

Crossrail Sponsor Board Meeting No. 119A

Thursday 4th June 2020, 0900-1030

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

Apologies

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

(*Voting Members)

(**Alternate Voting Members)

1. Minutes and Actions of Meeting 118a

The minutes and actions for meeting number 118a were discussed and agreed as final.

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

2. Sponsor and Risk Dashboards

Sponsor dashboard

Sponsors noted that the Period 1 dashboard reflects CRL's decision to hold the cost and schedule forecasts while the Recovery Plan is developed. Instead, CRL is managing works on a short-term 8-week lookahead, with the exception of items on the critical path, including Shafts and Portals.

Shafts and portal handover dates have slipped further at Limmo (14 days), Eleanor St (32 days) and Stepney Green (70 days). Sponsors agreed to challenge CRL in the Part B discussions on delays to handover and the Bond Street SC1 milestone.

P-Rep stated that a new "Stage Completion for Familiarisation" (SCfF) / "T+8" process has been introduced by CRL and applied to Fisher Street Shaft handover achieved on 29 May. P-Rep stated that this was not the full handover, as an eight-week period would follow to achieve the full handover process. Sponsors were concerned that the new handover process could potentially mask the scale of the work to go to completion and may lead to a longer tail on the

Tier 1 run rates. Sponsors agreed to challenge CRL in the Part B discussions on the potential cost impacts of the SCfF process.

Sponsors noted that the dashboard metrics indicated that 57% of the supply chain resources are productive as of 20 May 2020 compared to pre-COVID-19 rates.

P-Rep highlighted that mobilisation of the Tier 1s for Niche Works has been slower than anticipated, [REDACTED], [REDACTED].

Sponsors discussed their concerns about CRL's performance and agreed to consider drafting a further letter to CRL, depending on the response given by CRL to Sponsors previous letter on 23 April 2020, addressing similar concerns, expected shortly. **(Action 119a/01)**.

3. P-Rep Period 1 Summary

The Project Representative (P-Rep) presented the headlines from their Period 1 summary report. P-Rep stated CRL need to drive efficiencies into its assurance processes, to support achieving [REDACTED] Trial Running and mitigate the potential for further cost overruns. P-Rep also noted that one of the assumptions in the CRL Recovery plan is the potential application of structured engineering judgements, subject to regulatory approval. Sponsors agreed to ask CRL in the Part B discussions, to provide an update on the efficiency and productivity achieved in the assurance process to date and the potential efficiencies to deliver improvements.

P-Rep stated the CRL Recovery Strategy is based on utilising a blockade to complete the construction phase of the programme as efficiently as possible. Most of the remaining works required to enable the start of Trial Running will be completed within the blockade. P-Rep suggested Sponsors should ask CRL to explain the measures being taken to manage and improve schedule development and commercial strategy, including any organisational changes required to deliver improvements. P-Rep also stated Sponsors should request that CRL provide a view on their plan to deliver the work at Stations as part of the blockade.

P-Rep highlighted that to ensure the Recovery Strategy is deliverable, CRL should be challenged in Part B discussions, on how they plan to engage with their stakeholders and supply chain to ensure there is shared ownership and commitment to the recovery plan and schedule dates.

4. 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. New risks emerging from the CRL Board debrief discussions were noted. JST noted that CRL had indicated Sponsors approval may be required to support decisions around [REDACTED] as part of the CRL Recovery Plan, particularly if [REDACTED] required. Sponsors agreed to ask CRL in Part B discussions, when further details on [REDACTED] will be provided to Sponsors, prior to being taken forward in the CRL recovery plan

P-Rep provided an overview of the CRL recovery [REDACTED]

[REDACTED]

Sponsors noted the P-Rep analysis and asked P-Rep to provide a cost analysis [REDACTED] [REDACTED] (**Action 119a/02**). Sponsors agreed to challenge CRL in Part B discussions on measures being taken to reduce indirect costs.

Sponsors expressed their ongoing concerns about the limited impact of CRL interventions / mitigations to date on programme delivery performance and agreed to challenge CRL in Part B discussions on whether [REDACTED] [REDACTED]. Sponsors also agreed to ask CRL to set up a separate session with Sponsors to discuss the [REDACTED] analysis to date and underlying basis and assumptions of the recovery plan (**Action 119b/03**).

5. Elizabeth Line Readiness Group (ELRG) – Matters Arising

A verbal update was provided to Sponsors on the matters arising at the 14 May and 28 May 2020 ELRG meetings.

Sponsors asked if ELRG were concerned by the new “Stage Completion for Familiarisation” (SCfF) / “T+8” process and JST stated the Infrastructure Managers (IMs) were supportive of the T+8 process, despite the risks.

JST noted that the ELRG is relatively newly established and the effectiveness and impact will develop over time. Sponsors noted the update provided and asked that the minutes of the ELRG be circulated (**Action 119a/04**).

6. Update on CRL/TfL Transition Action Plan

JST stated that work has commenced on the development of a transition action plan, responding to the action in the Government / TfL funding and financing agreement (dated 14 May 2020). It was agreed that the plan would be presented at Sponsor Board on 2 July 2020 (**Action 119a/05**).

7. Part B Agenda

Sponsors discussed the Part B agenda, and agreed to:

- Ask CRL to respond to the period on period slippages in handover dates for Shafts & Portals and delays to the Bond Street SC1 milestone;
- Challenge CRL to outline their plans to deliver the work at Stations as part of the blockade;
- Challenge CRL to provide an update on the efficiency and productivity achieved in the assurance process to date and the potential efficiencies to deliver improvements;
- Ask CRL to explain the measures being taken to manage and improve schedule development and commercial strategy, including any organisational changes required to deliver improvements;
- Challenge CRL on how they plan to engage with their stakeholders and supply chain to ensure there is shared ownership and commitment to the recovery plan and schedule dates.
- Challenge CRL on measures being taken to reduce indirect costs.
- Update Sponsors on the Cost and Schedule COVID-19 impacts and potential opportunities identified;
- Remind CRL that Sponsors are awaiting the CRL response to the matters raised in the letter date 23 April 2020 and CRL should address the Sponsors concerns arising from the Period 13 performance.

Sponsors agreed the need to have more in-depth and challenging discussions with CRL in Part B of the meeting, while noting that CRL may need more time to prepare and respond to the specific challenges from Sponsors. Sponsors agreed to review the timing and sequence of Sponsor Board Part A & B meetings to maximise opportunity for CRL to prepare for Part B agenda items **(Action 119a/06)**.

8. AOB

Sponsors noted that future updates from RAB-C Chair would continue using the existing approach, as the updates do not impact on the Chair's independence.

Sponsors confirmed the follow up IPA review of the CRL three Lines of Defence (3LoD) Integrated Assurance Framework (IAF) should proceed as a virtual exercise, covering the Terms of Reference previously agreed by Sponsors **(Action 119a/07)**.

Sponsors considered and agreed to carry out a Sponsor Board Effectiveness Review to assess how it operates and identify any opportunities to improve its way of working. The Terms of Reference will be drafted and the scope and timeframe for the review will be agreed **(Action 119a/08)**.

Sponsors approved CRL's Certified Information and JST's validation of the material related to the June drawdown of the TfL loan. DfT Sponsors asked for clarification on the definition of Period 2 actuals to be provided following the meeting **(Action 119a/09)**.

Summary of actions:

No.	Action	Lead	Target and Update
119a/01	Map out in a letter to CRL, the Sponsor expectations of matters to be addressed in the CRL Delivery Strategy under development. To include CRL plans to address productivity, cultural and behavioural issues and the documented underpinning basis and assumptions of the recovery plan	Sponsors	June 2020
119a/02	P-Rep to complete their analysis of the CRL [REDACTED] to date	[REDACTED]	June 2020
119a/03	Sponsors to ask CRL to set up a separate session to discuss the [REDACTED] analysis to date and underlying basis and assumptions of the recovery plan	Sponsors	June 2020
119a/04	Circulate the minutes of ELRG held on 14 May and 28 May 2020	JST	June 2020
119a/05	TfL transition action plan to be developed and presented.	Simon Adams/ Alex Luke	July 2020

119a/06	Review timing and sequence of Sponsor Board Part A & B meetings to maximise opportunity for CRL to prepare for Part B agenda items	JST	July 2020
119a/07	Proceed with the IPA follow up review on the CRL three Lines of Defence (3LoD) Integrated Assurance Framework	JST	July 2020
119a/08	Develop Terms of Reference for the Sponsor Board Effectiveness Review	Alex Luke	June 2020
119a/09	Clarification to be provided on the Period 2 actuals within the JST validation email	Andy Wallace	June 2020