

# Meeting minutes

## HS2 Ltd Board

**Meeting date** Wednesday, 02 November 2022

**Meeting location** Podium, London

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

Members	Attendees	Apologies
Jon Thompson (acting Chair) Non-Executive Director	[REDACTED] Phase 2b Development Director	Judith Hackitt Non-Executive Director
Mel Ewell Non-Executive Director	Alan Foster Interim Chief Financial Officer	
Tom Harris (MS Teams) Non-Executive Director	[REDACTED] Head of External Communications	
Stephen Hughes (MS Teams) Non-Executive Director	[REDACTED] Chief of Staff	
Elaine Holt Non-Executive Director	[REDACTED] Programme Management Office Director	
Ian King (MS Teams) Non-Executive Director	Alan Over (item 4) DfT HS2 Delivery Director, High Speed Rail Group	
Roger Mountford Non-Executive Director	Non Owen Company Secretary	
Mark Thurston (joined the meeting at item 07) Chief Executive Officer	[REDACTED] [REDACTED]	
Ruth Todd Chief Commercial Officer	Aileen Thompson (item 10) Director - Communications and Stakeholder Management	

## 1 Welcome, Quorum, Declarations of Interest and Values Moment


1.1 No new/additional conflicts of interest were declared.

1.2 The Board received a values moment from the Interim Chief Financial Officer providing reflections of leadership since the organisation has engaged on the Mission and Delivery Statements.

## **2 Minutes of the Previous Meeting and Matters Arising (HS2B\_22-084 and HS2B\_22-085)**

- 2.1 The minutes of the meeting held on 05 October 2022 were approved as an accurate record subject to some minor typographical and grammatical changes which would be made by the Company Secretary prior to publication.
- 2.2 The Board noted the status of the actions.

## **3 Deputy Chair/ Board Updates (HS2B\_22-086)**

- 3.1 The Board received and noted the Deputy Chair Report as included within the meeting pack, summarising engagement during the period and received a verbal update on activities including:
  - 3.1.1 Engagement with the incoming Secretary of State for Transport (SoS) who has been responsive and supportive of progress being seen in delivery.
  - 3.1.2 The Board discussed the requirement to build on the political capital in the Programme on a national level, noting the challenge that until certain decisions are made on matters of public interest (e.g., fares and ridership) that this will continue to be difficult.
  - 3.1.3 The Board noted that the incoming SoS will have a number of submissions to consider, including the Non-Executive Director (NED) appointment and reappointment process.
  - 3.1.4 Continued discussions and engagement with the Department for Transport (DfT) on Euston.
  - 3.1.5 The Board discussed the use of the Euston Partnership Board and supporting teams and opportunities to streamline this.
  - 3.1.6 The cost profile for the Programme and in year.
  - 3.1.7 
  - 3.1.8 The Board noted that the new Chief Secretary to HM Treasury plans to attend the Ministerial Taskforce (MTF).
  - 3.1.9 Wider activity for a potential Comprehensive Spending Review.
- 3.2 The Board noted the updates.
- 3.3 The Board received a verbal update on the ongoing Chair recruitment process from Non-Executive Director, Ian King

## 4 DfT Update (HS2B\_22-087)

- 4.1 The Department for Transport (DfT) HS2 Delivery Director, High Speed Rail Group joined the meeting.
- 4.2 The Board received a verbal update on DfT activity / focus during the period, including:
  - 4.2.1 The context of external factors playing into the changing Programme environment and the requirement for a stable environment to deliver.
  - 4.2.2 The appointment of Huw Merriman as Minister for Rail and HS2.
  - 4.2.3 Broad support being seen from the new administration appointments.
  - 4.2.4 Recognition of a balance required across the economic uncertainty and maintenance of delivery of the Programme.
  - 4.2.5 Substantial progress continues to be made in delivery, where the volume and scale of activities and economic potential continue to be recognised.
  - 4.2.6 Ways of working between DfT and HS2 continue to grow.

4.3 [REDACTED]

[REDACTED]

- 4.5 The Board noted the updates.
- 4.6 The Department for Transport (DfT) HS2 Delivery Director, High Speed Rail Group left the meeting.

## 5 Rolling Stock Procurement –legal challenge (HS2B\_22-088)

- 5.1 The Chief Commercial Officer (COO) introduced the Rolling Stock Procurement update following a challenge from the supply chain as summarised in the meeting pack.
- 5.2 The Board were asked to:
  - 5.2.1 Note the update and remaining options as set out in the paper.

5.2.2

[REDACTED]

5.3 The Board discussed the following:

[REDACTED]

[REDACTED]

[REDACTED]

5.4 The HS2 Ltd Board provided agreement to continue as per the overview provided in the paper and approved the strategy of continuation of defence.

5.5 The Board expressed support to the individuals involved.

## **6 CEO Summary – Quarterly Business Review, October 2022 (HS2B\_22-089)**

6.1 The Chief Commercial Officer and Interim Chief Financial Officer introduced the CEO Board summary and its annexures, for October 2022, as included within the meeting papers.

6.2 The following key points were raised and noted:

6.2.1 Recognition and celebration to achieve a further delivery milestone, namely the launches of the fourth and fifth Tunnel Boring Machines (TBMs).

6.2.2 A further successful CEO breakfast meeting with Tier One CEOs.

6.2.3 The organisation has received headline results of the latest baseline all staff survey which will be reviewed at Directorate level.

6.2.4 Progression with accommodation planning for office requirements.

6.2.5 The Board noted the successful outcome of the agreement to the amended Workforce and Remuneration Annex.

6.2.6 The Board noted the details for the next all staff call, and it was agreed that these would be shared for NED attendance where possible.

6.3 The Board noted the updates.

6.4 The Board went on to discuss the Phase One Quarterly Business Review (QBR) position.

6.5 The following key points were raised and noted:

6.5.1 Progress photos in the period.

6.5.2 Key milestones achieved in the period with query and discussion from Board on the approach of a two stage contract, noting that the nature of the contract requires scheme design as a prerequisite to assess affordability.

6.5.3 Whilst the Board accept that there is a cease point at the end of the design phase if required, [REDACTED]

[REDACTED]

- 6.5.4 The Board noted the headlines in the month including the hosting of international colleagues to share knowledge.
- 6.5.5 The Board discussed Health and Safety performance in the period and queried whether this is truly a representation of an improved position. Management discussed the activity of the Health, Safety and Security Panel and Committee to refine the scrutiny and overview of performance data in the supply chain and the work from the Health and Safety Improvement Programme, the refresh of the Safe at Heart Strategy. Both Panel and Committee also continue to review the risk profile for safety as the profile of works evolves.
- 6.5.6 The Board noted the 2022/ 2023 Key Performance Indicator (KPI) Quarter 2 overview position including those reporting as red in the period.
- 6.5.7 The Board noted the benefits reporting at Quarter 2 in the period.
- 6.5.8 The Board noted the Land and Property position in the period and discussed the relationship with National Highways and whether this might be a relationship worthwhile elevating.
- 6.5.9 The Board discussed the nature of Undertaking and Assurance (U&A) non-compliance and the role and remit of the Residents' and Construction Commissioner's (the former dealing with schemes and the latter with individuals).
- 6.5.10 The Board noted the engagement between the Residents' Commissioner with the Non-Executive Director Chair of the Special Cases Panel.
- 6.5.11 The Board discussed the status of Delivery into Service (DiS) reported in the Management Information (MI), with the Board expressing caution on the explanation being given, which might be better considered [REDACTED]
- 6.5.12 The Board discussed the Schedule: [REDACTED]
- 6.5.13 The Board further [REDACTED]
- 6.5.14 **The Board discussed Productivity** [REDACTED]

Action: Ruth Todd

- 6.5.15 [REDACTED]

Action: Ruth Todd

6.5.16 The Board discussed the potential changes in the Bottom Up Forecast (BUF) and what the timing of reporting would need to be.

**6.5.17 The Board queried whether measurement and demonstration of design debt could be made available in the MI.**

**Action: Alan Foster**

6.5.18 The Board commented that schedule mitigation is not sufficiently emphasised in the MI, and also that a range is not being shown.

6.5.19 The Board noted the cost quarter 2 performance and discussed that the total Value in Play (ViP) is additional, which has not yet become a trend and may appear in the BUF.

**6.5.20 The Board welcomed the inclusion of the current price representation and advised that the full outturn would also be helpful to see, sooner rather than later.**

**Action: Alan Foster**

6.5.21 The Board noted that [REDACTED]

6.5.22 The Board noted the Commercial update and supply chain monitoring, risk of failure and commodity price tracking.

6.6 The Board noted the updates.

## **7 Phase 2a QBR Update (HS2B\_22-090)**

7.1 The CEO joined the meeting and introduced the Phase 2a QBR presentation as included within the meeting pack.

7.2 The Board noted the context that the Phase remains in a 'treading water' position in the absence of decisions being agreed.

7.3 The Board noted [REDACTED]

7.4 The Board noted the MI for the period, noting the following key points:

7.4.1 Improvement of a supply chain contractor in the period following intervention from the Company.

7.4.2 Continuation of [REDACTED] work.

7.4.3 Potential proposals and implication for Programme delivery options noting the tension to continue with land acquisition activity, market response and personnel.

**7.4.4 The Board discussed the schedule scenario analysis and the implication of each scenario to DiS and [REDACTED]**

**Action: Ruth Todd**



[Redacted text block]

8.7 The Programme Management Office Director left the meeting.

## 9 Phase 2b Western Leg Delivery Strategy (HS2B\_22-092)

9.1 The Chief of Staff and Phase 2b Development Director joined the meeting and introduced the Phase 2b Western Leg Delivery Strategy as included within the meeting pack.

9.2 The Board were asked to:

- 9.2.1 Note the strategic context of the Phase 2b Western Leg (w) scheme and timescales for the early stage of scheme delivery.
- 9.2.2 Endorse the strategy for client model, design and support services and enabling works.
- 9.2.3 Note that the strategy will continue to be iterated in response to feedback from DfT, wider Government and market engagement.

9.3 The following key observations and comments were offered by the Board:

[Redacted text block]

9.4 The HS2 Ltd Board:



- 9.4.1 Noted the strategic context of the Phase 2b Western Leg (w) scheme and timescales for the early stage of scheme delivery.
  - 9.4.2 Endorsed the strategy for client model, design and support services and enabling works.
  - 9.4.3 Noted that the strategy will continue to be iterated in response to feedback from DfT, wider Government and market engagement.
- 9.5 The Chief of Staff and Phase 2b Development Director left the meeting.

## **10 Quarterly Reputation Report (HS2B\_22-093)**

- 10.1 The Director of Communications and Stakeholder Management, Head of External Communications and the Chair of [REDACTED] joined the meeting.
- 10.2 The Board received and noted the Quarterly Reputation Report as included in the meeting pack which provided a summary of media and public affairs activity nationally and regionally and a brief look ahead to planned activity in the early autumn.
- 10.3 The following verbal updates were provided:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- 10.3.5 The Board requested exploration of information sharing e.g., modal shift, economics statistics.
- 10.4 The Board noted the update
- 10.5 The Director of Communications and Stakeholder Management, Head of External Communications and the Chair of [REDACTED] left the meeting.

## **11 Report from Audit and Risk Assurance Committee 06 October 2022 (HS2B-22-094)**

- 11.1 The Board received and noted the Report from Audit and Risk Assurance Committee (the Committee) on 06 October 2022.
- 11.2 The Board received the report as read.

## 12 Report from Commercial & Investment Committee 13 October 2022 (HS2B\_22-095)

12.1 The Board received and noted the Report from Commercial & Investment Committee (the Committee) on 13 October 2022.

12.2 The Board received the report as read.

## 13 Land Referencing Services Framework (HS2B\_22-096)

13.1 The Chief Commercial Officer introduced the Land Referencing Services Framework as included within the meeting pack, requesting approval of the Procurement Plan for the re-procurement of the Land Referencing Services Framework Agreement.

13.2 The HS2 Ltd Board:

13.2.1 Approved the Procurement Plan of the Land Referencing Services Framework Agreement) and the principles documented within.

13.2.2 Noted that the Pre-Qualification Questionnaire (PQQ) and Invitation to Tender (ITT) will be assured through the HS2 Operational Control Procedure.

13.2.3 Noted that the PQQ will be published subject to approval from the Procurement and Supply Chain Director.

13.2.4 Noted that the critical dependencies and risks for the Framework award and delivery.

13.3 The Board noted that the Commercial and Investment Committee had considered this item at the meeting on 15 September 2022 and considered the Procurement Plan as ready for consideration.

## 14

[REDACTED]  
[REDACTED] (HS2B\_22-097)

[REDACTED] The Chief Commercial Officer introduced the [REDACTED]  
[REDACTED] as included within the meeting pack, [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

14.2 The HS2 Ltd Board:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

