



HS2 Ltd Board Meeting 24 July 2012

Minutes

HS2 Board Room, Eland House, Bressenden Place, London, SW1E 5DU

Present:

Douglas Oakervee, Chair
Alison Munro, Chief Executive
Richard Brown
Martin Capstick
Godric Smith
Duncan Sutherland
Mike Welton

In Attendance:

Mark Bayley, Commercial Director
Roy Hill, London West Midlands
Director
Ian Jordan, Director, Leeds
Manchester and Heathrow
XXXX, Interim Head of Finance
Clinton Leeks, External and
Parliamentary Relations Director
Andrew McNaughton, Technical
Director
XXXX, Chief of Staff
XXXX, General Counsel and Company
Secretary

Apologies: Sir Brian Briscoe

1. Declaration of conflicts of interest

The register of Directors' interests was circulated to the meeting and confirmed to be accurate. There were no declarations of interest arising from any of the matters for consideration at the meeting.

2. Minutes of previous meeting and actions arising

The minutes of the meeting on 11 June 2012 were agreed to be accurate and were signed by the Chairman. There were no actions arising that were not already covered in the agenda.

3. Chairman's Report

3.1 The Chairman reported that he had met with the Secretary of State on 9 July to discuss progress on the project.

- 3.2 Discussions have taken place with the Department for Transport on the level of delegation to HS2. An agreement in principle has been reached, which will now be discussed with HM Treasury.
- 3.3 A number of meetings have taken place with leaders of various Councils. It was noted that work should continue to develop these relationships.

4. Chief Executive's Report

- 4.1 The Chief Executive reported that the Major Projects Authority has completed its review. She updated the meeting on the feedback received from the review.
- 4.2 It was agreed the frequency of reviews could be an issue for the Company, and that forward planning was needed to map out when the reviews were likely to occur.

Action: Martin Capstick

- 4.3 The second round of community forums has been held along the LWM route, together with 5 planning forums. There was some frustration with the lack of detailed information necessarily available to them at this stage of the project. The next forums will be held in September.
- 4.4 The Chief Executive updated the Board on the progress to recruit the Commercial Director, Technical Director and Finance and Corporate Services Director.
- 4.5 It was noted that a submission has been made to the High Speed Rail Board on the link between HS2 and HS1, and this will now be presented to the Secretary of State for her consideration.

5. Governance Documents

- 5.1 The draft Framework Agreement, Project Development Agreement, Sponsor's Requirements and Corporate Plan (the "Governance Documents") were presented to the meeting and discussed. It was noted that they had been agreed with the officials at the Department for Transport, and that the authority of the Board was now sought to submit them for the approval of the Secretary of State.
- 5.2 The schedule of Board Meetings will be considered to see whether it will be possible to align the meeting dates with the requirement to report to the Department for Transport, so that the reports can be utilised for Board purposes as well as for the Department for Transport.

Action: XXXX

- 5.3 It was agreed that the Governance Documents should be submitted for the consideration of the Secretary of State. The Chief Executive

was delegated with authority from the Board to negotiate changes (if any) to the Governance Documents requested by the Secretary of State, and to execute the final agreements. Any material changes will be referred back for approval of the Board.

Action: Alison Munro

6. Finance Report

The underspend in the year against budget has continued, although this was noted to be a timing issue. A revised forecast is being prepared and will be submitted to the Department for Transport by the end of August.

Action: XXXX

7. Risk

7.1 The Board discussed the risks which are reviewed by the Executive, and reviewed the high level risks. It was noted that the Quantified Risk Analysis work carried out on the LWM project has been reviewed by the Department for Transport and was considered to be best practice. The Board requested Roy Hill congratulate his team for their work.

7.2 It was agreed that the Board will set aside time to carry out its own risk review and appraisal. Consideration will also be given to the format for reporting on risk to the Board going forward.

Action: Mark Bayley

8. Timetable for Deposit of the Hybrid Bill

The timetable for the period up to submission of the Hybrid Bill was reviewed. It was agreed that the timeframe was very challenging and that the Board agenda will be set so as to allow progress to be monitored very closely.

Action: XXXX

9. Safety

It was reported that there had been one minor safety incident, which had led to a full re-briefing on safety to contractors. The Board will receive health and safety training in August.

10. Submission on Leeds, Manchester and Heathrow

A series of detailed briefings with the Secretary of State on the development of the route to Leeds, Manchester and Heathrow have been held, and local meetings and site visits have taken place.

11. Any other business

11.1 It was agreed that the decision on whether or not a Board meeting was needed in August would be taken so that it could be arranged, if necessary, to be held at the time of the Non-Executive Directors' Induction Programme.

11.2 It was agreed to re-appoint Mike Welton as Chair of the Audit Committee, and to appoint Richard Brown as Chair of the Remuneration Committee.