## NORTHERN IRELAND TRANSPORT HOLDING COMPANY

## Minutes of the Board Meeting held using Microsoft Teams

on 16 September 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)**

**APOLOGY: 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.

**3823 WELCOME AND APOLOGIES**

The Interim Chairman welcomed Board members to the digital meeting and noted one apology.

**3824 DECLARATION OF INTERESTS**

No interests were declared.

**3825 MINUTES & ACTION LIST**

The minutes of the previous meeting were formally approved.

* *William McGookin joined the meeting and presented an update on the Translink Future Ticketing System.*

Following the presentation, the Board had a detailed and focused Q&A in relation to the opportunities and challenges of this transformational project. AD commented that the project was innovative, complex and ambitious, and stressed the need to ensure that DfI are fully briefed on the scope of the changes being proposed in ticketing arrangements. The Interim Chair and the GCE agreed to discuss how best to provide the Board with regular updates and assurance in relation to the management of the key risks associated with this very important project. The Board thanked William for an excellent overview and his continued work on this complex project.

**3826 CHAIRMAN & BOARD BUSINESS**

On behalf of the Board, the Interim Chairman thanked the GCE and the team for their collaborative work with a number of stakeholders on the return to school, in the current challenging environment. The GCE confirmed work was ongoing with the Education Authority.

The Interim Chairman confirmed the recent announcement by the Minister for Infrastructure of the launch of recruitment for a new Chair to the Board of NITHC (and its subsidiaries).

**3827 SAFETY REPORT**

The Board took the report as read and GM highlighted the following salient points:

1. Statutory Reportable: Related to a contractor who reported the incident to HSENI.
2. Significant/Noteworthy: An infringement of instructions on the Portadown line resulted in minor delays. The relevant team is investigating the miscommunication and will report back to the Safety Oversight Committee.
3. COVID-19 update: GM noted the ever-changing COVID-19 environment and the necessity for the business to remain agile. Staff communication regarding minimising the spread of the virus, in accordance with PHA guidelines, remains a priority for the Group.
4. Low Adhesion Season: The winter preparedness begins this week and the NIO have asked for the Group’s 2020 report in this area. The Report will be shared with the Board Safety Committee.

**3828 GCE REPORT**

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

1. Financials: Group revenue was significantly impacted by COVID-19 pandemic, partially off-set by increased PSO payments. Group operating loss is adverse to last year to date, primarily due to loss of revenue associated with COVID-19 but offset by reduced operating costs..
2. Passenger Journeys: Group passenger journeys for the period equate to 30% of passenger journeys for the same period last year.
3. Customer Service: Customer complaints have predominantly related to face coverings. The DfI and Consumer Council are not going to carry out a customer satisfaction survey at this time as it was considered to be of limited value, but instead will launch a customer attitude survey regarding passengers returning to use public transport.
4. Commercial Operations: Substantial work and communication has taken place regarding the return to school campaign, focusing predominantly on a strong safety message and including an innovative video using young people from across Northern Ireland to deliver the messages.

The Group is also working with NILGA on the Ulster in Bloom ‘Homegrown’ initiative.

1. Major Capital Projects: Belfast Transport Hub – two successful bidders for the ECI stage of the main works procurement have received notification letters and the ECI stage will commence imminently.

Bus Fleet – The 7-Year Bus Programme business case has been submitted to DfI in June 2020 and a letter of offer is urgently awaited. Work has commenced on a number of workstreams including charging/refueling infrastructure and energy supply market. AR made a declaration of interest in relation to hydrogen buses [*AR temporarily left the meeting*]. The Director of Service Operations will present to the Board in October on the Group Bus Fleet Strategy.

1. HR: [*AR rejoined the meeting*] HM requested that the Section 75 report was brought to the Board for their information.

**ACTION:** GM to include a copy of the Section 75 report at the next Board meeting.

In respect of current operational proposals, in accordance with the terms of reference of GRPC, HM provided the Board with assurance that the redundancy, compensation, and termination arrangements for relevant Executives were permissible under contract and under the Corporate Governance Framework before recommending them to the Board.

1. Legal & Governance: A third party supplier of the Group experienced a cyber-attack and while there is no evidence that any customer data was stolen or misused, both the PSNI and ICO were informed.
2. Stakeholders: The Board noted the significant number of stakeholder engagements and thanked the GCE the team for their efforts during this challenging time.

**3829 FINANCE REPORT**

The Board took the paper as read.

1. Overview of Period 4: The Group’s operating loss year to date is favourable to budget (due primarily to savings in operational costs and overheads). It is however adverse to the same five month period last year, due primarily to the loss of passenger revenue associated with COVID-19, partially offset by reduced operating costs.

Group revenues are above budget due to above budget revenues in Metro and NIR. Budget revenue for the year reflects the additional funding as notified by DfI in quarter 1.. Further emergency COVID-19 funding was announced in August 2020.

Group operating costs year to date are less than at the same stage last year due to reduced labour and fuel costs, reduced Travel Centre operating costs and savings across a range of other areas.

1. LBE 1: The reduction in operating loss projected at LBE1 has resulted in an improvement to the Group’s cash position, although below the Group’s minimum cash threshold as stipulated in its Treasury Management Policy.
2. Capital Expenditure: Executives continue to undertake a detailed monthly review of projects and spend profile to carefully monitor capital expenditure.

**3830 DFI CORRESPONDENCE**

The Board noted the considerable changes of personnel within the DfI Sponsorship team and extended a welcome to Linda MacHugh in her new role.

**3831 AD HOC PAPERS**

The Board took the papers as read.

The Interim Chairman noted the prompt action taken by the teams and the positive review to consider lessons learned in relation to the overcrowding incident on the Enterprise.

The Board was reassured by the proposed actions set out in the earthworks management paper.

**3832 MAJOR PROJECTS KPI TRACKER**

The Major Projects Tracker was noted by the Board.

**3833 MINUTES OF COMMITTEE MEETINGS**

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

The Interim Chairman discussed with the Board the matters for approval raised at the POC and asked the Board to note the following:

* Economic Appraisal for Class 3000 Asset Renewal Project Phase 3 – Part 2– which relates to the established programme of asset renewal for the Class 3000 fleet;
* Yorkgate Station Development Reappraisal- a reappraisal is required due to the availability of additional land (previously unavailable), which would benefit the scheme.

The Interim Chair also updated the Board on the strategic outline business case for the replacement of fleet and increase in service frequency for the Dublin – Belfast Enterprise Rail Service, and the project mandate to complete the feasibility of a passing loop on the Derry~Londonderry to Coleraine line, as requested by DfI.

The minutes of the Board Audit and Risk Committee held on 30 June 2020 were noted as read. BM asked the Board to consider a Risk Management Training session and whether this should form part of a Strategy Day. The Interim Chairman and the GCE agreed that the Strategy Day should take place before the end of 2020 and they would consider the venue and the inclusion of the Risk Management Training.

The summary report of the Group Renumeration and Pensions Committee held on 16 September 2020 were noted by the Board as read.

**3834 ANY OTHER BUSINESS**

None.

**3835 DATE OF NEXT MEETING**

21 October 2020.