

High Speed Two (HS2) Limited

Board Meeting Minutes

08 February 2018

Boardroom, One Canada Square, London

Members	In Attendance	Apologies
David Higgins Chairman	[REDACTED] Head of Commercial Development P1 South	Steve Allen Chief Financial Officer
Richard Brown Non-executive Director	Nicole Geoghegan General Counsel and Company Secretary	Mel Ewell Non-executive Director
Christine Emmett Non-executive Director	[REDACTED] Corporate Sponsorship Director	Mark Thurston Chief Executive Officer
Neil Masom Non-executive Director	Tom Kelly Strategic Director for Stakeholder Engagement	
Roger Mountford Non-executive Director	Clive Maxwell Department for Transport, Observer	
Duncan Sutherland Non-executive Director	[REDACTED] Environment Director	
Jo Valentine Non-executive Director	[REDACTED] Strategic Technical Advisor	
	[REDACTED] Deputy Company Secretary	
	[REDACTED] Commercial Development Director	
	Chris Rayner (item 8) Railway Operations Managing Director	

1. DECLARATIONS OF INTEREST AND VALUES MOMENT

- 1.1 There were no additional interests to those previously declared.
- 1.2 The Board noted the values moment provided by General Counsel on respect.

2. REPORT FROM COMMERCIAL AND INVESTMENT COMMITTEE 02 FEBRUARY 2018

- 2.1 The Board noted the report from the Commercial and Investment Committee which had considered the contract award decision for the Euston Master Development Partner. The anonymity of bidders was maintained throughout the discussion at CIC and Board.
- 2.2 The Committee [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
- 2.3 The Committee wished to highlight three matters for the Board to consider:

2.3.1 [REDACTED]

2.3.2 [REDACTED]

2.3.3 It was confirmed that the successful bidder is required to provide a parent company guarantee. The Board requested visibility of scope and limitations and it was agreed these will be circulated.

Action: [REDACTED]

2.3.4 3: Future governance and monitoring. The Committee and Board discussed that whilst HS2 Ltd would be performing in an agent role, [REDACTED]
[REDACTED]
[REDACTED] As such the Board requested clarification [REDACTED]
[REDACTED]

Action: [REDACTED]

2.4 The Board noted the update.

3. EUSTON MDP: CONTRACT AWARD

3.1 The Board noted the paper seeking:

- 3.1.1 To update the Board on the procurement process;
- 3.1.2 Approval of the release of a recommendation to the Contracting Authorities for Contract Award;
- 3.1.3 To update the Board on the "landing strategy";
- 3.1.4 Approval of the terms of the appointment of HS2 as Landowners' Representative; and
- 3.1.5 To update the Board on the approach to contract management.

3.2 The following key points were raised and noted:

- 3.2.1 The Board reviewed the final tender evaluation process and scores on an anonymised basis.

3.2.2 [REDACTED]

3.2.3 [REDACTED]

3.2.4 [REDACTED]

3.2.5 [REDACTED]

3.2.6 The Board discussed the logistics for the appointment of Hs2 Ltd as Landowners' Representative and reiterated it is imperative for terms to be agreed and concluded prior to contract award.

3.2.7 The Board recognise the duty of care owed for the services to be performed by HS2 Ltd and so requested consideration by Management of Line of Defence (LOD) assurance on the advice given from a "quality control" perspective.

3.2.8 [REDACTED]

3.3 The Board approved the release of a recommendation to the Contracting Authorities for Contract Award.

3.4 The Board approved the terms of the appointment of HS2 Ltd as Landowners' Representative subject to the clarity requested.

3.5 **The Board requested the team return in circa 4 months' time to provide a capability update.**

Action: Company Secretariat to schedule

4. UPDATE FROM REMUNERATION COMMITTEE

4.1 The Board received a verbal update from the Remuneration Committee meeting held on 24 January 2018.

4.2 **The Board noted that a letter has been sent to the DfT by the Chairman and Chair of the Remuneration Committee. It was agreed that a copy of the letter will be sent to the Hs2 Ltd Board.**

Action: Company Secretariat to circulate.

4.3 The Board noted that the Committee had considered a [REDACTED] which was not approved. It was agreed that there will be continuation of a case by case basis and HS2 Ltd should work with other arm's length bodies to produce a consensus policy to Treasury.

4.4 The Committee also considered the HR Governance proposals and reviewed the Terms of Reference as recommended in GIAA report. The Committee has agreed the Terms of Reference with minimal changes as these remain fit for purpose.

5. HR GOVERNANCE (AND OTHER GOVERNANCE INFORMATION FOR NOTING)

5.1 The Board noted the paper seeking:

5.1.1 Approval to the changes to governance of HR-related decisions and approval of the amendments to the Reserved Matters documents and Terms of Reference to give effect to such governance;

5.1.2 Approval of the minor amendment to Land and Property governance;

5.1.3 Approval of the proposal to grant Powers of Attorney for more resilient document execution arrangements; and

5.1.4 Note of the comments set out in Sections 3 to 7 of this paper.

5.2 The paper was approved subject to:

5.2.1 Powers of Attorney to be exercised with two signatures;

5.2.2 Adjustment of the title for Property Board to avoid confusion;

5.2.3 Clarification of succession planning as remit of the Remuneration Committee Terms of Reference;

5.2.4 Removal of a sentence in Annex A regarding non-statutory payments;

5.2.5 Should any organisational decision be taken which has a subsequent item of approval to the Board: i.e. redundancy, then the Board should have visibility of the initial decision; and

5.2.6 The People Panel Terms of Reference will be amended to so that succession planning and talent management is reviewed throughout the organisation.

5.3 **It was suggested that the process for the approval for appointment of the Chief Financial Officer be clarified as to the level of sign off.**

Action: Nicole Geoghegan

6. UPDATE FROM SHE COMMITTEE

6.1 The Board received a verbal update from the Health, Safety and Environment Committee meeting on 31 January 2018.

6.2 The following key points were raised:

- 6.2.1 The Committee noted the successful certification for ISO 14001 for management systems;
 - 6.2.2 The Committee received the revised alignment of management information;
 - 6.2.3 The Committee discussed three areas of concern: DSE training testing, close calls and near misses and safety training. Progress and plans for how these will be addressed will return to the Committee for continued scrutiny;
 - 6.2.4 **The Committee noted the report on** [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
- Action: Emma Head**
- 6.2.5 The Committee had received an initial summary of the [REDACTED]
[REDACTED] which will be reported to Remuneration Committee.

7. CORPORATE PLAN: STRAWMAN

- 7.1 The Board noted the direction of travel for the Corporate Plan.
- 7.2 The following key points were raised:
 - 7.2.1 The Board were keen to have visibility of the planned activity for the next year to be communicated;
 - 7.2.2 The DfT Observer requested early engagement with the department;
 - 7.2.3 Content was suggested to link with the work of LCR and the HS2 Ltd Growth Partnership;
 - 7.2.4 The Board suggested content on the supply chain; and
 - 7.2.5 Cross cutting issues, for example, noise were recommended in content.

8. PROLONGED DISTURBANCE POLICY

- 8.1 The Board noted the paper seeking Board endorsement of the Prolonged Disturbance Compensation Policy.
- 8.2 The Board noted the background to, and a recommendation for the Policy for presentation to the DfT.
- 8.3 The Board were asked to agree HS2 Ltd's recommendation for the Prolonged Disturbance Policy and endorse the transmission of the recommendation to the DfT on the basis this will form the submission to the Secretary of State.
- 8.4 The following key points were raised and noted:
 - 8.4.1 The Board noted that the introduction of this Policy does not change or impact existing mitigation measures in place;

- 8.4.2 The Board requested visibility of the compensation/ funding structures in place as a whole;
- 8.4.3 The Board discussed the definition of noise levels, noting that there are existing levels of noise from non HS2 activity of which there should be clarity as to the benchmark/ starting noise level;
- 8.4.4 The Board noted the consultation on the Policy. It was agreed that the Board will be notified if there are any areas of concern raised by the Residents Commissioner or Camden; and
- 8.4.5 The Policy will have a six month and annual review point.

9. ANY OTHER BUSINESS

- 9.1 The Board received a [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
- 9.2 The Board requested a checklist of procurement issues to be produced as a prompt/ aid when considering future procurements.

Action: Steve Allen

Signed:

Date: