## NORTHERN IRELAND TRANSPORT HOLDING COMPANY

## Minutes of the Board Meeting held using Microsoft Teams

On 17 February 2021 at 8.30am

**PRESENT: Mark Sweeney (Interim Chair)**

**Chris Conway (GCE)**

**Anthony Depledge (AD, Senior Independent Director)**

**Angela Reavey (AR)**

**Hilary McCartan (HM)**

**Bernard Mitchell (BM)**

**Philip O’Neill (CBCO)**

**Patrick Anderson (CFO)**

**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.

**3875 WELCOME AND APOLOGIES**

The Interim Chair welcomed Board members to the meeting.

**3876 DECLARATION OF INTERESTS**

No interests were declared.

**3877 MINUTES & ACTION LIST**

The minutes of the previous meeting were formally approved, and actions noted as completed.

**3878 CHAIR & BOARD BUSINESS**

On behalf of the Board, the Interim Chair extended congratulations to Dr Michael Wardlow, who had been recently announced as the incoming Chair of the Board. The Interim Chair offered Dr Wardlow every success in his new role. The Interim Chair advised the Board that Dr Wardlow would begin his appointment on 1 March 2021.

The Board thanked the Interim Chair for his ongoing commitment and leadership particularly throughout the past year, and the GCE reiterated the Board’s sentiment on behalf of the Executive team.

The Interim Chair advised the Board that while the remaining non-executive member’s terms had been extended until 30 June 2021, DfI was considering whether a further short extension might be required while a competition was being held. The Board was keen for confirmation on whether they would be asked to extend their appointment.

**ACTION:** GCE will seek further clarity from DfI on the non-executive director competition and any potential NED extensions.

The Board discussed the draft Board Effectiveness summary paper prepared by AD. The conclusion reached, was that the Board made a positive impact. Some particular areas of note included:

* Agreement to continue using the online survey process.
* Board members to continue to provide input into the Group strategy.
* Need for continued open and regular communication with DfI.
* Consideration of the necessary skills and diversity of the Board NEDs in future appointments.

The Board agreed that the paper accurately reflected the views of the Board and thanked AD and GC for their work on this.

**3879 SAFETY REPORT**

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

1. Safety Performance Indicators Summary: The Interim Chair noted the 50% reduction in vehicle collisions over the year and commented that it was a positive testament to the continued efforts of the teams and focus given to this previous area of concern.

**ACTION:** GCE agreed to review format of current Board Safety report.

1. Safety Tours – While relevant divisional Executives continue with their safety tours, the Safety Oversight Committee agreed to continue to postpone NED tours due to the current Covid restrictions. BM noted that that the pandemic had impacted upon the Board’s opportunity to engage with the organisation (outside Board members) and highlighted the importance of Board members reigniting their direct contact with the rest of the organisation, as soon as it was safe and appropriate to do so. AD informed the Board that the annual Safety Conference would take place in May 2021 and while it would most likely be a virtual event, it would focus on employee wellbeing.
2. Covid: GM advised Board members that Covid Rapid testing would be introduced to employees over the coming weeks.

**3880 GCE REPORT**

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

1. Financials: Group operating loss is favourable to last year. The teams continue to work hard on cost efficiencies and have exceeded the in-year £20m target.
2. Passenger Journeys: Group passenger numbers were 87% less than the same period last year and 67% less, year to date.
3. Commercial Operations: The teams have developed a 6-phase recovery plan which will be rolled out as appropriate and when restrictions allow. The next phase of the marketing and communication to the public will be a return to “Ready for You”, as current lockdown restrictions are relaxed. A “Back to School” messaging campaign will also be launched again when school begin to return. Public affairs activity has continued with virtual ‘Meet the Managers’ briefings to political parties.
4. HR: GM updated the Board on the monthly increase usage of the employee app. Over 45% of employees access the app and development continues in the area of health and safety.
5. Legal & Governance – A new Retention and Disposal e-Learning module has been launched to employees and will be rolled out to Board members. Initial feedback on the policy and module was positive.

**3881 FINANCE REPORT**

The Board took the paper as read and the CFO highlighted the following salient points:

1. Overview of Period 10: There had been some positive developments since the previous Board meeting, with the receipt of additional emergency Covid19 funding in February.

The Group’s operating loss year to date is favourable to last year and favourable to budget due to the receipt of additional, unbudgeted Covid-19 funding and additional efficiencies. Operating, engineering and overhead costs are already in excess of £20m below last year to date.

1. Cash Position: The LBE2, which was presented to the Board in January, projected a year end cash position below the Group minimum cash threshold. The subsequent receipt of emergency Covid-19 funding, will result in a more positive cash balance at year end. The Board welcomed this bolstering of the Group’s cash reserves going into what will be a challenging FY 21/22. The CFO added that this improved cash position will resonate favourably with the Group’s supply chain.

BM queried how the cash position would impact on the Group’s Going Concern position, given the ongoing uncertainty for the future. The Board agreed that a form of assurance would be required from DfI for year-end Going Concern considerations.

**3882 MAJOR CAPITAL PROJECTS**

The additional Major Projects Tracker and summary was noted by the Board. The GCE highlighted the following salient points:

1. Summary – provides for projects in excess of £20m.
2. Infrastructure – Coleraine – Derry/Londonderry Phase 3: while only at a feasibility stage, it is noted on the summary due to the Ministerial interest in the project.
3. Gateway Timetable: The Board clarified that the Board would prefer a ‘traffic-light’ style report on the Gateway Assurances.

**3883 DFI CORRESPONDENCE**

The correspondence was taken as read.

The Interim Chair noted the value in seeking a holistic approach to Zero Emissions and welcomed this approach.

**3884 AD HOC PAPERS**

The CBCO provide the Board with an overview of progress on the the PSA. He informed the Board that DfI confirmed the Minister’s approval of the approach to the new PSA and intention to publish the notice in advance of 31 March 2021. The Board noted their hope that the Committee would endorse the grant of a PSA of longest term permissible under the EU Regulations.

GM presented to the Board on the People Strategy. Following the presentation, the Board provided support to the proposed direction of the proposed strategy and discussed the post-Covid-19 challenges in this area.

The Board complemented GM on the presentation.

**ACTION:** GM to circulate a copy of the presentation to the Board.

**3885 MINUTES OF COMMITTEE MEETINGS**

The minutes of the Project Oversight Committee meeting held on 19 January 2021 were noted by the Board as read.

On behalf of the POC, the Interim Chair made the following recommendation, and sought the approval of the Board, to the following:

* Lisburn Area Renewals Economic Appraisal : The Chairman noted that this is a key route and an essential part of the network. The project would involve replacing end of life assets and would enhance future capacity.

**DECISION:** The Board approved the Lisburn Area Renewals Economic Appraisal.

The Interim Chair asked Board members to note the following matters, which had been approved by the POC:

* Addendum to the Economic Appraisal: Metro & Ulsterbus Bus Fleet Renewal Programme 2020-2022.
* Framework Call-Off - Award of contract for the provision of 62 Goldline coaches. The award was consistent with the Fleet Strategy.

The summary of key items considered at the GRPC meeting held on 17 February 2021 was noted as read.

**3873 ANY OTHER BUSINESS**

The GCE reminded Board members of the Bi-Annual Board meeting with DfI on 24 March 2021.

**3874 DATE OF NEXT MEETING**

24 March 2021.

SIGNED: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ DATE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Chair