**N ORTHERN IRELAND TRANSPORT HOLDING COMPANY**

**M inutes of the Board Meeting held using Microsoft Teams o n 20 May 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.

# 3783 WELCOME AND APOLOGIES

The Interim Chairman welcomed Board members to the digital meeting.

# 3784 DECLARATION OF INTERESTS

No interests were declared in relation to the meeting.

# 3785 MINUTES & ACTION LIST

The minutes of the previous meeting were formally approved.

# 3786 CHAIRMAN & BOARD BUSINESS

The Interim Chair sought approval from the Board to issue a letter to DfI regarding the Company’s critical funding issues as a result of the worldwide COVID-19 pandemic. The Board endorsed the proposed letter, and BM added that the Company’s external auditors would require a letter of comfort from DfI in response to the issues raised by the Board, in advance of the year end accounts.

The Interim Chair also issued a letter of thanks to employees for their dedication to delivering essential services and reiterated his thanks for their continuing efforts.

AD enquired as to the current status of discussions on a new PSC. CBCO confirmed that a meeting had been arranged with DfI, later that afternoon to discuss next steps and timeframes.

# 3787 SAFETY REPORT

The Board took the report as read, CBCO advising members that some normalised data was unavailable due to the system outage caused by the cyber-attack in

February, however, it was expected all systems and resulting data would be available for the next meeting.

1. Statutory Reportable: One incident in the period was investigated and recommendations implemented
2. Significant/Noteworthy Events: Relating to a contractor, who has investigated the matter internally and provided necessary assurances to the team that additional controls, and processes have been put in place to prevent a reoccurrence.

GCE also asked the Board to note that COVID 19 testing had been available for a few weeks to staff and their families. Staff (and their families) who are showing symptoms are encouraged to avail of the service.

# 3788 COVID-19 UPDATE

The Interim Chairman invited the GCE to provide the Board with an update on COVID-19. The GCE provided an overview of the work which had been undertaken by the Group since the last meeting, specifically noting the following:

* Bus and rail services continue to run on a reduced basis, primarily to provide appropriate services for essential workers. Preparations for increased service levels are being made and will be implemented as Government guidelines on lockdown are known.
* All non-front-line employees continue to work from home and plans are being developed for a phased return (as appropriate) to workplaces.
* Safety has remained the top priority and staff have been briefed on PPE requirements.
* Internal communications team have launched a new employee app, particularly designed for those who do not have access to email. The app provides up to date information and communications and is easily accessible.
* The Group continues to work on the stakeholder engagement plans and has been working closely with DfI in relation to social distancing measures.

The Board thanked the team for their ongoing proactive approach in dealing with the pandemic.

# 3789 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: All accounting and ticketing IT systems are recovered and operational following the cyber-attack earlier this year. Advance funding had been received from DfI and this has stabilised the cash position of the Group.
2. Operations: PSV licenses have been extended for 12 months. (iii)Marketing and PR: The Group continues to reinforce the ‘stay at home,

save lives’ messaging, and are designing future campaigns around ‘help us to help you’, which focus on social distancing, contactless payments and washing hands.

1. Network: Discussions and modeling have begun with the EA regarding plans for the safe return to school.
2. Major Capital Projects: Belfast Hub – Enabling works have now commenced on site and a PAR review was completed with positive outcomes.

Ticketing – Project has been delayed due to a combination of the cyber- attack and revised working conditions within Flowbird resulting from COVID-19 restrictions.

1. HR – GM informed the Board that relationships with employee representative groups remained positive and the parties are working well together in relation to the impacts of the pandemic. The launch of the employee app had been successful and feedback from frontline staff is encouraging. GM noted that the Group were keen to optimise technology to help with more effective communication across the business. The Interim Chairman commended the work carried out by the HR teams in reinforcing strong relationships with employee representative groups.
2. IS – HM suggested that the Head of IT should attend a future Board meeting and provide an update on cyber security following the attack earlier in the year.

# 3790 FINANCE REPORT

The Board took the paper as read.

1. Cyber Attack: The CFO confirmed that all financial and ticketing systems were now fully restored following the cyber-attack.
2. Year End Accounts: KPMG commenced their audit remotely and anticipate completion of their audit by the end of June, however the laying of accounts to the NI Assembly remains on target for early July. The CFO thanked the BARC and Board for their support and patience in granting the Group the necessary time to finalise the year-end accounts, which would be presented at the June Board meeting.
3. Cash: The ongoing Covid-19 outbreak continues to have a significant impact on the Group’s trading performance. The team continue to provide DfI with regular cashflow updates and projections. The CFO previously explained the range of important measures which had been taken to stabilise the Group’s cash position. Discussions are ongoing with DfI to secure receipt of additional baseline funding as soon as possible. The Group’s latest cash projections were discussed by the Board and it was noted that these remained largely unchanged since outlined to the Board in April.
4. Capital: Despite many challenges, the Group delivered the full spend of its capital allocation. The Group currently await clarification on the extent of the capital allocations for financial year 2020/21. The Board extended its thanks to the CFO and wider team for their hard work in ensuring the full capital spend, particularly in the exceptionally challenging circumstances, following the cyber-attack.
5. The Board discussed the cash projection and provisional Group trading position for 2019/20. The CFO informed the Board that Period 1 and 2 management accounts would be presented to the June meeting.
6. The Board discussed the potential for furloughing staff.

# 3791 DFI CORRESPONDENCE

Noted.

# 3792 AD HOC PAPERS

The Board took the Ad-Hoc papers as read.

# 3793 MAJOR PROJECTS KPI TRACKER

The Major Projects Tracker was noted by the Board.

# 3794 MINUTES OF COMMITTEE MEETINGS

The minutes of the Project Oversight Committee meeting held on 21 April 2020 were noted by the Board as read. The Interim Chairman discussed with the Board the matters for approval raised at the POC and sought Board approval for financial investment in the following:

* Economic Appraisal for NIROC (Northern Ireland Rail Operating Centre) Phase 1 – critical piece of infrastructure which seeks to renew signalling and communication controls.
* Economic Appraisal for Class 4000 Carriage Refurbishment – this relates to heavy maintenance activity covering 20 x 3 car Class 4000 units.
* Contract Award to LCC Go Power for the provision of liquid fuel- bus & rail for 3 years.

***A PPROVAL:*** *The Board gave their approved to the recommendations from the POC*

The minutes of the Board Audit and Risk Committee held on 6 May 2020 were noted as read, BM made the Board aware that in order for the External Auditors to sign the Group’s year end accounts as a Going Concern, they would require a letter of comfort from DfI, (which could be considered at next BARC meeting (24 June)), reflecting the significant impact of COVID 19 on the Group.

The summary report of the Group Remuneration and Pensions Committee held on 20 May were noted by the Board as read.

# 3795 ANY OTHER BUSINESS

The Interim Chairman advised Board members that he would be issuing the annual performance assessments in due course.

# 3796 DATE OF NEXT MEETING

30 June 2020.

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

Chairman