectiveness		Assurance
Title	Description	Owner	Design	Operation	1st/2nd/3rd line
Elizabeth line delivery Group	Elizabeth line delivery Group to oversee and drive readiness	Byford, Andy	Effective	Effective	2nd line
Delivery management	Achievement in accordance with the Delivery control schedule	Wild, Mark	Effective	Partially effective	1st line
Funding compliance	Elizabeth line Group / Elizabeth Line Committee to oversee funding	Kilonback, Simon	Effective	Partially effective	1st line
Programme reporting	Weekly programme reporting. Daily and weekly vis management	Wild, Mark	Effective	Effective	1st line
Systems Integration	Organisation focussed on Systems Integration with dedicated resources.	Wild, Mark	Effective	Effective	1st line
Competencies of Operational Staff	Work with contractors to maintain competencies of operational staff	Smith, Howard	Effective	Effective	1st line
Critical resources	Ensure key CRL resources are retained through to completion. Weekly review of critical role status and	Wild, Mark	Effective	Effective	1st line
Main contractors liaison	Strengthened commercial and project management arrangements in place	Wild, Mark	Effective	Effective	1st line
TfL Board oversight	Elizabeth Line Committee has been established	Byford, Andy	Effective	Effective	1st line

ACTIONS					
Title	Description	Owner	Start Date	Due Date	Status
Programme schedule and cost	Change control as required to DCS1.0 baseline, establish any financial impacts and agree any actions required with Sponsors.	Wild, Mark	01/05/2020	30/08/2020	Complete
T-minus	Establish T-minus baseline and drive progress to Trial Running across the programme	Wild, Mark	05/02/2020	28/02/2020	Complete
Revenue stream	Strengthen TfL Rail services to more closely reflect Stage 4 service / timetable	Smith, Howard	01/02/2020	30/05/2021	In Progress
Transition to TfL	1. Implement transition plan- governance 2. Implement transition plan- assets, people and obligations	Wild, Mark	15/06/2020	30/10/2020 30/01/2022	In Progress
Configuration control	Establish robust definition and control of the configuration of the railway through its staged opening and commissioning phases	Wild, Mark	01/08/2020	30/11/2020	In Progress
Funding	Secure additional funding	Kilonback, Simon	22/08/2020	30/11/2020	In Progress

POST-RISK EVENT

CONSEQUENCES		Insurance		Quantified Financial Impact		
Title	Description	Type	Excess	Minimum	Most Likely	Maximum
Revenue	Adverse revenue impact from delayed opening of the line					
Reputation	Negative impact on TfL's reputation for both project and service delivery					
Credit rating	Reduction in our credit rating					
DfT confidence	DfT confidence in TfL's ability to operate a railway network					
Cost	CRL exceed budget to deliver the line					
Customer impact	Delayed travel capacity and travel opportunities					

CONTROLS (corrective)			Control Effectiveness		Assurance
Title	Description	Owner	Design	Operation	1st/2nd/3rd line
Programme reporting	Daily visualisation and weekly reporting capturing details of progress towards readiness	Wild, Mark	Effective	Effective	1st line
Assurance	Independent expert panel appointed	Wild, Mark	Effective	Effective	3rd line
Funding	Regular liaison with Government over funding requirements	Kilonback, Simon	Effective	Effective	1st line
Independent review and reporting	Project representative appointed and reporting to the Elizabeth Line Committee	Byford, Andy	Effective	Effective	3rd line

ACTIONS					
Title	Description	Owner	Start Date	Due Date	Status
Contingency comms plan	Effective decision making around completion dates and communication plans to be in place well ahead in case of delays to the EL opening	Everitt, Vernon		Until completion	In Progress

Elizabeth Line Committee



Date: 29 October 2020

Item: Members' Suggestions for Future Discussion Items

This paper will be considered in public.

1 Summary

- 1.1 This paper presents the current forward programme for the Committee and explains how this is put together. Members are invited to suggest additional future discussion items.

2 Recommendation

- 2.1 **The Committee is asked to note the forward programme and is invited to raise any suggestions for future discussion items.**

3 Forward Plan Development

- 3.1 The Board and its Committees and Panels have forward plans. The content of the plans arises from a number of sources:
- (a) standing items for each meeting: minutes; matters arising and actions list; and any regular reports, including the Project Representative report;
 - (b) regular items which are for review and approval or noting;
 - (c) matters reserved for approval or review; and
 - (d) items requested by Members: The Chair of the Committee will regularly review the forward plan and may suggest items. Other items will arise out of actions from previous meetings (including meetings of the Board or other Committees and Panels) and any issues suggested under this agenda item.

4 Current Plan

- 4.1 The current list of standing items is attached at Appendix 1. Once future meeting dates have been agreed these will be added to the plan. Like all plans, it is a snapshot in time and items may be added, removed or deferred to a later date.

List of appendices to this report:

Appendix 1: Elizabeth Line Committee Forward Plan

List of Background Papers:

None

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Membership: Heidi Alexander (Chair), Anne McMeel (Vice-Chair), Professor Greg Clark CBE, Dr Nelson Ogunshakin OBE, Mark Phillips, Sarah Atkins, Kathryn Cairns OBE(Government Representative)

Standing Items		
Safety Update	Commissioner	
Project Progress and Schedule Update	Crossrail Chief Executive	Each meeting
Elizabeth Line Readiness	Commissioner	Each meeting
Finance Update	Chief Finance Officer	Each meeting
Project Representative Report	Crossrail Chief Executive	Each meeting
TfL Audit and Assurance	General Counsel and Director of Risk and Assurance	Each meeting

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