# **NORTHERN IRELAND TRANSPORT HOLDING COMPANY**

## Minutes of the Board Meeting

## 16 February 2022 | 9.30am | 22 Great Victoria Street, Belfast (\*via Microsoft Teams)

**PRESENT:** Michael Wardlow\*, (*Chair*)

 Chris Conway (*GCE*)

Patrick Anderson (*CFO*)

Gordon Milligan (*CHRO*)

Mike Brown\* (*MB*)

Tzvetelina Bogoina – Seenan[[1]](#footnote-2)\* (*TBS*)

Marie Mallon\* (*MM*)

Sharon O’Connor\* (*SO*)

Edward Wills\* (*EW*)

**IN ATTENDANCE:** Priscilla Rooney, *General Counsel & Company Secretary* (*GC*)

**GROUP STATEMENT:** 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.

**4006 WELCOME AND APOLOGIES**

The Chair welcomed members to the meeting.

**4007 DECLARATION OF INTERESTS**

EW declared a potential interest in the PSA and agreed to leave the meeting when this topic was under discussion.

**4008 MINUTES & ACTION LIST**

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

**4009 CHAIR & BOARD BUSINESS**

The Chair hoped future meetings would be back to face-to-face but would consider the position prior to the next meeting.

The Board discussed the DfI correspondence regarding 2021 Fare Review. Members expressed their disappointment that no fare increase has been implemented, particularly given significant inflationary rises. MB noted anecdotally, by way of comparison, that in other jurisdictions fare increases for public transport occur annually and are often above inflation.

The Chair inspected the Gifts & Hospitality Register and Register of Interests (relating to period 1 April 2021 – 30 September 2021) for all Executives and Board members and was content that they were in order. Likewise, TBS inspected the Chair’s registers for the same period, and confirmed that they were in order.

**4010 SAFETY**

The Board took the report as read and CHRO highlighted the following additional matters:

1. SOC: EW updated the Board on the Safety Oversight Committee meeting. John Thompson presented an informative and detailed review of the Safety Performance Indicators. The Committee also had a presentation and discussion regarding the hydrogen fleet. EW and MB thanked the team for the excellent work undertaken by the organisation to manage risk and following the SOC, members felt confident that they had a better understanding of the Group’s approach to safety risks.
2. Statutory Reportable Events: The safety campaign regarding slips, trips and falls will be relaunched.

CC updated the Board to a safety incident which occurred that morning, after work had taken place on the permanent way during the night. Both DfI Safety team and RAIB were notified. The Translink team will follow up with EW (as Chair of the SOC) in terms of the detail around the incident and the investigation.

**4011 GCE REPORT**

The Board took the report, KPI summary and Major Project summary as read, and the GCE highlighted the following:

1. Financials: The Minister of Finance announced additional funding would be made available to the Department and the Group would benefit from the additional allocation.
2. Passenger journeys: Whilst passenger journeys were ahead of budget for the year to date, restrictions due to Omicron adversely impacted passenger numbers within the period.
3. Service Operations: Following relaxation of some covid restrictions by the NI Executive, changes to timetables came into force between 31 January – 14 February. The focus in the business is to increase service frequency and capacity to encourage more passenger travel.
4. Commercial Operations: A new Metro service was launched in January to provide better connectivity between Yorkgate and Queens University via the University of Ulster accommodation areas. The service is also piloting contactless ticketing. A new shuttle service has also been launched in conjunction with the new Game of Thrones studio tour.

The Board noted the Communication Campaign route map and Rail Events as read.

1. Legal & Governance: GC provided the following highlights –
	1. PSA - the team is preparing to return the draft contract for consideration by DfI and an all-parties engagement meeting has been agreed to discuss the draft.
	2. PA – Whilst the Department have substantially stayed with the form of DoF template, the teams are working towards a final draft to commence 2022.
2. Major Capital Projects: The contract for the main works at the Hub was completed with Farrans-Sacyr. The procurement for a private sector development partner continues for the Weavers Cross regeneration project. The Board acknowledged the complexity of the project and a presentation will be brought to POC and the Board at a suitable juncture.

**4012 CFO REPORT**

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

1. January Monitoring Bid: The CFO was pleased to inform the Board that the Group’s bid to the January monitoring round was met in full , based on the Group’s LBE 2 exercise which was previously shared with the Board.
2. Overview of Period 10: The Group performance (prior to receiving the additional funding) is in line with LBE 2, however the impact of Omicron resulted in reduced fare paying passengers in period 10 and this was offset by reducing operating and engineering costs due to a reduced timetable. The Group’s operating profit for period 10 is favourable to budget, substantially due to the additional funding received from DfI and strengthened by the reductions in operating costs.
3. Capital Expenditure: The CFO highlighted that full utilization of the 2021/22 capital funding would be challenging but the Group was on target, and ongoing review and mitigations continue to ensure all critical milestones within the capital plan are met. The Board commended the work and efforts made by the team to secure the additional funding.

**4013 CHRO REPORT**

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

1. Salary negotiations – Whilst there was a positive breakthrough with one of the employee groups who voted in favour of the agreed terms, discussions remain ongoing with the larger employee representative groups.
2. Succession planning – For the Senior Leadership Team was presented to GRPC, to include emergency cover, resource planning for the next 5 years and ambitions linked to diversity within the Group. MM complimented CHRO and the wider team on impressive work on succession planning and diversity. EW concurred and provided his support.
3. Employee Events -Plans are being finalised for annual employee events taking place between March – June including State of the Nation and the Leadership Conference. Board members will be invited to join.

**4014 DFI CORRESPONDENCE**

The Board took the correspondence as read.

**4015 AD HOC PAPERS**

* *John Thompson joined the meeting\* and presented on Safety, Health and Environmental Assurance Framework and SMS.*

Following the presentation, the Board had an engaging Q&A session, thanking John for providing reassurance on the robust management of the Group safety. CHRO referenced the annual Safety Conference and invited Board members to attend.

John Thompson left the meeting.

* *Philip O’Neill joined the meeting\* and presented an overview of the new PSA and status of current discussions with DfI.*

EW left the meeting during the PSA presentation.

Following the presentation, the Board had a detailed and involved Q&A session, thanking Philip for providing the overview and timescales for finalising the Agreement. The Board expressed their desire to review the final draft Agreement and have sufficient time to consider it in advance of the deadline.

**4016 MINUTES OF COMMITTEE MEETINGS**

The minutes of the POC meeting held on 18 January 2021 were taken by the Board as read. On behalf of the POC, MB made the following recommendation to the Board:-

* Direct Award Contract to Scheuerle Fahrzeugfabrik GmbH for the overhaul of the Rail Transfer Wagon.

**DECISION:** The recommendation to award the DAC was endorsed by the Board.

MB also noted the POC meeting held the day before (15 February), in particular the updated Economic Appraisal (due to current market information) for Yorkgate Station Development and the Board noted same.

The summary of GRPC meeting held on 7 February 2021 were taken by the Board as read.

Board approval was sought from BARC on the Appointment of Internal Auditors, including the Head of Internal Audit. The Board were content that a thorough and robust procurement process had taken place. The Board thanked PwC for their work to date.

**DECISION:** The Board approved the appointment of EY as Internal Auditors and Head of Internal Audit commencing 1 April 2022.

**4017 ANY OTHER BUSINESS**

The Board discussed the March meeting and agreed GCE would present the new corporate strategy, along with a presentation on the PSA and draft budget.

**ACTION:** GCE to present the new corporate Strategy at the March Board meeting.

**4018 DATE OF NEXT MEETING**

16 March 2022.

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

 Chair

1. Senior Independent Director [↑](#footnote-ref-2)