

# Crossrail Sponsor Board Meeting No. 120A

Friday 26 June 2020, 1300-1430

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)
[REDACTED]	JST, Secretariat
Andrew Wallace	JST
[REDACTED]	JST
[REDACTED]	Project Representative
[REDACTED]	Project Representative

## Apologies

Simon Kilonback*	TfL, Chief Finance Officer
Matthew Lodge*	DfT, Director for Rail Infrastructure – South HM Treasury
[REDACTED]	

(\*Voting Members)

(\*\*Alternate Voting Members)

## 1. Minutes and Actions of Meeting 119a

The minutes and actions for meeting number 119a were discussed and agreed as final, subject to minor amendments.

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

## 2. CRL Board – Matters Arising

Sponsors discussed the matters arising from the debrief following the CRL Board on 25 June 2020. Sponsors noted that CRL had applied significant effort to the development of the recovery plan and the underlying logic and sequencing up to Trial Running, noting however that it was less defined beyond Trial Running. Sponsors expressed their concerns about a potential bow wave of activity and the need for CRL to establish an end to end plan to get Elizabeth line into revenue service. Concerns were also raised by Sponsors about the extent to which all the associated underpinning work and assurance on the cost and schedule would have been concluded by 23 July board. Sponsors also noted that they had not yet received any proposals from CRL on viable options being considered to deliver the programme, where possible, within the previously stated funding requirement and achieve commencement of Stages 4 and 5b as early as possible. In addition, Sponsors remained

concerned about risks in relation to the availability of critical resources to support the delivery of the planned construction blockade. Sponsors agreed to include this in the areas to be discussed with CRL in Part B agenda. Sponsors also agreed that the JST should work with CRL to establish short-term performance criteria to assess CRL's delivery during the construction blockade from August to September 2020, and present criteria to July Sponsor Board (**Action 120a/01**). Sponsors also agreed to develop contingency plans, including trigger points for any additional Sponsor actions that may be required (**Action 120a/02**).

### **3. Sponsor Dashboard**

#### *Sponsor dashboard*

Sponsors considered the Period 2 dashboard and noted that the programme AFDCDC has been estimated based on the developing DCS1.1 schedule and as such the Period 2 AFDCDC must be considered as an emerging view, and not a fully substantiated position. Sponsors agreed to ask CRL in the Part B agenda, to provide an update on the cost forecast and underpinning assumptions and seek clarity from CRL on the extent to which the cost forecast to be provided to CRL Board in July will be aligned with the DCS1.1. It was stressed that the emerging dates were 'preliminary' and formal DCS1.1 submission will be made to the July CRL Board, informed by the Period 3 data. Noting the timetable for the issue of the recovery plan and DCS 1.1 to CRL Board, Sponsors agreed to consider a communications strategy for the CRL recovery plan post 23 July board (**Action 120a/03**).

### **4. P-Rep Period 2 Summary**

The Project Representative (P-Rep) presented the headlines from their Period 2 summary report. P-Rep stated that while Dynamic Testing has restarted, a consistent and fixed date for Trial Running is yet to be confirmed. In addition, P-Rep remain concerned that a robust and underpinned schedule has yet to be finalised and costs to go are not determined. P-Rep stated that Sponsors should ask CRL to explain how completion of the construction blockade works will be supported by realistic productivity rates, resource availability and Supply Chain commitment.

P-Rep also flagged that CRL should explain how the Staged Completion for Familiarisation process will de-risk the programme and better determine what the programme benefits would be. P-Rep also stated that with CRL's short term focus on delivery, the plan to achieve reliability growth was unclear and posed a threat to the duration required for Trial Running. Sponsors noted the points raised by P-Rep and agreed to include this in the areas to be discussed with CRL in Part B agenda.

### **5. COVID 19 – Sponsors Strategic Response Plan**

The JST presented the status of the emerging issues and progress with strategic actions agreed in response to COVID-19. Sponsors reflected on the DCS workshop held on 18 June 2020 with CRL and agreed that CRL explained their approach to establishing a realistic programme and cost estimate but noted that the work was still in progress and would be finalised for presentation to the CRL Board on 23 July. Sponsors expressed their concern about the period-on-period slippage in the CRL schedule, noting that CRL had not yet explained how they plan to assure the recovery plan to demonstrate delivery confidence and agreed that it should be raised with CRL in the Part B agenda. Sponsors agreed to reflect on whether to write to CRL in response to the CRL letter of 6 June 2020 following the Part B

meeting. Sponsors also agreed that to consider what independent assurance would be required, after CRL have implemented their three Lines of Defence (3LoD) Integrated Assurance Framework (IAF) to complete their review of the Recovery Plan (**Action 120a/04**).

*Post Meeting Notes:*

*Following the Sponsor Board Part B meeting on 2 July 2020, Sponsors agreed not to reply to the CRL letter of 6 June 2020. Sponsors agreed to set out via email their response to CRL's request for Sponsors to consider whether Paul Robins, Chair of RAB(C), should be invited to brief Sponsors regularly (**Action 120a/07**). Regarding the CRL Recovery plan, Sponsors asked that JST work with KPMG to undertake independent review of CRL recovery plan (**Action 120a/08**) and asked P-Rep to also provide their assessment of the CRL recovery plan to enable Sponsors triangulate views (**Action 120a/09**).*

## **6. Elizabeth Line Readiness Group (ELRG) – Matters Arising**

This item was deferred until the next meeting due to time pressures.

## **7. Update from Chair of Rail Assurance Board (RAB-C)**

Sponsors asked the RAB-C Chair if there had been any improvements in the throughput of assurance and safety approvals by CRL to RAB-C, given the CRL recovery plan has assurance on the critical path. RAB-C Chair stated that there are signs of progress, noting that early drafts of the Central Operating Section (COS) Safety Justification had been provided to allow early engagement by RAB-C on the structure and evidence. He stated that of the circa 80 submissions required by Trial Running, there are still around 70 submissions outstanding and this is an improvement. Sponsors asked if RAB-C had visibility of a forward plan of submissions and RAB-C Chair stated they only have a short term look ahead (around 6 weeks). Sponsors asked if CRL or the Infrastructure Managers (IMs) had made any proposals on changes to the approach on assurance including the use of Structured Engineering Judgements (SEJs) – to improve the approach and efficiency of the assurance and safety approvals process and mitigate schedule risk. RAB-C Chair stated a paper was presented by CRL with Terms of Reference of the CRL Risk Review Group, but this was not accepted by RAB-C as the paper did not provide clarity on how SEJs would be used in the acceptance process. RAB-C Chair stated his understanding of the proposal is for the panel to be convened to solve specific problems and the use of SEJs should not bypass the process but should demonstrate any risks are adequately identified and mitigated. RAB-C Chair stated that CRL plans to revert to RAB-C in July with updated Terms of Reference for the CRL Risk Review Group and an explanation of how it will be applied to the assurance and safety approvals process. Sponsors noted the update from the RAB-C Chair and agreed to ask CRL to provide an update in the Part B agenda, on the assurance critical path and explain how Structured Engineering judgements, will be used to the extent necessary, to hold the critical path.

## **8. Update on CRL/TfL Transition Action Plan**

TfL presented the Governance Transition action plan prepared to address the action in the TfL Extraordinary Funding and Financing Agreement (dated 14 May 2020). DfT Sponsors noted the action plan and it was agreed that the TfL submission fulfils the requirement of the

Agreement. It was agreed that a Sponsors meeting will be scheduled to discuss the details of the TfL Transition Action Plan in advance of the next Sponsor Board (**Action 120a/05**).

## 9. Part B Agenda

Sponsors discussed the Part B agenda, and agreed to:

- Ask CRL to provide an update on progress on setting up programme management and delivery functions for Bond Street
- Request CRL provide an update on the cost forecast, underpinning assumptions and the extent to which the costs will be aligns with the DCS v1.1 when issued.
- Challenge CRL to explain the scope of the DCS planning exercise in progress, including the level of maturity, assurance and supply chain engagement and buy-in that will have been completed when it is presented to the CRL Board in July;
- Ask CRL to explain how they plan to assess the success of the Construction Blockade. When will CRL define the success criteria/KPIs to monitor delivery of the recovery plan be established and where will they be monitored and reported;
- Ask CRL when viable options to deliver the programme within the existing funding envelope and achieve commencement of Stages 4 and 5b as early as possible will be presented for Sponsors to consider;
- Challenge CRL on how they plan to mitigate the effect of constraints imposed by the limited availability of critical resources to support the construction blockade;
- Challenge CRL on measures being taken to reduce indirect costs.
- Ask CRL to provide an update on the assurance critical path and explain how Structured Engineering judgements, will be used to the extent necessary, to hold the critical path.

Sponsors agreed that the JST would follow up with CRL on the areas agreed and Sponsors would challenge CRL in Part B of the meeting. JST to collate the consolidated Sponsor list of areas to be discussed with CRL in Part B agenda and circulate to Sponsors (**Action 120a/06**).

## 10. AOB

Sponsors noted that Network Rail had been asked to provide a written update to Sponsors on progress with works on Western stations, Eastern power upgrade, CRL Transition testing and Signalling and Traffic Control changes and would be circulated to attendees when available. Sponsors noted the Joint Sponsor team are due to meet CRL next week to validate CRL's funding request for July.

*Post meeting note: Sponsors approved the validation of the July Drawdown on 2 July 2020. Sponsors agreed to continue with the revised scheduling of Sponsor Board Part A & B meetings and include a Sponsor only debrief following Part B.*

### Summary of actions:

No.	Action	Lead	Target and Update
120a/01	Develop short term performance criteria/indicators to assess CRL delivery in the period through August to October 2020, present criteria to July SB.	JST	Prior to July 2020

120a/02	Sponsors to develop contingency plan, including trigger points for any Sponsor action	Alex Luke & Nicola Cox.	July 2020
120a/03	Sponsors to agree the communications strategy on the CRL recovery plan post 23 July board	Sponsors	July 2020
120a/04	Sponsors to consider what additional assurance would be required, after CRL have implemented their 3LoD IAF in review of the Recovery Strategy/Plan	Sponsors	02 July 2020
120a/05	Set up a Sponsors meeting to discuss the TfL Transition Action Plan before the next SB.	Sponsors	02 July 2020
120a/06	Develop a consolidated Sponsor list of areas to be discussed with CRL in Part B agenda and circulate to Sponsors	Simon Adams & Alex Luke	29 June 2020
120a/07	Set out via email the response to CRL's request for Sponsors to consider whether Paul Robins, Chair of RAB(C), should be invited to brief Sponsors regularly	Sponsors	July 2020
120a/08	JST work with KPMG to undertake independent review of CRL recovery plan	JST	August 2020
120a/09	P-Rep to provide their assessment of the CRL recovery plan to enable Sponsors triangulate views	██████████	P-Rep Period 3 Report