

NORTHERN IRELAND TRANSPORT HOLDING COMPANY

19 March 2025 | 9.30am | Boardroom, 22 Great Victoria Street, Belfast

PRESENT: Frank Allen (Chair)
Chris Conway (CC)
Edward Wills (*Senior Independent Director, EW*)
Mike Brown (MB)
Manish Gupta (MG)
Don Leeson (DL)
Grainne McVeigh (GM)

IN ATTENDANCE: Ronan O'Doherty, *Chief Financial Officer (RD)*
Jacqui Kennedy, *Chief People and Corporate Services Officer (JK)*
Priscilla Rooney, *General Counsel and Company Secretary (PR)*
John Glass, *Director of Infrastructure and Projects, (JG)*
David Cowan, *Director of Commercial Operations (DC)*
Ian Campbell, *Director of Service Operations (IC)*

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.

4429 WELCOME AND APOLOGIES

The Chair welcomed members and attendees to his first NITHC board meeting. Noting no apologies.

4430 DECLARATIONS OF INTERESTS

None. MG asked the Board to note that he had taken up full-time employment as Director of Corporate Finance with Transport for London. The Board congratulated MG on his appointment.

4431 MINUTES AND ACTION LIST

The minutes of the previous meeting were approved and actions completed.

4432 SAFETY MOMENT

MB shared his experience of dangers around high-speed trains and level crossings, both near misses but provides a stark reminder of how easily and quickly a tragic incident could occur. The Board discussed refreshing of safety messages and reinforcing safety warnings.

4433 CHAIR & BOARD BUSINESS

The Chair expressed his delight in joining the NITHC Board and reflected on his previous 25 years working in the public transport industry and infrastructure finance.

The Chair updated the Board on his meeting with the Minister for Infrastructure. The Chair impressed upon the Minister the gravity of the budgetary situation, in terms of the impact and consequences of underfunding public transport and related infrastructure. He wanted to ensure that there was a clear appreciation of the cost of upkeep and maintenance of new enhanced capital investment.

The Chair assured the Minister that the Group would continue its engagement with DfI to address the funding concerns.

The Chair suggested that the Group hold some of its Board meetings in other locations outside Belfast.

ACTION: GCE and Chair to discuss proposals for Board meetings to be held outside Belfast.

The Chair received a copy of the Board Effectiveness Review and would consider the contents and liaise with PR and EW on an action plan.

4434 SAFETY

The report was taken as read with JK highlighting the following salient points:

- (i) The board discussed the sad and tragic fatal incident which occurred in Castledawson involving a school pupil, where the young person was hit by a car hit her after she had exited a bus. The Group welfare officer was supporting the driver of the bus who witnessed the accident. The Board extended their sympathies to the family of the deceased and discussed additional awareness campaigns on school bus safety.
- (ii) Safety Performance Indicators: JK advised the Board there was 1 major incident and 2 statutory reportable incidents in the period. Vehicle collisions are slightly above target and staff accident injury rate remains below target. EW commented that it was encouraging to see these incident trends improving.

SH&E Leadership and Culture: The Safety Conference is planned for 22 May.

ACTION: JK to circulate invitations to the Safety Conference to the Board and Executives.

The Board discussed the review of the Alcohol and Drug Policy and encouraged the strengthening of this, where appropriate.

- (iii) Climate: The emissions per kilometre for the year to period 10 is 9% less than the same year to date period in the baseline year 2018/19. JK also noted that the team was considering a wider set of KPI's in other areas of ESG.

4435 GCE REPORT

The Board took the paper, KPIs, and Major Project Summary as read with CC highlighting the following matters:

- (i) Financials: The period 11 revenues YTD were £3.9m below budget, due to a reduction in budgeted Dfl funding of £1.4m, and lower commercial revenues of £2.5m mainly due to the delayed fare increase and below budget passenger journeys as a result of poor weather and network disruption on the bus and rail network.
- (ii) Service Operations: IC commented that performance was positive overall in the period, excepting Metro. The team instigated an internal Metro performance group focusing on Metro performance and engaged with Dfl in relation to road mitigations to assist with reliability. The Board discussed the challenges around ongoing roadworks in the city.
- (iii) Infrastructure and Projects: JG updated the Board on the projected value of capital expenditure for end of the financial year and assured the Board that this would meet match funding from Dfl. Plans continue to be developed to reflect current commitments, investment priorities and funding scenarios. Period 11 saw the completion of the majority of the outstanding works from Storm Eowyn. Resilience building measures have been underway across legacy telecoms systems and will continue to be the focus for the teams.
- (iv) Commercial Operations: DC updated the Board on preparation by the scheduling teams for the 153rd Open in Portrush. The digital team launched the flexible online booking system for cross border coach which aligns with the Enterprise offering. Discussions have commenced with the EA on the school's contract commencing September 2025.

ACTION: DC will present the full year customer satisfaction results to the Board when completed.

- (v) Legal & Governance: PR updated the Board on the year end Corporate Governance preparation.

ACTION: PR to share the annual board corporate governance activities/requirements with the Chair.

4436 CFO REPORT

The CFO's report was taken as read with the following highlighted:

- (i) Period 11: The Group's operating loss for the year to date is £7.4m adverse to budget loss of £19.7m. This is primarily due to a c.£1.4m reduction in Dfl funding, a £2.5m reduction in commercial income (including a delayed fare increase, lower than budget NIR and Metro/Glider passengers and impact of recent storms) and £3.5m increase in costs (majority of this driven by weather events and claims experience)
- (ii) Capital Expenditure: Funding and spend is being carefully managed at a sub portfolio level to ensure spend is in line with allocated funding. Forecast

expenditure on capital projects was reduced by small amounts across a range of projects with a partial offset of £1m on Re-Railing Phase 1, due to an issue of rails purchased at preferential prices in 2023/24. MB commended this action along with the fuel hedging strategy in terms of good financial planning and cost savings.

The Board discussed the issue of ensuring the Group remains a going concern and the possible considerations and options as year end approaches.

4437 CPO REPORT

The CPO report was taken as read with the following significant matters noted:

- (i) Employee Relations: Pay negotiations remain ongoing for 2024/25 for a number of bargaining groups across the business.
- (ii) New Ways of Working: The Board discussed the recent DfE Good Jobs Employment Bill consultation.

ACTION: PR to share the Good Jobs Employment briefing with the Board.

- (iii) Culture: Leadership Conference took place in February, with a focus on the customer. The guest speaker was Hugh McCaughey of Ulster Rugby who provided a leadership focus.
- (iv) EDI: International Women's Day event took place, with Marie Mallon CBE attending as guest speaker. DL congratulated the team on a very successful event which he attended. Year 2 of the Disability Placement Scheme completed in February, to include a review of the Scheme.

4438 DFI CORRESPONDENCE

Noted as read. The Board discussed the correspondence received from the Minister regarding Irish Language signage at BGCS and TVMs. GCE also updated the Board in relation to budget correspondence and discussions with DfI on their recent publication of the EQIA on the draft budget.

4439 AD HOC PAPERS

ROD presented a high level review of the 2025/26 Draft Budget and financial position to the Board, which had also been presented to DfI. The key points included, setting out the ongoing and long-term financial pressures on the organisation, fare increase considerations, challenges and uncertainty surrounding the Windsor framework regulatory issues, lack of funding for inflation, increased national insurance contributions and increase in costs of operating concessionary fare scheme. ROD highlighted the significant deficit in cash reserves in 2025/26 which will be substantially less than that recommended in the Group Treasury Management Policy. Ongoing work is continuing at SLT and divisional level to improve the budget position as far as possible through revenue and cost management. GCE advised the management team was working on quantifying the financial impact from a range of initiatives (which were presented as an outline),

which could result in a +10m cash position improvement. This update would be shared with the Board in due course.

The Board discussed their immediate concerns with the potential budget and in particular the cash balance position. Wider safety concerns relating to deferred maintenance and long-term sustainability of infrastructure were raised by the Board.

ACTION: GCE to consider planning stakeholder engagements with the Board to discuss impact of proposed draft budget and impact.

The Tax Strategy was noted and approved by the Board.

APPROVAL: The Board approved the Tax Strategy.

Robin Totten joined the meeting and presented on the Eastern Transport Plan. The Board discussed the benefits of the plan and challenges of implementing it. The Board thanked Robin for the informative presentation. Robin left the meeting.

4440 MINUTES OF COMMITTEE MEETINGS

Minutes of the POC meeting which took place on 18 February 2025 were noted as read.

4441 AOB

DL commended JK and the team on the Diversity Mark Silver achievement and noted the challenge in achieving the target of Diversity Mark Gold. It was agreed that it would be helpful for JK to keep the Board updated on progress.

4442 DATE OF NEXT MEETING

16 April 2025.

SIGNED: _____ **DATE:** _____
Chair