



## **Minutes of Board Meeting**

**Held on Friday 13 December 2019**

**At 10.30am in NTA Offices**

**Present:** Mr Fred Barry (Chairperson), Ms Anne Graham (CEO), Mr Hugh Creegan (Deputy CEO), Mr Owen Keegan (CEO, Dublin City Council); Mr David Gray; Mr Pat Mangan, Ms Sineád Walsh, Ms Ann Fitzgerald, Mr Frank O'Connor, Mr Brian McCormick.

**Apologies:** Mr Kevin Kelly.

**Staff in attendance:** Mr Philip L'Estrange, Director, Finance & Corporate Services / Board Secretary; Mr Tim Gaston, Director, Public Transport Services; Mr Stephen Gallagher, Head of Finance, Mr David O'Flynn, Senior Finance Manager, Mr Mark O'Sullivan, Head of PSO & Ticketing Finance, Ms Freda Quinlan, Strategic Finance Manager, Ms Eleanor Horan, Finance Manager (Item 5); Mr Noel Beecher, Head of Corporate Governance (Items 5 & 6); Mr Jeremy Ryan, Head of Public Transport Contracts (Items 6 and 10), Mr Mark Bradwell, Procurement Manager (Item 6); Mr John O'Flynn, Head of Customer Experience, Ms Michelle McCann, Marketing Manager (Item 11); Mr Karl Seeber (Minutes).

**Others in attendance:** Ms Elaine Sloan, B&A Research & Insight

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### **1. Declarations of Interest**

Mr Gray noted that agenda item 6 concerned a proposal to award of a contract for the provision internal audit services to RSM Ireland. Mr Gray informed the Board that he had previously held the position of Partner at RSM Ireland. However, he advised that he had retired from the Company last March and that he does not hold any interests in the Company.

### **2. Minutes of previous meeting**

The draft minutes of the Board meeting on 15 November 2019 were approved without amendment.

### **3. Matters Arising & Board Schedule**

The Chairperson noted that Dr Grist's recent departure had left a vacancy on the Board and he asked Board members to give consideration to the type of expertise needed by the Board at this stage. He indicated that it was his intention to share the Board's views with the Minister for Transport, Tourism and Sport, who is responsible for making appointments to the Board.

The Chairperson reminded Board members that the next Board meeting will be held in Cork and that it will be preceded by a workshop on risk management.

#### **4. CEO Report**

The Chief Executive outlined developments since the last meeting and responded to issues raised by Board members. The principal matters covered included: -

- Staff recruitment;
- Procurement of rail fleet, including the signing of a contract for the acquisition of 41 new intercity railcars;
- Commencement of market consultation in relation to account-based ticketing;
- MetroLink developments including the status of plans for construction of elements of Charlemont Station in conjunction with a private developer;
- Public consultation on revised proposals for the redesign of the bus network in Dublin, which concluded on 10 December;
- Update on signing of direct award contracts with CIÉ companies;
- Rural transport developments including update on the impact of the recent initiative to expand the local area hackney scheme;
- Update on public transport service developments including the introduction of 24 hour services on two bus routes in Dublin, the transfer of some commuter bus routes to Go Ahead Ireland and the planned introduction of town services in Kilkenny later this month.

The Chief Executive noted that the Authority's staff had marked the tenth anniversary of the organisation's establishment at the start of December. The Board asked the Chief Executive to convey the Board's thanks to staff for all of their hard work and achievements over the past decade.

#### **5. Finance & Corporate Governance**

- a. Mr Gallagher outlined the main points of the Management Accounts for November and responded to questions from Board members. Mr Creegan confirmed that additional funding will be allocated next year for measures to improve the accessibility of older public transport infrastructure.
- b. Mr Beecher outlined the main developments in relation to risk management since the last Board meeting including a change to the status of the strategic risk register. The Board agreed to maintain close scrutiny of the Authority risk status with a view to ensuring that the need for any corrective action is identified at an early stage.
- c. Mr O'Connor reported on the outcome of the Audit and Risk Committee meeting, which preceded the Board meeting. He noted that the Committee's independent external member is in the process of finalising a report concerning the internal audit of a Transport Coordination Unit.
- d. Mr Gallagher and Mr O'Sullivan outlined the Authority's proposed 2020 budget. They noted that the Board had approved the capital element of the budget at its last meeting. The Board noted that there is a significant funding shortfall in respect of the Authority's administration costs and the Authority's grant for the provision of subsidised (PSO) public transport services. The Board requested that written confirmation be sought from the Department of Transport, Tourism and Sport regarding proposals to address the shortfall in the administration grant. The Board noted that an anticipated shortfall in funding for PSO services could only be met through an increase in fares or reduction in services. However, it also noted that a fully funded Free Travel Scheme would bridge the current funding gap for PSO services in 2020. Following further discussion, the Board decided that it could not adopt the proposed budget as presented and it was agreed that a revised budget should be presented to the Board for approval at its January meeting. In the interim it was agreed that the Chairperson should seek

an urgent meeting with the Minister for Transport, Tourism and Sport in order to outline the Board's concerns about the Authority's funding position in 2020 including the underfunding of travel under the Free Travel Scheme. Pending approval of the 2020 budget, the Board authorised the Authority to incur expenditure on existing projects and programmes in early 2020 in line with the 2019 budget. The Board expressed its appreciation for the high quality of the budgetary information presented to it.

- e. The Board approved the Authority's Business Plan for 2020 subject to some amendments.
- f. The Board approved a document outlining the roles of the Chairperson and Chief Executive as set out in legislation and in the Code of Practice for the Governance of State Bodies.

## **6. Procurement**

- a. Mr Creegan recalled that the National Development Plan 2018-2027 precludes the purchase of diesel buses for the urban bus fleet after July 2019. Accordingly, the Board had decided earlier this year to purchase diesel-electric hybrid buses as an interim solution pending developments in relation to double deck electric fleet and other technologies. Mr Creegan outlined the outcome of the tender process which had been undertaken for the purchase of new double deck buses. Following discussion, the Board approved the award of a single supplier framework agreement for the purchase of double-deck diesel-electric hybrid buses to Alexander Dennis Limited and the placement of an order under that framework for one hundred buses. It was noted that delivery of the buses is expected to commence in Q4 2020.
- b. Mr Ryan explained that the Authority is migrating all PSO public transport contracts from net cost contracts (where the operator retains fare revenue) to gross cost contracts (where the Authority retains all fare revenue). As the Authority will be setting maximum fare evasion standards for each PSO contract, it will need to undertake fare evasion surveys in order to set the initial fare evasion standards, monitor the fare evasion rate, etc. Separately, the Authority uses a 'Mystery Shopping' process to manage and monitor standards of service by PSO operators. Mr Ryan outlined the tender processes which had been undertaken in order to choose suppliers to deliver these services. After discussion the Board decided to defer the award of a contract for the provision of fare evasion survey services until the Authority's 2020 budget has been adopted. The Board approved the award of a contract for the provision of mystery passenger survey services to Ipsos MORI UK Limited.
- c. Mr Beecher explained that the Authority's existing contract for the provision of internal audit services is due to expire next March and he outlined the tender process which had been undertaken in order to choose a new supplier. He noted that the Audit and Risk Committee had reviewed the outcome of the tender process and was in agreement with the recommendation before the Board. Following discussion, the Board approved the award of a contract for the provision internal audit services (including audit of payments to third parties) to RSM Ireland.

The Board expressed its disappointment with the poor level of response to recent tender competitions. It was noted that the Authority's experience, while disappointing, was not unique.

## **7. Vehicle Clamping Code of Practice**

Mr Creegan recalled that the Authority is empowered to establish a Code of Practice in relation to clamping operations. Accordingly, a draft Code of Practice was prepared by the NTA to provide practical guidance to parking controllers and clamping operators regarding compliance with the relevant legislation and to set out expected standards in relation to the general behaviour,

performance of duties and conduct of parking controllers and clamping operators. He noted that 16 submissions were received as part of the recent public consultation process and he outlined the amendments it was proposed to make to the text of the draft Clamping Code of Practice. Following discussion, the Board approved the adoption of the Code of Practice incorporating the proposed amendments.

#### **8. Core Bus Corridor Phase 2 consultation commencement**

Mr Creegan recalled that earlier in the year the Authority had undertaken a public consultation in relation initial proposals for 16 core bus corridor projects as part of the overall BusConnects Dublin programme. In response the Authority had received over 8,000 submissions inclusive of a number of petitions totalling about 5,000 signatories. These submissions have now been reviewed and the key issues identified. In the interim the Authority has continued to engage with various residents' groups and business groups, as well as property owners.

Taking into account the feedback received, and utilising that on-going dialogue process, various amendments to the initial proposals have been identified focussed on ameliorating the impacts of the original plans on properties and trees in particular, while retaining the required level of priority of bus movement and continuing to provide segregated, high-quality cycling facilities.

As a result, it is proposed to commence a second round of public consultation on the 16 core bus corridors in late January /early February 2020. Following discussion, the Board approved the proposal. The Board also noted the importance of providing effective enforcement for the effective implementation of the core bus corridors. The Chairperson thanked the Executive for arranging a detailed briefing session in the matter in advance of the Board meeting and commended the staff involved for all of the detailed work which had been undertaken in the development of the revised proposals.

#### **9. Cycling Infrastructure – Five-year strategy**

Mr Creegan noted that Action 91 of the Government's Climate Action Plan published last June requires the Authority to "Undertake an expansion of cycling infrastructure through the establishment of a "Cycling Project Office" within the National Transport Authority and develop an implementation plan" by the end of 2019.

At this stage a Cycle Design Office has now been established. In order to complete the action set out in the Climate Action Plan, an initial implementation plan has been developed covering the five-year period 2020 to 2024. Following discussion, the Board adopted the Cycling Infrastructure Development Plan 2020 - 2024 as presented to it.

Mr Creegan indicated that a more detailed implementation plan and costings will be submitted to the Board in early 2020 and confirmed that the delivery plan will be subject to review and updating on an annual basis.

#### **10. Mystery shopping results for services**

Mr Ryan explained that prior to 2016, operators self-reported performance for certain customer service quality indicators. Since 2016 the Authority had developed a comprehensive suite of contractual Key Performance Indicators (KPIs) and introduced its own monitoring of operator performance. Accordingly, most of the customer service quality KPIs are now checked by way of mystery passenger surveys.

Mr Ryan outlined the results and trends by operator and outlined expanded mystery passenger survey requirements for new operating contracts. During the discussion that followed, it was noted that arrangements are in progress to employ people with disabilities as mystery shoppers in the future.

**11. Customer Satisfaction results**

Ms Sloan outlined the objectives, methodology and results of research undertaken by B&A Research and Insight on behalf of the Authority to establish the level of customer satisfaction with contracted public transport services in 2019. She noted that overall satisfaction with public transport services is 87% with bus at 85%, train at 89% and Luas at 93% and she provided a breakdown of the overall scores achieved by individual operators across a range of factors. The Chairperson thanked Ms Sloane for her detailed presentation.

**12. Any other business**

None.

**Next Meeting: Friday 17 January 2020 @ 10.30am in Cork.**

Signed: \_\_\_\_\_  
Chairperson

Dated: \_\_\_\_\_