

# Meeting minutes

## HS2 Ltd Board

**Meeting date** Wednesday, 27 January 2021

**Meeting location** MS Teams Meeting

**Meeting time** 09:00-16:00

Members	Attendees	Apologies
Allan Cook (Chairman) Non-Executive Director	David Bennett (items 05, 10 and 12) Delivery Director	
Michael Bradley Chief Financial Officer	[REDACTED] Stations Client Director	
Mel Ewell Non-Executive Director	[REDACTED] Stations and Phase 2 Procurement Director	
Tom Harris Non-Executive Director	[REDACTED] Phase 1 Project Controls Director	
Judith Hackitt Non-Executive Director	Nicole Geoghegan General Counsel	
Elaine Holt Non-Executive Director	[REDACTED] DfT SRO	
Stephen Hughes Non-Executive Director	Non Owen Company Secretary	
Ian King (items 01-12) Non-Executive Director Secretary of State for Transport's Representative	[REDACTED] Director of HS2 Phase 1 and Phase 2a High Speed and Major Rail Projects Group	
Roger Mountford Non-Executive Director	Chris Rayner (item 04) Infrastructure Director	
Ed Smith Non-Executive Director Senior Independent Director	[REDACTED] Head of Geotechnical Engineering	
Mark Thurston Chief Executive Officer	Aileen Thompson (item 06) Strategic Director of Stakeholder Engagement	
	[REDACTED] Commercial Development Director	

## 1 Welcome, Declarations of Interest and Values Moment

1.1 The Board noted the appointment of Mark Thurston as the new Chair of the Infrastructure Client Group Steering Group.

- 1.2 The Board received a values moment from Roger Mountford regarding leadership referencing the experiences and work of Alexei Navalny.

## **2 Minutes of the previous meeting and matters arising (HS2B\_20-131 and HS2B\_20-132)**

- 2.1 The Board noted the minutes of the meeting of 22 December 2020.
- 2.2 **It was agreed that the minutes would be reviewed and resubmitted at the February Board meeting.**

**Action: Non Owen**

- 2.3 The Board noted the status of the actions.

## **3 Chair Report and Senior Responsible Officer Update (HS2B\_20-133)**

- 3.1 The Department for Transport (DfT) Senior Responsible Officer (SRO) and Director of HS2 Phase 1 and Phase 2a High Speed and Major Rail Projects Group joined the meeting.
- 3.2 The Board noted the report from the Chairman of the Board covering his engagement activities over the month, including:
  - 3.2.1 Departmental/ Governmental communications;
  - 3.2.2 Executive level recruitments; and
  - 3.2.3 The meetings held between the HS2 Ltd Chairman and Non-Executive Directors during January 2021.
- 3.3 The Board discussed the Executive level recruitments, noting the update also tabled from the Remuneration Committee, and agreed that resolution of the [REDACTED].
- 3.4 The Board noted the updates.
- 3.5 The DfT SRO provided a verbal update on key activities across the DfT, including:
  - 3.5.1 The new DfT structure implemented;
  - 3.5.2 Phase 2a hybrid Bill progress and review of the Phase 2a Delivery Model;
  - 3.5.3 Transport Select Committee appearance on 06 January 2021;
  - 3.5.4 The Ministerial Taskforce meetings;
  - 3.5.5 The timetable for the Integrated Rail Plan; and
  - 3.5.6 The funding envelope.
- 3.6 The Board noted the updates.

- 3.7 The Director of HS2 Phase 1 and Phase 2a High Speed and Major Rail Projects Group provided an update on the progress report submitted to the Ministerial Taskforce.
- 3.8 The following key points from the report were raised and noted:
- 3.8.1 Delivery progress and continued momentum required in the COVID-19 environment;
  - 3.8.2 Old Oak Common;
  - 3.8.3 Euston, including transfer of lessons learned and benchmarking; and
  - 3.8.4 Rolling Stock Update.
- 3.9 The Board commented on the openness and transparency between the DfT and HS2 Ltd whilst progressing these matters which is well received.
- 3.10 The Board noted the update.
- 3.11 The DfT SRO and Director of HS2 Phase 1 and Phase 2a High Speed and Major Rail Projects Group left the meeting.

## **4 Rolling Stock Update (HS2B\_20-134)**

- 4.1 The Director of Infrastructure joined the meeting.
- 4.2 The Board received a verbal update on the timeline and progress with the Rolling Stock tender, including the trajectory for contract award.
- 4.3 The Board noted the update.
- 4.4 The Director of Infrastructure left the meeting.

## **5 CEO Summary (HS2B\_20-135)**

- 5.1 The Delivery Director and the Phase 1 Project Controls Director joined the meeting.
- 5.2 The Board noted the Management Information and the report from the CEO.
- 5.3 The following key points were raised and noted:
- 5.3.1 The Board noted the progress against the financial year Key Performance Indicators (KPIs);
  - 5.3.2 **It was agreed that an update would be tabled at the February Board to review the approach to 2021/ 2022 KPIs;**  

**Action: Michael Bradley**
  - 5.3.3 It was agreed that for the reportable metrics which had a level of complexity, for example Cost Performance Indicator (CPI) and Schedule Performance Indicator (SPI), it was important to have context available for Stakeholders;

5.3.4 **It was agreed that the programme milestones agreed with contractors would be shared by the Delivery Director;**

**Action: David Bennett**

5.3.5 The Board noted that good progress has been made for Enterprise Capability to date. At the time of reporting there are two capability areas which remain under review and further updates will be taken to the Board; and

5.3.6 The Board noted the update on protestor activity including summary of incidents, review of the Protest Management Group and recommended actions. HS2 Ltd continues to keep the DfT and Ministers briefed.

5.4 The Board noted the corporate update.

5.5 The Board received and noted the delivery performance update following the HS2 Ltd Management Quarterly Business Review.

5.6 The Board noted that a quarterly Land and Property update will be provided at the February Board meeting.

5.7 The Board noted the presentation including;

5.7.1 Progress achieved in 2020;

5.7.2 Key risks and milestones;

5.7.3 Schedule overview and interface milestone trend;

5.7.4 Cost overview and performance;

5.7.5 Commercial overview;

5.7.6 The emerging COVID-19 reconciliation position;

5.7.7 Euston;

5.7.8 Technical overview;

5.7.9 Phase 2a key risks and milestones; and

5.7.10 Phase 2a cost and schedule overview.

5.8 The Board noted the key milestones including those reportable as KPIs which require a narrative for reporting at the end of the financial year.

5.9 Management advised that mitigations for programme and Delivery into Service (DiS) are being reviewed including modification of contracting, and collaboration with the Infrastructure Directorate for optimisation of handovers.

5.10 It was noted that the scale and complexity of the Programme means that there is a lot to cover with the HS2 Ltd Board on depth of content.

5.11 Over the next quarter the Board will receive more information on Phase 2a, Land and Property, Euston and Rail Systems, and as such the approach to the Board meetings will evolve to support these discussions.

5.12 The Board commended the increasing maturity of the Management Information and the summary presented to the Board.

5.13 The Board noted the updates.

5.14 The Delivery Director and the Phase 1 Project Controls Director left the meeting.

## **6 Stakeholder Engagement Update (HS2B\_20-136)**

6.1 The Strategic Director of Stakeholder Engagement joined the meeting.

6.2 The Board received and noted a paper providing an update on the proposed plans to celebrate programme milestones through a variety of communications and engagement approaches.

6.3 Further detailed plans are being developed for each milestone as well as for business as usual supporting activities.

6.4 It was noted that in consultation with the DfT, key programme milestones will also become major moments for Ministerial, Prime Ministerial and other senior Government involvement to further maximise their success.

6.5 The Board noted that the Corporate Plan [REDACTED]

6.6 Management confirmed that there would be a review of the suite of public facing documents for continuity of narrative.

6.7 Management have agreed a timeline of engagement with the DfT and HS2 Ltd Minister so that there is alignment.

6.8 The Board noted that following a review in the summer of 2020 of potential external communication and strategic advisors there was an appointment due to be made imminently.

6.9 The Board noted the update.

6.10 The Strategic Director of Stakeholder Engagement left the meeting.

## **7 All Staff Survey Update (HS2B\_20-137)**

7.1 The HR Director joined the meeting.

7.2 The Board received and noted a paper providing an update on the 2020 Employee Engagement Survey results following a request from Board Members for more detailed information at the December meeting.

7.3 The following key points were raised and noted:

- 7.3.1 The Board commended the strength of the results and the leadership in the organisation to achieve these;
- 7.3.2 The Board queried whether there were opportunities for improvements. Management advised that further data analysis was outstanding, but that development of internal talent would be pursued together with continued monitoring of initiatives to support mental health and wellbeing; and
- 7.3.3 Management will also explore further benchmarking against wider organisation types for continuous improvement.

7.4 The Board noted the update.

7.5 The HR Director left the meeting.

## **8 Report from the Remuneration Committee 14 January 2021 (HS2B\_20-138)**

8.1 The Board received and noted a paper providing the summary of the matters which were considered at the Remuneration Committee (the Committee) on 14 January 2021.

8.2 The Board noted attendance at the meeting from the HS2 Ltd Minister.

8.3 The Board noted that there had been discussion [REDACTED]

8.4 The Board noted the outcome on [REDACTED]

8.5 The Board noted that the Committee had also considered:

8.5.1 The half yearly talent and succession planning update;

8.5.2 Pay gaps analysis including progress on initiatives to close the gap;

8.5.3 The HR Dashboard; and

8.5.4 The timeline for the 2021 performance and pay programme. It was noted that a Governmental position is yet to be announced on [REDACTED] and it was agreed that when the position was known, HS2 Ltd plans and timelines will be shared with the Board.

8.6 The Chair of the Committee drew to the Boards attention the organisational achievement of Platinum Status in Clear Assured. It was noted that HS2 Ltd is the only organisation to have achieved this standard in the UK and the Board commended Management on this.

## **9 Report from the Environmental Sustainability Committee 19 January 2021 (HS2B\_20-139)**

- 9.1 The Board received and noted the update paper on the summary of matters which were considered at the meeting of the Environmental Sustainability Committee (the Committee) meeting on 19 January 2021.
- 9.2 The Board noted the Committee Members had received the meeting positively.
- 9.3 The meeting was attended by [REDACTED] of Cranfield University [REDACTED] [REDACTED] who attended as an Observer to the meeting.
- 9.4 The Board noted that the Committee had considered:
- 9.4.1 External Perceptions and had been joined by [REDACTED] [REDACTED] for this discussion;
  - 9.4.2 Insight on HS2 Environmental proposition;
  - 9.4.3 Environmental Comparative Study; and
  - 9.4.4 The Environmental Sustainability Vision.
- 9.5 The Board noted the update.

## **10 Report from the Commercial and Investment Committee – 10 December 2020 (HS2B\_20\_140)**

- 10.1 The Board received and noted the update paper on the summary of matters which were considered at the Commercial and Investment Committee (the Committee) meeting on 14 January 2021.
- 10.2 The Board noted that the Committee had considered:
- 10.2.1 The Secretary of State for Transport (SoS) Change Notice for Chiltern Non-Preclusion Work (HS2 Response to DfT); and
  - 10.2.2 Phase 2 Route Wide Ground Investigation Package Procurement Plan and Pre-Qualification Pack.
- 10.3 It was noted that both items were tabled for HS2 Ltd approval on the agenda for the day.
- 10.4 The Board noted the update.

## **11 Phase 2 Route Wide Ground Investigation Package Procurement Plan and Pre-Qualification Pack (HS2B\_20\_141)**

- 11.1 The Stations and Phase 2 Procurement Director and Head of Geotechnical Engineering joined the meeting.

11.2 The Board received and noted a paper seeking:

- 11.2.1 Approval of the Phase 2 Route Wide Ground Investigation (GI) Package Procurement Plan (PPP) and Pre-Qualification Pack (PQP); and
- 11.2.2 Approval of delegation to HS2 Commercial and Investment Panel (CIP) of the decision to issue the Invitation to Tender (ITT), following an acceptable presentation of PQQ shortlisting process and completion of the assurance of the ITT documentation.

11.3 It was noted that on completion of the ITT stage HS2 Ltd Board will be asked to approve the recommendation for award of the framework prior to commencing standstill and issuing contracts.

[REDACTED]

11.5 [REDACTED]

11.6 The HS2 Ltd Board:

- 11.6.1 Approved the Phase 2 Route Wide Ground Investigation (GI) Package Procurement Plan (PPP) and Pre-Qualification Pack (PQP); and
- 11.6.2 Approved the delegation to HS2 Commercial and Investment Panel (CIP) of the decision to issue the Invitation to Tender (ITT), following an acceptable presentation of PQQ shortlisting process and completion of the assurance of the ITT documentation.

11.7 The Stations and Phase 2 Procurement Director and Head of Geotechnical Engineering left the meeting.

## **12 Secretary of State for Transport (SoS) Change Notice for Chiltern Non-Preclusion Work (HS2 Response to DfT) (HS2B\_20\_142)**

12.1 The Delivery Director and Stations Client Director joined the meeting.

12.2 The Board received and noted a paper seeking:

- 12.2.1 Approval of the SoS Change Notice response for onward transmission to DfT; and
- 12.2.2 The principle of including Chiltern to OOC Enabling / Non-Preclusion Works into HS2 Ltd scope.



- 12.3 The Chair of the Commercial and Investment Committee reminded the Board that the change was being instructed so as not to preclude [REDACTED]
- 12.4 It was noted that should the works described in the Formal Response be approved and instructed by DfT, then the Development Agreement (DA) between DfT and HS2 Limited will need amendment.
- 12.5 As changes to the DA are reserved to the Board, approval was being sought.
- 12.6 The HS2 Ltd Board approved the SoS Change Notice response and the principle of including Chiltern to OOC Enabling / Non-Preclusion Works into HS2 Ltd scope.
- 12.7 The Delivery Director and Stations Client Director left the meeting.

### **13 Euston Update (HS2B\_20\_143)**

- 13.1 The Commercial Development Director joined the meeting.
- 13.2 The Board received and noted the paper providing an update on progress in [REDACTED] for Euston.
- 13.3 The Board were reminded that in July 2020, the Euston Partnership was established to better integrate the HS2 station, Network Rail station (RECS) and Euston Over Site Development (OSD).
- 13.4 These interim arrangements have brought benefits, with closer and more collaborative working relationships, alignment behind a design solution and masterplan, and a shared endeavour to overcome affordability and deliverability challenges.
- 13.5 These existing interim integration arrangements are now being reviewed to further incorporate accountability for design and delivery to mitigate any key challenges.
- 13.6 The Board noted that Network Rail (NR), HS2 Ltd and the DfT are working together to [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
- 13.7 The Board confirmed that they were supportive of the emerging concept and design and noted that following additional Executive review, a further paper will be tabled for a future Board meeting.
- 13.8 The Commercial Development Director left the meeting.

## **14 Phase 2b Update (HS2B\_20\_144)**

- 14.1 The Board received and noted the paper providing an update on the progress of Phase 2B and hybrid Bill for Phase 2B Western Leg (Crewe-Manchester).
- 14.2 The HS2 Ltd Board Representative for Phase 2b summarised progress on the disaggregation of Phase 2b Eastern and Western legs including the target date for the hybrid Bill for Phase 2b West.
- 14.3 The Board noted that an update will be brought to the February Board either in the briefing session or formal Board including a summary of the Phase 2b West geography.
- 14.4 The Board were reminded that as part of the approval of Baseline 2 for Phase 2b there was [REDACTED] and confirmed the acceptance of this change.
- 14.5 The Board noted the update.

## **15 Priorities for February 2021 Board to be agreed with the Chair and CEO (HS2B\_20-145)**

- 15.1 The Board noted forward look.

## **16 Any Other Business and Close**

- 16.1 The General Counsel referenced a Governmental open consultation and Green Paper: "Transforming public procurement" and suggested that the CIC are briefed on this.
- 16.2 There were no additional items of business raised for discussion.