

Meeting minutes

HS2 Ltd Board

Meeting date Thursday, 05 July 2018
Meeting location Room 3.01, The Podium, Euston
Meeting time 10:00 – 13:00

Members (those who make the quorum of the forum)	Attendees (presenters/additional attendees)	Apologies
David Higgins Chairman	██████████ Land and Property Director	
Richard Brown Non-Executive Director	Jim Crawford (Item 05) Phase 1 Managing Director	
Christine Emmett Non-Executive Director	██████████ Head of Acquisitions Land and Property	
Mel Ewell Non-Executive Director	Nicole Geoghegan General Counsel & Company Secretary	
Neil Masom Non-Executive Director	Tom Kelly Director of Strategic Engagement and Communications	
Roger Mountford Non-Executive Director	██████████ DfT Observer	
Mark Thurston Chief Executive Officer	██████████ Head Property Counsel	
Jo Valentine Non-Executive Director	██████████ Deputy Company Secretary	
Andrew Wolstenholme Non-Executive Director	Chris Rayner (item 07) Director of Operations & Infrastructure Management	
	██████████ Director of Rolling Stock and Depots	

Signed

Chair

Date

1 Welcome, Declarations of Interest and Values Moment/ Chairman's outgoing message

- 1.1 There were no additional declarations to those already recorded.
- 1.2 The Board formally noted and thanked David Higgins, the outgoing Chair, for his significant contribution to HS2 Ltd since his appointment in 2014.

2 Minutes of the previous meeting and matters arising (HS2B_18-64 and 18-65)

- 2.1 The minutes of the meeting 14 June 2018 were agreed as a true record.
- 2.2 The status of the actions was noted with the below updates provided:
 - 2.2.1 Action 18/030 – The Board noted there will be further discussion at the Shareholder Board on Freedoms and Flexibilities which will return via the Remuneration Committee. It was agreed that the action be closed.

3 CEO Report (HS2B_18-56 and HS2B_18-67)

- 3.1 The Board noted the monthly management information. The following key points were raised from the Chief Executive's report to the Board:
 - 3.1.1 There has been formal approval received from DfT and HMT to appoint the COO, Richard Robinson, and CFO, Michael Bradley.
 - 3.1.2 The Board noted that Richard Robinson sits on the Board of Heathrow Southern Railway. It was formally noted that Jo Valentine was not part of the recruitment for Richard and is not a member of the Remuneration Committee, the forum which considered the appointments.
 - 3.1.3 **The Board discussed the allegations which had been reported in The Sunday Times on 17 June 2018. The Board noted that there has been a formal response and substantiation request. The Board are to be notified of when this is formally resolved/closed. .**

Action: Nicole Geoghegan

- 3.1.4 The Board discussed the Phase 2 updates following correspondence from the DfT for Phase 2 teams to commence Midland Mainline Electrification design service work this year. [REDACTED]
- 3.1.5 Consideration should be taken for the emerging work on baseline and full business case, factoring in the impacts on the benefits case and linking to the schedule of programme. This should be a contributor to achieving industry consensus.

3.1.6 The Board requested an item at the September Board on Phase 2b scope decisions expanding on the discussion about Midland Mainline.

Action: Paul Griffiths

4 Euston Estates (HS2B_18-68)

4.1 The Board considered and approved the recommended approach, noting the work done to develop the strategy and the potential costs and risks associated with the approach.

4.2 The Board noted that the advice will continue to the Secretary of States and potentially HM Treasury.

4.3 **It was agreed that an update will return to the October Board including an update on the process and independence of advice.**

Action: [REDACTED]

4.4 **The Board requested a quarterly update on Land and Property.**

Action: [REDACTED]

5 Main Works Civils Contracts Update (HS2B_18-69)

5.1 The Board discussed in detail progress with the gateway process further to the decisions made at the June HS2 Ltd Board meeting.

5.2 The following key points were raised and noted:

5.2.1 Following recent lessons from the supply chain, there is continuing debate and work being undertaken on [REDACTED]

5.2.2 The Board discussed the enhanced scheme design which will inform future gateways, and the requirement for credible client estimates to place orders;

5.2.3 Management discussed the relationship between the point estimate and design cycle and explained the amount of activity increase between gateways and Notice to Proceed;

5.2.4 The Board noted the interrelationships between the Main Works Contracts, Enabling Works Contracts, the Project Assessment Review and Phase 1 Baseline 7.0;

5.2.5 The Board will receive a further request for decision(s) at the October Board meeting and optionality will be provided with this.

5.2.6 The Board noted that in the interim there is requirement for further investment across the Main Works Civils Contracts to undertake more design development and targeted additional ground investigation activities.

5.2.7 The Board agreed to delegate the investment request/ decision to the Commercial and Investment Committee, via the Commercial and Investment Panel. The Board noted that, if approved, the request will progress to DfT BICC for consideration.

6 Report from the Commercial and Investment Committee 27 June 2018 (HS2B_18-70)

6.1 The Board noted the matters which had been considered at the meeting of the Commercial and Investment Committee on 27 June 2018 and the recommendations made.

7 Rolling Stock Invitation to Tender (HS2B_18-71)

7.1 The Board considered the request to approve the issue of the Invitation to Tender (ITT) to the parties shortlisted to be invited to tender for the rolling stock manufacture and maintenance services contracts.

7.2 The Commercial and Investment Committee had considered the proposal at its meeting on 27 June 2018. The Chair of the Committee summarised the greatest risks for the Board to have familiarity with:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Action: Chris Rayner

7.5 The Board discussed the involvement opportunities for HS2 Ltd and the West Coast Partnership franchise.

- 7.6 The Board approved and supported recommendation to the Secretary of State that the the Rolling Stock ITT should be issued to the shortlisted parties (Alstom, Siemens, CAF, Talgo and the Hitachi/Bombardier JV).

8 Corporate Affairs Report (HS2B_18-72)

- 8.1 The Board noted the activity in June 2018 in corporate affairs and community engagement.

9 David Higgins Report: Realising the Potential (HS2B_18-73)

- 9.1 The Board received a draft of Sir David Higgins' final Chairman's report reflecting on the significant progress already made on the HS2 programme, the benefits that HS2 is already beginning to deliver, and the challenges for the future.
- 9.2 The Board noted that the final report will be published on 19 July and Board members were invited to provide comments and suggestions to the Director of Strategic Engagement and Communications.

10 Board Future Workload (HS2B_18-74)

- 10.1 The Board noted the forward workload.
- 10.2 It was agreed that in place of a full August Board meeting the Board will consider and approve for onward submission the Phase 2b: Crewe to Manchester and West Midlands to Leeds Working draft Environmental Statement via correspondence. A telecom will be made available if required.

11 Chair's Report (HS2B_18-75)

- 11.1 The Chair had no additional items to raise

12 AOB

- 12.1 The Board formally thanked the Chair for his impact in moving the project forward during his tenure and building a network of support for HS2 Ltd.