

Meeting minutes

HS2 Ltd Board

Meeting date Wednesday, 27 April 2022

Meeting location Room 6.01 Two Snowhill

Meeting time 09:00-14:15

Members	Attendees	Apologies
Jon Thompson (acting Chair) Non-Executive Director	[REDACTED] Phase 2a Delivery Director	
Michael Bradley Chief Financial Officer	[REDACTED] Hybrid Bill Delivery Director	
Mel Ewell Non-Executive Director	[REDACTED] DfT Senior Responsible Officer (SRO)	
Judith Hackitt Non-Executive Director	Non Owen Company Secretary	
Tom Harris Non-Executive Director	[REDACTED]	
Stephen Hughes Non-Executive Director	[REDACTED] Phase Two Project Controls Director	
Elaine Holt Non-Executive Director	Tim Smart (item 08) Phase Two Managing Director	
Ian King (via MS Teams) Non-Executive Director	Aileen Thompson (item 05) Strategic Director of Stakeholder Engagement	
Roger Mountford Non-Executive Director		
Jon Thompson Non-Executive Director		
Mark Thurston Chief Executive Officer		
Ruth Todd Chief Commercial Officer		

1 Welcome, Quorum, Declarations of Interest and Values Moment

1.1 No new/additional conflicts of interest were declared.

1.2 The Acting Chair welcomed the Board Members to the meeting, noting apologies received.

- 1.3 The Board noted that Elaine Holt would take over the Chair of the Remuneration Committee, replacing Mel Ewell who will continue to attend the Committee as a Member.
- 1.4 The Board thanked Mel for the commitment and contribution to Chairing the Committee since taking on the role in 2019.
- 1.5 The Board received a values moment from Tom Harris with regards to apprenticeships and the prestige associated with these, noting the contributions from HS2 Ltd and the supply chain.

2 Minutes of the Previous Meeting and Matters Arising (HS2B_22-001 and HS2B_22-002)

- 2.1 The minutes of the meeting held on 30 March 2022 were approved as an accurate record.
- 2.2 The Board noted the status of the actions.

3 Chair Board/Updates (HS2B_22-003)

- 3.1 The Board received and noted the report from the Deputy Chair as provided in the meeting pack providing update on activities during the period.
- 3.2 The following key points were raised and noted:
 - 3.2.1 Progression in the period regarding escalation of approvals for senior roles in HS2 Ltd.
 - 3.2.2 Agreement of the Terms of Reference, methodology and timing of the review of [REDACTED]
 - 3.2.3 Liaison with Stakeholders in order to clarify remit and communication of instruction on scope for the Programme.
 - 3.2.4 Engagement with CEOs from other DfT delivery organisations.
 - 3.2.5 Continued 1:1s with HS2 Ltd Executive and DfT colleagues.
- 3.3 The Board noted the updates.
- 3.4 The Board received a verbal update from the DfT NED representative on activities during the period, including an update on the status of the Chair recruitment.
- 3.5 The Board noted the updates.

4 DfT SRO Update (HS2B_22-004)

- 4.1 The Department for Transport (DfT) Senior Responsible Officer (SRO) joined the meeting.
- 4.2 The Board received a verbal update on DfT activity / focus during the period, including:
 - 4.2.1 The review of the [REDACTED]

- 4.2.2 [REDACTED]
 - 4.2.3 Improved ways of working at the Euston Partnership.
 - 4.2.4 Public Accounts Committee (PAC) preparation, noting the postponed Euston site visit.
 - 4.2.5 The next National Audit Office (NAO) Value for Money (VfM) review on Euston.
 - 4.2.6 Phase 2b activities.
 - 4.2.7 The Board discussed the absence of an agreed Framework Document (FD) or Development Agreement (DA) noting that the DfT SRO would escalate this over coming weeks.
 - 4.2.8 The Board noted the most recent Investment Portfolio and Delivery Committee (IPDC) report included in the Reading Room for the Board.
 - 4.2.9 The Board discussed the requirement to agree the operating model, nature of service and potential timing to do so. The DfT expectation is that will be incremental.
- 4.3 The Board noted the updates.
- 4.4 The Department for Transport (DfT) Senior Responsible Officer (SRO) left the meeting.

5 CLF Update and Quarterly Reputation Report (HS2B_22-005)

- 5.1 The Board received and noted a paper providing an update on changes to the Communications Leadership Forum (CLF) and the alternative means of providing succinct insight into reputation opportunities and risks via a Quarterly Reputation Report.
- 5.2 The Board noted:
- 5.2.1 The change from the Communications Leadership Forum (CLF) to a quarterly Reputation Report as a means to capture strategic reputation issues and opportunities for review by the Board.
 - 5.2.2 The first Quarterly Reputation Report and its focus on the current political and media environment and implications for HS2 Ltd.
 - 5.2.3 The planned communications and engagement activity underway and the approach for the next quarter(s) given this environment.
 - 5.2.4 A review of the value of the Quarterly Reputation Reports to Board members will be undertaken in the autumn.
- 5.3 The following key points were raised and noted:
- 5.3.1 The Board provided agreement to disband the Communications Leadership Forum (CLF) although the removal of the forum will be kept under review.
 - 5.3.2 It was agreed that the Board Members should have access and engagement with [REDACTED] and a quarterly report to be submitted to the Board to gain insight.

5.3.3 It was agreed that the papers submitted to the Board should express opinions from external contributors/ experts only and HS2 contribution to remain purely factual.

5.4 The Board noted the updates.

6 Corporate KPIs End of Year (21/22) Performance (HS2B_22-006)

6.1 The Board received and noted a paper providing an update on the Corporate Key Performance Indicator (KPI) performance at the end of the 2021/2022 financial year.

6.2 The Board were asked to note the update and performance against the 2021/2022 Corporate Plan KPIs which will be provided to the DfT by the end of the month.

6.3 The Corporate KPI performance will be compared to weightings for Performance Related Payment (PRP) where relevant and presented to the Remuneration Committee.

6.4 The following key points were raised and noted:

6.4.1 The Board requested [REDACTED]

6.4.2 The Board requested that future reporting include an arrow showing the expected trajectory.

6.4.3 It was agreed to [REDACTED]

6.4.4 It was requested that the presentation of the KPIs demonstrates the link to the six reporting headlines.

6.4.5 The Board requested the addition of context to the HSPI status in that HS2 Ltd recognise the need to do things differently in order to raise performance in the supply chain.

7 QBR, including Efficiencies Update (HS2B_22-007)

7.1 The Board reviewed and noted the CEO Board summary, for March 2022, as included within the meeting papers.

7.2 The following key points were raised and noted:

7.2.1 The Board noted the pending announcement of the incoming Resident Commissioner, and it was agreed that there would be an introductory meeting with Sir Jon Thompson. Roger Mountford and Tom Harris will also have introductory meetings at the appropriate time during onboarding due to their areas of involvement in Programme activity.

7.2.2 The Resident Commissioner will be invited to attend the Board at the appropriate time.

7.2.3 The Board noted the ongoing [REDACTED] with a further update to be provided at the May Board meeting.

- 7.2.4 The Board received an update on an active litigation matter. Progress updates will be given to the Board as and when required.
- 7.2.5 The Board received a verbal update on materials.
- 7.2.6 The Board noted preparation for the upcoming PAC meeting on 16 May 2022.
- 7.2.7 Board Members noted the upcoming CEO engagement meeting on 01 July 2022 and were invited to attend if available.
- 7.3 The Board reviewed and noted the Quarterly Business Review update, for March 2022, as included within the meeting papers.
- 7.4 The following key points were raised and noted:
 - 7.4.1 Board Members were encouraged to take advantage of any site visits available.
 - 7.4.2 The Board noted that Programme performance remained stable in the period.
 - 7.4.3 The Board discussed schedule performance in the period noting that there were no critical path implications.
 - 7.4.4 A sprint exercise is taking place with senior leaders in order to close out assurance actions. A workshop will be held with Project Representation (P-Rep) on assurance actions.
 - 7.4.5 Design and consents to continue to be areas of focus.
 - 7.4.6 The Board discussed Health and Safety performance in the period noting that an improvement notice has been issued in the supply chain. The Board discussed that the issue of these notices is the right approach however needs to be done economically.
 - 7.4.7 The Board commented that with the presentation of the Health and Safety performance information, narrative and context is required alongside the Management Information (MI) to avoid incorrect interpretation, and this should be reviewed for onward submission to wider audiences.
 - 7.4.8 **Management will review the alignment of Health and Safety Policies of contractors to HS2 Ltd.**

Action: Emma Head
 - 7.4.9 Management confirmed that the Health and Safety of residents and neighbours is factored into reporting.
 - 7.4.10 The Board congratulated Management on the Financial Year End performance and the delivery of the Business Plan Milestones.
 - 7.4.11 The CFO will engage with the DfT on in year financial reporting.
 - 7.4.12 **The Board requested amendment to the presentation of the Level One Overview slide to better represent residual spend activity.**
 - 7.4.13 **The Board requested amendment to the narrative on risk in the MI to explain whether previous identified risks have been mitigated, trended, or move to point estimate.**

Action: Michael Bradley

7.4.14 **It was agreed that an update on Euston would be tabled at the May Board meeting.**

Action: Chris Rayner

7.5 The Board noted the updates.

8 Phase 2 Update (HS2B_22-008)

8.1 The Board received and noted a presentation summarising the Phase 2a Programme update, the Phase 2b West hybrid Bill update, Phase 2b West delivery and Additional Provision (AP) progress as included within the meeting papers.

8.2 The following key points were raised and noted:

8.2.1 The Board noted the development of the [REDACTED] bringing more visibility on how this is being measured and managed.

8.2.2 The Board discussed the ongoing review to introduce incentivisation to contractors.

8.2.3 The Board noted the update on the measurement of Earned Value (EV).

8.2.4 [REDACTED]

8.2.5 The Board noted the summary of Phase 2b progress and hybrid Bill progression.

8.2.6 The Board noted the plan on a page for the Design and Delivery Partner (DDP).

8.3 The Board noted the updates.

9 Report from Audit & Risk Assurance Committee 07 April 2022 (HS2B_22-009)

9.1 The Board reviewed and noted the Report from the Audit and Risk Assurance Committee held on 07 April 2022, as included within the meeting papers and received a verbal update from the Committee Chair.

9.2 The following key points were raised and noted:

9.2.1 Approval from the Committee of the Management Assurance Statement and Integrated Audit and Approvals Plan for financial year 2022/2023.

9.2.2 The update on the outstanding assurance actions and review of limited audits received in the year.

9.2.3 The National Audit Office (NAO) continue the audit of 2021/2022 Annual Report and Accounts (ARA) and did not raise any issues to the Committee.

9.2.4 The ARA will be presented for approval at the June Board.

9.3 The Board noted the update.

10 Report from Health, Safety and Security Committee 26 April 2022 (HS2B_22-010)

10.1 The Board reviewed and noted the report from the Health, Safety and Security Committee held on 26 April 2022, as included in the meeting pack and received a verbal update from the Committee Chair.

10.2 The following key points were raised and noted:

10.2.1 Following continued review from the Committee, the Board noted the issue of the improvement notice in the supply chain as previously discussed.

10.2.2 The Committee received deep dives into road risk and the Land and Property Managing Agent portfolio.

10.2.3 The Board commented on the corporate documents and the different aspects between rural and urban sites.

10.3 The Board noted the update.

11 Forward Look (HS2B_011)

11.1 The Board reviewed the Forward Look paper, as included in the meeting pack, and noted the items scheduled for discussion at future meetings.

12 AOB and Close/Meeting float

12.1 There were no other items of business raised for discussion and the meeting was closed.