

Meeting minutes

HS2 Ltd Board

Meeting date Wednesday, 22 May 2024

Meeting location MS Teams

Meeting time 09:00-12:00

Members	Attendees	Apologies
Elaine Holt (Chair) Non-Executive Director	Emma Head Chief Railway Officer	Stephen Hughes Non-Executive Director
Joanna Davinson Non-Executive Director	██████████ Advisor to the Board	Ian King Non-Executive Director
Alan Foster Chief Financial Officer	Alan Over (item 04) DfT Senior Responsible Officer (SRO)	
Tom Harris Non-Executive Director	Non Owen Company Secretary	
Nelson Ogunshakin Non-Executive Director	Chris Rayner (items 4 and 5) Systems Delivery 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 noted that apologies for the meeting had been received from Stephen Hughes and Ian King.
- 1.4 The Board noted the following declarations which would be added to the Register of Business Interests:
 - 1.4.1 Joanna Davinson's appointment as Board Chair of Crown Hosting.
 - 1.4.2 Keith Smithson's appointment as Independent Member of the Audit Committee at The Law Society.
 - 1.4.3 Jon Thompson's appointment as Non-Executive Director of Frasers Group.

- 1.5 The Board received a values moment from the Company Secretary in relation to Mental Health Awareness Week.

2 Minutes of the Previous Meeting and Matters Arising (HS2B_24-016 and HS2B_24-017)

- 2.1 It was agreed that the minutes of the meeting held on 24 April 2024 and the action tracker would be circulated to the Board via correspondence.

3 Executive Chair Summary – May 2024 (HS2B_24-018)

- 3.1 The Board received and noted the Executive Chair Summary for May 2024, as included within the meeting pack.
- 3.2 The following key points were raised and noted:
 - 3.2.1 The Board noted that following discussions which had taken place through March and April, that the timing and positioning of the [REDACTED] remained to be confirmed, and that a review of any subsidiary reporting requirements would be reviewed.
 - 3.2.2 At the time of reporting, it was anticipated that a further update on the [REDACTED] would be brought to the June 2024 HS2 Ltd Board meeting.
 - 3.2.3 The Board noted that at the time of reporting an agreed timescale for a revised Baseline (BL) will also be considered, with an initial discussion to be held with the Executive Committee the following day.
 - 3.2.4 The Board noted that dialogue continues for the appointment of an independent reviewer of the [REDACTED] and that it would be useful to understand from this exercise whether there is any fundamental difference of opinion to the approach taken. Management advised that there is no evidence currently to indicate that a differing approach would have resulted in a material change to the outturn position.
 - 3.2.5 It was noted that the approach to the appointment of the independent reviewer would be joint between HS2 Ltd and the DfT.
 - 3.2.6 The Board discussed the status of ways of working.
 - 3.2.7 The Board noted that further information available on the Spending Review would be shared when available and in the interim HS2 Ltd are working to develop a view of required funding for Financial Year 2025/2026.
 - 3.2.8 The Board noted ongoing engagement to understand timings and remit for a Public Accounts Committee noting that recess timings need to be considered.
 - 3.2.9 The Board discussed the ongoing development over consenting issues and engagement with the relevant third parties, working closely in collaboration with the DfT.

3.2.10 It was agreed that Management would consider pursuing additional escalation of the matter.

3.2.11 Due to the nature of the consenting issues, the prepared lines to take would be made available to the HS2 Ltd Board as required.

Action: Emma Head

3.2.12 The Board noted the timing anticipated for confirmation and communication of the Chief Executive Officer (CEO) appointment.

3.2.13 Management advised the Board as to the progress against the timetable to agree the [REDACTED] with Ministers.

3.2.14 [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

3.2.15 The Board noted the summary of the Executive level Programme Review meeting and requested that for the June Finance and Performance Committee meeting that the retired items remain in the materials for discussion, and updates would be provided against Old Oak Common and Rolling Stock, including other items covered.

Action: Company Secretariat to schedule

3.3 The Board noted the update.

4 DfT SRO Update

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 [REDACTED] and agreement of the external review for which Terms of Reference are being agreed.

4.2.2 Good progress with the [REDACTED]
[REDACTED]
[REDACTED] As per feedback from the Board there is also work to demonstrate organisational capability without this being overly intrusive at the Initial Operating Capability stage. Lessons learned from Crossrail and the MWCCs are also being incorporated.

4.2.3 The DfT SRO commented on [REDACTED]
[REDACTED].

4.2.4 Engagement on consenting issues.

4.2.5 Progress to the CEO appointment and announcement.

4.2.6 Progress to repurpose the Phase 2b hybrid Bill.

4.2.7 [REDACTED].

4.3 The Board noted the updates.

4.4 The Department for Transport (DfT) Senior Responsible Officer (SRO) left the meeting.

5 [REDACTED]

[REDACTED] (HS2B_24-019)

5.1 The Systems Delivery Director joined the meeting.

5.2 The Board received and noted the materials supporting [REDACTED] as included within the meeting pack.

5.3 The HS2 Ltd Board were asked to:

5.3.1 [REDACTED]

5.4 The following key points were raised and noted:

5.4.1 The Board were receiving the request to [REDACTED] following a series of Management led briefings with Board Members, plus two out of cycle combined Commercial and Investment Panel and Commercial and Investment Committee meetings, to which the full HS2 Ltd Board received materials and invitations to attend.

5.4.2 The Board commended Management for the quality and volume of work undertaken to reach this point of decision.

5.4.3 Management expressed thanks to the HS2 Ltd Board for their time commitment and flexibility to attend additional meetings in order to expedite the HS2 Ltd governance timescales noting that further external approval is required to proceed.

5.5 The Chair of the Commercial and Investment Committee provided a verbal update from the second out of cycle meeting held on 20 May 2024 summarising that:

5.5.1 [REDACTED].

5.5.2 [REDACTED]

5.5.3 During the course of the two meetings and [REDACTED]

5.5.4 The Chair of the Commercial and Investment Committee referenced the discussion held on design technical requirements and confirmed that the Committee were comfortable to proceed.

5.5.5 The Board noted that the [REDACTED]
[REDACTED]
[REDACTED]

5.5.6 The Board discussed [REDACTED]
[REDACTED]
[REDACTED].

5.5.7 The Board noted that [REDACTED]
[REDACTED]
[REDACTED]

5.6 The HS2 Ltd Board endorsed the recommendation to [REDACTED]
[REDACTED]
[REDACTED]

6 Report from Commercial and Investment Committee 13 May 2024 and [REDACTED] (HS2B_24-020)

6.1 The HS2 Ltd Board received and noted the report from the Commercial and Investment Committee which had met on 13 May 2024 and had considered the [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

6.2 The Board also received materials in support of the request for the issue of the ITT and funding and were asked to:

6.2.1 [REDACTED]

6.2.2 [REDACTED]
[REDACTED]

6.2.3 [REDACTED]
[REDACTED]
[REDACTED]

6.2.4 [REDACTED]
[REDACTED]
[REDACTED]

6.2.5 [REDACTED]
[REDACTED]
[REDACTED]

[Redacted]

6.2.6 [Redacted]

6.2.7 [Redacted]

6.3 The Chair of the Commercial and Investment Committee provided a verbal update in support of the Committee report and the Board noted that the Committee had held a robust discussion with regard to the request. During this there had been observation that elements of the assurance paperwork were out of date and that there were assumptions and exclusions contained within, which had changed since. In response, Management have subsequently updated the materials.

6.4 The Committee had discussed the fact that [Redacted]

6.5 The Committee discussed further aspects included in the specification which would be anticipated to change following the Government cancellation of Phase 2, however in the absence of an instruction to remove scope that HS2 would have to rely on the ability to remove at a later date if required and that this would need to be done efficiently.

6.6 The Board noted a condition from the DfT regarding platform doors, with Management advising that this would be followed up on to clarify.

6.7 The HS2 Ltd Board:

6.7.1 [Redacted]

6.7.2 [Redacted]

6.7.3 Noted the remaining points.

6.8 The Delivery Director for Systems left the meeting.

7 Report from Health, Safety and Security Committee 09 May 2024 (HS2B_24-021)

7.1 The Board noted the report from the Health, Safety and Security Committee held on 09 May 2024, as included in the meeting pack.

- 7.2 The Deputy Chair provided a verbal update on the key areas of review as agreed with the Committee Chair including:
- 7.2.1 Further debate on the Health and Safety Performance Indicator (HPSI) metric noting that Management have been tasked to return to the Committee with an outline for a different approach in time for revision to take place for the next year.
 - 7.2.2 A deep dive into the recent safety incident and into health in the sector.
 - 7.2.3 A review of the HS2 Operational Plan with feedback provided that there is simplification to be achieved together with more work to connect the plan to priorities.
- 7.3 The Committee noted the update.

8 Report from Environmental Sustainability Committee 10 May 2024 (HS2B_24-022)

- 8.1 The Board noted the report from the Environmental Sustainability Committee held on 10 May 2024, as included in the meeting pack.
- 8.2 Keith Smithson provided a verbal update on the topics covered by the Committee including:
- 8.2.1 Status of performance on Carbon Emission and Biodiversity targets, with the Board querying the continuing requirement to do this based on focus to cost predominantly. Management advised that measures against competing demands will continue until an instruction is received to give relief of existing requirements to report.
 - 8.2.2 The Phase 1 Consenting Strategy Improvement Plan Progress Update.
 - 8.2.3 An update on public perception of the Programme, with the key highlights including an update on the results of the local elections and the impact that may have for HS2 and lines to take.
 - 8.2.4 The fourth edition of the Environmental Sustainability Progress Report (ESPR) which was approved by the Committee subject to some minor amendments and a request for inclusion of narrative on the introduction of the British Standards Institute.
 - 8.2.5 An update on the Prolonged Disturbance Compensation Scheme and the Board noted that a review of the Policy would be taken to the June Executive Committee.
- 8.3 The Board noted the update.

9 Verbal Update from Audit and Risk Assurance Committee 14 May 2024 (HS2B_24-023)

- 9.1 Keith Smithson provided a verbal update from the Audit and Risk Assurance Committee held on 14 May 2024.
- 9.2 An out of cycle meeting had been held in order to further consider the Annual Report and Accounts due to the scale of materiality of the judgements of accounting treatments following the Network North announcement.
- 9.3 A further review will be completed during June following which the Committee will be asked to make a recommendation to the Board and Accounting Officer on the material items from the accounts.
- 9.4 The Committee had been pleased to note the positive engagement and robust process to develop the report and accounts.
- 9.5 It was agreed that the Chairs of the Board Sub-Committees would be engaged in order to review the respective sections in the report.
- 9.6 The Board noted further work to clarify treatment and rationale for any accounting treatments which need to be absorbed into the DfT Group Accounts and future accounting which will be progressed in the interim and reported back.
- 9.7 The Board noted the update.

10 AOB/ Meeting Close/ Meeting Float

- 10.1 The Board noted the Forward Look as provided in the meeting pack.
- 10.2 The Board noted that:
 - 10.2.1 **The Corporate Plan would be provided to the Board as soon as possible for consideration ahead of approval being sought.**

Action: Company Secretariat
 - 10.2.2 **Key Performance Indicators (KPIs) would be provided to the Board following review by the People Committee.**

Action: Company Secretariat
 - 10.2.3 Non-Executive Director annual appraisals will be conducted during June led by the Deputy Chair with support from the Company Secretary.
- 10.3 There being no further business the meeting was closed.