

Line of Defence Level 2 (LoD2) Assurance Assessment of the Completion of Crossrail (CRL) Close Out Process

25 July 2023

LoD2 Assurance Assessment of Completion of CRL Close Out Activities

Completion of CRL Close Out Process – May 2023

■ No Risk
 ■ Some Residual Risk
 ■ Significant Risk
 ■ Unknown as yet

Key Metrics	Comment	RAG Risk to Sponsors
Project Development Agreement (PDA)	CRL maintained a PDA Evidence Tracker which identified by clause the evidence required by CRL to discharge the obligations under the PDA. Clauses were categorised according to whether obligations to be discharged before 26 May 2023, or an agreed transfer to recipient organisation. Process is considered to be robust. An agreed final version was signed on 26 May 2023.	
New Engineering Contract 3 (NEC3) Employers Completion Process (ECP)	The ECP was managed by the CRL Quality team over the duration of the CRL works. Of the 46 contracts subject to this process, 44 were complete and signed off. The remaining 2 are the Siemens contracts (C620 and C660) which have been transferred to TfL RfL(I) due to ongoing works to be completed to the signalling and control system (ELR400 patches and ELR500) and further Customer Information System (CIS) upgrades during second half of 2023. These contracts were subject to an Interim ECP process (and sign off) to reflect all the works and documentation undertaken under CRL. Process is considered to be robust.	
Management of Contracts in Defects Periods	Handshake Agreement (reference CO-04) covers the residual contract administration matters in relation to a small number of NEC3 contracts (eight contracts covered by this agreement) which still have their defect periods past 26 May 2023 or where notified defects are still to be corrected. Process is considered to be robust.	
Element Outstanding Works List (EOWL)	Throughout the delivery of the CRL works, the process for recording elements of works requiring addition attention was the use of EOWs. At the closure of each NEC3 contract, the list of EOWs was agreed, to either be completed as defects (under the NEC3 contract), or transferred to TfL for completion (including an agreement on budget transfer). There were no outstanding EOWs for CRL to discharge at 26 May 2023. Process throughout the administration of the contracts was considered to be robust.	
Commercial Matters	Of the 420 CRL contracts, 31 will remain active beyond 26 May 2023, including those in defect periods, operations support contracts / Network Rail support contracts. There are 7 commercial handshake agreements in place outlining the transfer of responsibilities and resources as required. Process is considered robust.	
Third Party Agreements / Undertakings and Assurance (U&A)	Of the 1461 Third Party Agreements, 304 remain to be closed beyond 26 May 2023, and, of the 4347 U&As, 28 remain to be closed beyond 26 May 2023. Handshake agreements are in place and signed for transfer of both activities, including transfer of resources to Rail for London Infrastructure (RfLI) to close remaining U&As. Process is considered robust.	
CRL Level 1 Risks	CRL Level 1 risks have been managed effectively throughout the period of delivery. Following final review a number of risks have been identified as residual, although not presenting a risk to completion. These have been agreed and transferred to RfLI to manage the mitigations – traction power harmonics on Network Rail Great Eastern, cost pressures on remaining final accounts, and success of ELR400 software patches to deliver functionality. Process through the delivery of the works is considered robust, and accurately reflects position. RfLI risks will be incorporated into TfL's Enterprise Risk process at the appropriate level (strategic Level 1 or project / tactical Level 2) and will be managed in line with TfL's Enterprise Risk Management Framework.	

Assessment of Overall Completion of CRL Process (May 2023)

CRL have undertaken their obligations as set out in the PDA and have not transferred any residual risk to TfL as a result.

(Note: There are some obligations relating to On-Network Works which are not included in the PDA and once complete will enable Final Completion.)

