

NORTHERN IRELAND TRANSPORT HOLDING COMPANY

Minutes of the Board Meeting held on 22 April 2020 at 9.30am

PRESENT: **Mark Sweeney (Interim Chairman)**
 Chris Conway (GCE)
 Anthony Depledge (AD, Senior Independent Director)
 Angela Reavey (AR)
 Hilary McCartan (HM)
 Bernard Mitchell (BM)
 Patrick Anderson (CFO)
 Philip O'Neill (CBCO)

IN ATTENDANCE: **Gordon Milligan (GM, CCSHR Officer)**
 Priscilla Rooney (GC, General Counsel & Company Secretary)

The Directors of the Northern Ireland Transport Holding Company are also the Directors of all other companies within the Group. As such they are mindful of their responsibilities and statutory duties to each. These minutes record the business of the Group meeting at which matters, factors and decisions relating to individual companies were raised and addressed.

3769 WELCOME AND APOLOGIES

The Interim Chairman welcomed Board members to the digital meeting held using a video conferencing facility to ensure safe distancing in line with PHA guidelines.

3770 DECLARATION OF INTERESTS

No interests were declared in relation to the meeting.

3771 MINUTES & ACTION LIST

The minutes of the previous meeting were formally approved.

AD confirmed that GC had provided a list of proposals for the next Board Effectiveness survey, however it was agreed that the actions¹, would be postponed for the moment and reviewed again in September 2020.

3772 CHAIRMAN & BOARD BUSINESS

The Interim Chair summarised his recent discussion with the Permanent Secretary regarding the recruitment process and appointment of a new Chairperson. Given the current government restrictions, due to Covid-19, the process would be temporarily paused until social distancing rules were relaxed.

The Interim Chair invited the GCE to speak on the Company budget update. GCE advised Board members that the Finance Minister had announced in this budget statement that adequate funding would be provided for public transport needs. GCE assured Board members that between the increase in funding from DoF and allocation from DfI, they had secured the increased and necessary baseline funding

¹ Minute 3764

which had been sought. The Board were reassured by the commitment to funding by wider Executive and the successful outcome that was achieved.

GCE also informed the Board that the Department had provided him with reassurances that the NI Executive had made a commitment to provide emergency funding to support public transport during the Covid-19 emergency in a concerted effort to protect the public transport network and its users.

3773 SAFETY REPORT

The Board took the report as read, CBCO advising members that due to the system outage caused by the cyber-attack in February, only limited data was available and may be subject to change. As raw data was only available, normal benchmarking could not be applied.

- (i) Passenger Injuries: The Interim Chair asked, given the impact of the cyber-attack, as to the accuracy of year to date statistics regarding passenger injuries, as a comparison for the same period last year. CBCO commented that safety managers were undertaking substantial due diligence to ensure the exactness of the statistics. On that basis, the Interim Chair observed the improvement in the number of injuries and the ongoing work being carried out by the Company to reduce passenger injuries.

3774 COVID-19 REPORT

The Board took the report as read, and the GCE specifically noted the following:

- Service reductions were implemented on both bus and rail to account for peak services for essential workers. The new timetables provide essential travel for key workers while accommodating social distancing requirements. While these measures are working well, GCE asked the Board to note that passenger numbers were reduced by approx. 95%.
- All non-front-line employees are working from home and the Board extended a particular thanks to the IT team who facilitated this in very challenging circumstances.
- Daily and weekly management calls are taking place to ensure a coordinated approach and ensure service level changes, customer/employee guidance and PHA/Government guidelines are swiftly communicated both internally and externally.
- Safety has remained the top priority and is reviewed at a senior management level daily.
- The teams have successfully undertaken considerable engagement with staff representatives at local and national level and built on the existing strong relationships.
- Providing regular communication to employees and customers to ensure a consistent and up to date message.
- Supporting other essential workers and sought approval from the Minister to offer free travel to health workers.
- Business continuity planning process continues weekly and the senior leadership team are considering post-lockdown measures.
- Estimate of the Covid-19 emergency funding requirement is likely to be in excess of £100m.

- Supplier management and payment release CPD guidance issued and clarifications sought from DfI. CFO to circulate CPD guidance on supplier payments with the Board.
- Chase the Rainbows campaign launched as a message of hope and the Company actions in dealing with the crisis have been supported by the Minister.

The Board thanked the team for their leadership and courage in supporting the employees and the public. The GCE extended the thanks to the Company staff for a tremendous collaborative team effort.

3775 GCE REPORT

The Board took the report (and KPI summary) as read, and the Interim Chairman invited the GCE to speak on the following:

- (i) Commercial Operations: Contact centre staff are successfully working from home and the team have streamlined the refund process. The Stranraer to Glasgow service has been of significant strategic importance as a network connection due to the collapse of the airline services.
- (ii) Major Capital Projects: Belfast Hub – project team continuing to progress work where possible. First stage tender bids for the main works were returned and are being scored. Ticketing – Project has been significantly curtailed due to revised working conditions resulting from Covid-19 restrictions. The situation is being carefully monitored.
New Trains 3 – CAF manufacturing production in Spain halted on 16 March which will inevitably impact on the delivery date and result in significant delays.
- (iii) Legal & Governance – GC updated Board members as to the recent guidance from ICO on GDPR and responding to Data Protection requests for information during Covid-19 restrictions.

3776 FINANCE REPORT

The Board took the paper as read. The CFO reminded the Board that as a result of the cyber-attack in February, financial and ticketing systems functionality are not yet fully restored but good progress continues to be made and both should be fully available in early May. As a result, Period 12 financials and passenger journeys will be made available at the May Board.

- (i) Year End Accounts: It is anticipated that full Period 12 management accounts and provisional full year outturn will be available for consideration at the May Board meeting. The resulting impact on the year end audit timetable has been discussed with the Group's external auditors and the BARC and Board will be fully briefed at their respective May meetings.
- (ii) Cash: The Covid-19 outbreak continues to have a very significant impact on the Group's trading performance and cash reserves. The finance team continue to provide DfI with regular cashflow updates and projections. It is understood that these are being shared in turn with the Department of Finance as they seek to inform the NI Executive of the extent of the financial pressures arising from Covid-19. The CFO explained a number of important and immediate interventions which have been taken, in conjunction with DfI, to stabilise the Group's cash position in the short term. The Group's latest cash projections were discussed by the Board. These highlighted that a very significant cash injection will be required in the early part of Quarter 2 to

stabilise the Group's cash position and discussions with Dfl to deliver this are ongoing.

3777 DFI CORRESPONDENCE

Noted.

3778 AD HOC PAPERS

The Board took the Ad-Hoc paper as read.

GC led the Board through an advice note on the Governments recent Covid-19 insolvency proposals and the impact on Director's duties.

3779 MAJOR PROJECTS KPI TRACKER

The Major Projects Tracker was noted by the Board.

3780 MINUTES OF COMMITTEE MEETINGS

The minutes of the Project Oversight Committee meeting held on 18 March 2020 were noted by the Board as read.

3781 ANY OTHER BUSINESS

The Board expressed their thanks to all the Executives for their dedication and exemplary visible leadership throughout this very challenging period.

GCE gave the Board a brief update presentation on User Works Crossings, which summarised the current closures and the plan for the closure of the remaining crossings.

3782 DATE OF NEXT MEETING

20 May 2020.

SIGNED: _____
Chairman

DATE: _____