

Meeting minutes

HS2 Ltd Board

Meeting date Wednesday, 24 April 2024

Meeting location The Podium, London

Meeting time 09:00-14:15

Members	Attendees	Apologies
Elaine Holt (Chair) Non-Executive Director	██████████ (item 6) External Affairs Director	
Joanna Davinson Non-Executive Director	Emma Head Chief Railway Officer	
Alan Foster Chief Financial Officer	██████████ Advisor to the Board	
Tom Harris Non-Executive Director	Alan Over (item 3) DfT Senior Responsible Officer (SRO)	
Stephen Hughes Non-Executive Director	Non Owen Company Secretary	
Ian King Non-Executive Director	██████████ (item 11) Civils Delivery Director	
Nelson Ogunshakin Non-Executive Director		
Keith Smithson Non-Executive Director		
Jon Thompson Executive Chair		

1 Welcome, Quorum, Declarations of Interest and Values Moment

- 1.1 The Deputy Chair welcomed members and attendees to the meeting.
- 1.2 Due to Jon Thompson continuing to fulfil obligations as Executive Chair, it was agreed that the Deputy Chair would Chair the proceedings of the day.
- 1.3 The Board received a values moment from Ian King.

2 Minutes of the Previous Meeting and Matters Arising (HS2B_24-001 and HS2B_24-002)

- 2.1 The minutes of the meeting held on 27 March 2024 were approved as an accurate record of the meeting.
- 2.2 The Board agreed that a brief summary of the activity of the Finance and Performance Committee would be reported in the Board minutes and that items which have been subject to strong discussion or decision would be included as a Board item.
- 2.3 The Board noted the status of the actions.

3 DfT SRO Update (HS2B_24-003)

- 3.1 The Board noted that there had been a pre-Board meeting call with the Deputy Chair and DfT appointed Non-Executive Director with the DfT where the below had been discussed:
 - 3.1.1 Continued work on the Phase 1 Estimate at Completion (EAC) noting that the position is not yet agreed between HS2 Ltd and the DfT.
 - 3.1.2 Status of the [REDACTED].
 - 3.1.3 [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
 - 3.1.4 The Board noted that correspondence to the Secretary of State has confirmed [REDACTED]
[REDACTED].
 - 3.1.5 The Board noted that the National Audit Office (NAO) have begun scoping for a review and the detail of this would be covered in the finance update of the meeting.
- 3.2 The Department for Transport (DfT) Senior Responsible Officer (SRO) joined the meeting.
- 3.3 The Board received a verbal update on DfT activity / focus during the period, including:
 - 3.3.1 Good progress being made on the recruitment process for the Chief Executive Officer and Non-Executive Directors.
 - 3.3.2 Continued dialogue on the repurposing of the Phase 2b hybrid Bill.
 - 3.3.3 Conclusion of the 2024/2025 Funding Position.
 - 3.3.4 Engagement over the Phase 1 EAC and planning for a revised date for agreement.

- 3.3.5 Engagement with wider Government on the Land and Property portfolio noting the direction for disposals whilst needing to protect the Value for Money position and Accounting Officer responsibilities.
- 3.3.6 Progress on the [REDACTED]
[REDACTED]
[REDACTED]
- 3.3.7 The Board discussed the ongoing need for alignment of the EAC position and the link to the work of the NAO Review and timing thereof.
- 3.3.8 The Board [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
- 3.3.9 The continued review of the indirects numbers and whether there is a simpler way to explain the impact of Network North on the Programme.
- 3.3.10 The Board discussed the High Speed Rail Systems Contract Award and requested support from the DfT SRO to [REDACTED]
[REDACTED].
- 3.4 The Board noted the updates.
- 3.5 The DfT SRO left the meeting.

4 Executive Chair Summary – April 2024 (HS2B_24-004)

- 4.1 The Board received and noted the Executive Chair Summary for April 2024, as included within the meeting pack.
- 4.2 The following key points were raised and noted:
- 4.2.1 The Board received a verbal update with regard to a safety incident and noted that a deep dive will be held at the Health, Safety and Security Committee on the detail of this.
- 4.2.2 The Board reflected on the deeply saddening fatality experienced in the supply chain as the one-year anniversary approaches.
- 4.2.3 The Committee noted achievement of the annual Health and Safety Performance Indicator (HSPI) target and that whilst this will be retained for another year, some of the measures have been made more challenging to add robustness to performance.
- 4.2.4 The Board received a verbal update on the Scope Reset/ Network North Response and noted that a copy of the materials would be made available.**

Action: Company Secretariat

- 4.2.5 The Board noted the HS2 Ltd position on land disposals, the Accounting Officer responsibilities, and the need for an end-to-end strategy to allow for Value for Money. [REDACTED]
- 4.2.6 The Board noted the current recruitment activity for the Executive Committee team noting the rare skills required and remuneration environment making this a challenge.
- 4.2.7 The Board noted the implementation of organisational design changes at 'Executive -1' level and that further changes are now being made supported with an All Staff Call and a rolling question and answers.
- 4.2.8 The Board noted the planned timeline as July for the conclusion of the organisational design work.
- 4.2.9 The Board noted the progress being made with the Remuneration Annex and associated activity including extension of the previous arrangement as an interim measure.
- 4.2.10 The Board noted the activity of the Strategic Change Coordination Office (SCCO), the organisational heatmap and status report provided. The Board commented on the level of red rated activity on the heatmap, and Management advised that there was a more granular level of detail available to each Directorate.
- 4.2.11 The Executive Chair provided a verbal update on the progress for appointment of new Non-Executive Directors.

4.3 The Board noted the updates.

5 Phase One Cost Associated Activities – April Update (HS2B_24-005)

5.1 The Board received and noted the Phase One Cost Associated Activities – April Update paper, as included within the meeting papers.

5.2 The following key points were raised and noted:

5.2.1 The Board noted the paper as a standing item to the Board to appraise on a monthly basis, the progress and status of the various [REDACTED] and updates against:

- 5.2.1.1. [REDACTED]
- 5.2.1.2. [REDACTED]
- 5.2.1.3. [REDACTED]
- 5.2.1.4. [REDACTED]
- 5.2.1.5. [REDACTED]

- 5.2.2 Following the Board discussion in March and the completion of 18 workshops with the DfT, [REDACTED]
[REDACTED]
[REDACTED]
- 5.2.3 There continues to be difference of opinion between HS2 Ltd and DfT on [REDACTED]
[REDACTED]
[REDACTED]
- 5.2.4 At the time of reporting to the Board, [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
- 5.2.5 The Board noted that in the meantime reviews will be undertaken by the CRO and Executive Chair on Phase and Programme risk respectively through April and May 2024 supported by a series of star chambers.
- 5.2.6 There will also be further review and challenge of Efficiency Commitments.
- 5.2.7 Reflecting on the Phase Risk Review the Board referenced the example of the request for funding to be considered by the Board later in the meeting and advised that first principles for risk allocation needed to be revisited.
- 5.2.8 As part of the review of Efficiency Commitments, Management advised that this would reflect on performance to date and look to better evidence efficiencies with intelligence being taken [REDACTED]
- 5.2.9 The Board advised that there needed to be a level of granularity to the efficiency information to allow comfort of information being provided by each of the Integrated Project Teams (IPTs) versus any level of Management overlay.

5.3 The Board went onto discuss the Scope Study on the High Speed Two Programme which will be run by the National Audit Office (NAO) in parallel with an extended financial auditor's report as part of his certification of HS2 Ltd annual report and accounts this year to reflect the financial impact from the Phase 2 cancellation.

5.4 The Board received an overview of the scope of the work and noted that a copy of this would be made available to the HS2 Board following the meeting.

Action: Company Secretariat

5.5 The Board welcomed the review and Management advised that the company feels well equipped to respond to the remit however noted that the timing of the review will be fast paced and in addition to ongoing activities.

5.6 The Board discussed the need to be clear on the areas of focus, whether these are defined at a moment in time, and what areas of judgement might be needed.

- 5.7 It was noted that the Executive Chair and CFO would hold an initial meeting with the lead reviewer from the NAO in order to discuss the scope in more detail and timelines.
- 5.8 The Board discussed the Management Information (MI) and the tension between providing changes to the numbers and the level of certainty required before formally reporting.
- 5.9 The Board noted that there has been minimal guidance received to date on a Spending Review.
- 5.10 The Board noted the positive outcome of the funding allocation for HS2 Ltd and Management expressed gratitude to the DfT SRO for the support to do so.
- 5.11 The Board noted that a continued temporary arrangement remains in place with the DfT for Investment Authority and Contingency allocation and noted that there is now DfT Observer attendance at the Executive level Change Panel in order to provide visibility of decision making.
- 5.12 The Board expressed thanks to the teams involved in the volume of workstreams and noted the plans for personnel transitions.
- 5.13 The Board queried what progress was being made [REDACTED] [REDACTED] and other work would be a useful discussion with the Board more formally.
- 5.14 The Board noted the updates.

6 2024 -2027 Corporate Plan: 50 – 75% draft (HS2B_24-006)

- 6.1 The External Affairs Director joined the meeting.
- 6.2 The Board received and noted the Strategic Risk Register paper, as included within the meeting papers.
- 6.3 The Board were asked to:
 - 6.3.1 Note the 50 to 75% draft of the Corporate Plan 2024 – 2027.
 - 6.3.2 Note the design sample pages which provide an indication of the eventual look and feel of the final document.
 - 6.3.3 Provide any comments on the draft Corporate Plan to the External Affairs Director by close of business 24 April 2024.
- 6.4 The following key points were raised and noted:
 - 6.4.1 Formal Board approval for the Corporate Plan will be sought in June 2024.
 - 6.4.2 The focus of the report has been adapted to reflect the changes to the Programme.
 - 6.4.3 The Board provided comments on the refinement required on the Key Performance Indicators (KPIs), Delivery into Service (DiS) range and comments on innovation and

agreed that more direct points of feedback would be submitted to the External Affairs Director.

6.5 The Board noted the update.

6.6 The External Affairs Director left the meeting.

7 West Coast Partner Update (HS2B_24-007)

7.1 Shamit Gaiger, the Managing Director of the West Coast Partnership (WCP) joined the meeting.

7.2 The Board received and noted a presentation where the following areas were covered:

7.2.1 The role of the West Coast Partnership Development.

7.2.2 Working Towards Service Delivery.

7.2.3 Working with HS2 Ltd.

7.2.4 Impact of Network North.

7.2.5 What good looks like.

7.2.6 Asks of HS2 Ltd.

7.3 A discussion was held with regard to the points made in the presentation and the interfaces between the WCP and HS2 Ltd and wider stakeholders.

7.4 The Board discussed the following key points:

7.4.1 [REDACTED].

7.4.2 [REDACTED]

7.4.3 [REDACTED]
[REDACTED]

7.4.4 [REDACTED]
[REDACTED]

7.4.5 [REDACTED]

7.4.6 [REDACTED]

7.5 The Board noted the importance of continued joint working to drive key decisions which are required in a timely manner.

7.6 Shamit Gaiger of West Coast Partnership left the meeting.

8 Reflection on WCP feedback (HS2B_24-008)

8.1 The Board reflected on the update from West Coast Partnership, and it was agreed that the CRO would recommend the appropriate timing for a further update.

9 Report from Audit and Risk Assurance Committee 09 April 2024 (HS2B_24-009)

- 9.1 The Board noted the report from the Audit and Risk Assurance Committee on 09 April 2024, as included in the meeting pack which was taken as read.
- 9.2 The Board noted that an out of cycle meeting would be held on 14 May 2024 in order to provide a further opportunity to consider the Annual Report and Accounts. It was agreed that this invitation would be extended to all Board Members.
- 9.3 The Board noted the update.

10 Report from Commercial and Investment Committee 10 April 2024 (HS2B_24-010)

- 10.1 The Board noted the report from the Commercial and Investment Committee (CIC) on 10 April 2024, as included in the meeting pack which was taken as read.
- 10.2 The Board noted the update and that a summary would be provided against the next item which was considered by the Committee.

11 [REDACTED] (HS2B_24-011)

- 11.1 The Civils Delivery Director joined the meeting.
- 11.2 The Board received and noted the [REDACTED] [REDACTED] paper, as included within the meeting papers.
- 11.3 The Board were asked [REDACTED] [REDACTED]
- 11.4 The following points were raised and noted:
 - 11.4.1 The Chair of the CIC summarised the paper which had been the substantive item on the agenda at the meeting of 10 April 2024.
 - 11.4.2 The Board noted that the matter related [REDACTED] [REDACTED] [REDACTED]
 - 11.4.3 The Board provided [REDACTED] [REDACTED] [REDACTED] [REDACTED]

11.4.4 The Board noted that the request being made was [REDACTED] following which a further request would be submitted.

11.5 The HS2 Ltd Board approved:

11.5.1 [REDACTED]

11.5.2 [REDACTED]

11.5.3 [REDACTED]

11.5.4 [REDACTED]

11.6 The Civils Delivery Director left the meeting.

12 Verbal Update from Extraordinary People Committee 23 April 2024 (HS2B_24-012)

12.1 The Committee Chair provided a verbal update from the Extraordinary People Committee which took place on 23 April 2024.

12.2 The Board noted that an out of cycle meeting of the People Committee had been held to consider the Key Performance Indicators (KPIs) to conclude 2023/2024 performance and to consider the proposed draft set of external KPIs for 2024/2025.

12.3 The Board noted that subject to some slight amendments the 2023/2024 KPIs had been agreed by the Committee, as delegated by the HS2 Ltd Board.

12.4 The Board noted that the approach to setting 2024/2025 KPIs and that a further proposal would be considered by the Committee following feedback to the external and internal drafts received.

13 Verbal Update from Finance and Performance Committee 23 April 2024 (HS2B_24-013)

13.1 The Committee Chair provided a verbal update from the Finance and Performance Committee which took place on 23 April 2024.

13.2 The Committee had considered key updates from the Management Programme Review, namely:

13.2.1 Estimate at Completion (EAC).

13.2.2 Consents.

13.2.3 Old Oak Common (OOC).

13.2.4 Interchange.

13.2.5 Utility Land Rights (ULRs).

13.2.6 Rolling Stock.

13.2.7 Railway Systems Contract Award.

13.2.8 Documentation Readiness for civils and systems handovers and the status of technical debt.

13.2.9 Noise Levels.

13.2.10 Euston.

13.3 The Committee received a deep dive on Systems Integration.

13.4 The Committee discussed other items by exception and received updates from the Delivery Directors and the Business Finance Director.

14 Forward Look, AOB and Close (HS2B_24-014)

14.1 The Board noted the Forward Look.

14.2 It was agreed that Joanna Davinson would become the Board Champion for Equality, Diversity and Inclusion (EDI) going forward and further activity continues to be pursued with Network engagement.

14.3 There being no further business the meeting was closed.