

23rd May 2016

Re: FOI request IE_FOI_042

Dear 

I refer to the request which you made under the Freedom of Information Act 2014 for records held by this body:

Request – The minutes of all Irish Rail board meetings since November 2015 to date.

I, Ms. Sue Stanley, Decision Maker have now made a final decision to partially release these record on the 23rd May 2016. Please find schedule of records with redactions attached.

Rights of appeal

In the event that you are not happy with this decision you can make an appeal in relation to this matter, you can do so by writing to the FOI Unit, Corporate Communications, Iarnród Éireann Irish Rail, Connolly Station, Amiens St, Dublin 1 or by e-mail to foi@irishrail.ie. You should make your appeal within 4 weeks (20 working days) from the date of this notification, where a day is defined as a working day excluding, the weekend and public holidays, however, the making of a late appeal may be permitted in appropriate circumstances.

The appeal will involve a complete reconsideration of the matter by a more senior member of the staff of this body.

Should you have any questions or concerns regarding the above, please contact the FOI Officer on 01, 7034293.

Yours sincerely,



Sue Stanley

Corporate Communications, Iarnrod Eireann

Freedom of Information Request:
Schedule of Records for IE_FOI_042 : Summary for Decision Making

Record No.	Date of Record	Brief Description	No. of Pages	Decision: Grant/Part Grant/Refuse
1	01.12.2015	IE Board Minutes 1st December 2015	13	Part Grant
2	02.02.2016	IE Board Minutes 2nd February 2016	12	Part Grant
3	23.02.2016	IE Board Minutes 23rd February 2016	9	Part Grant
4	29.03.2016	IE Board Minutes 29th March 2016	10	Part Grant

Signed



IE Decision Maker

Redactions			
IE Board Minutes 1st December 2015			
Page #	Minute #	Section of Act Applicable	Reason
2	4468.2	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
2	4468.3	Section 37 - Personal Information	Personal Information relating to employees
2	4469.2	Section 37 - Personal Information	Personal Information relating to employees
3	4469.2	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
3	4469.4	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
3	4469.5	Section 29 - Deliberations of Public Bodies	Deliberations with the RSC/CRR
4	4469.6	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
4	4469.9	Schedule 1 Part 1 (p) - Partially Included agencies	Iarnród Éireann is exempt from FOI in so far as it relates to the operation of its Freight Business
5	4469.10	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
5	4469.11	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
6	4470.9	Schedule 1 Part 1 (p) - Partially Included agencies	Iarnród Éireann is exempt from FOI in so far as it relates to the operation of Rosslare Europort
7	4471.1	Section 29 - Deliberations of Public Bodies	Deliberations with the RSC/CRR
7	4471.11	Section 29 - Deliberations of Public Bodies	Deliberations with the RSC/CRR
8	4472.1 - 4472.5	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
9	4473.5 - 4473.8	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
10	4473.9	Section 40 - Economic & Fin Interests of Public Body	strategy & finances of a public body
10	4474.2	Schedule 1 Part 1 (p) - Partially Included agencies	Iarnród Éireann is exempt from FOI in so far as it relates to the operation of Rosslare Europort
10	4474.5	Section 37 - Personal Information	Personal Information relating to employees
12	App 1(1-10)	Section 36(1)(b) - Commercially Sensitive Information	financial information whose disclosure could reasonably be expected to result in a fin loss to those involved / information related to CIE group
13	App 2 (1-11)	Section 36(1)(b) - Commercially Sensitive Information	financial information whose disclosure could reasonably be expected to result in a fin loss to those involved / information related to CIE group
IE Board Minutes 2nd February 2016			
Page #	Minute #	Section of Act Applicable	Reason
1	4478	Section 37 - Personal Information	Personal Information relating to employees
3	4481.3	Section 40 - Economic & Fin Interests of Public Body	strategy & finances of a public body
4	4481.5	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
4	4481.6	Section 36(1)(c) - Commercially Sensitive Information	Information which could prejudice the conduct of negotiations
4	4481.7	Schedule 1 Part 1 (p) - Partially Included agencies	Iarnród Éireann is exempt from FOI in so far as it relates to the operation of Rosslare Europort
4	4481.7	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
5	4481.11	Schedule 1 Part 1 (p) - Partially Included agencies	Iarnród Éireann is exempt from FOI in so far as it relates to the operation of its Freight Business
6	4482.7	Section 29 - Deliberations of Public Bodies	Deliberations with the RSC/CRR
6	4482.8	Section 29 - Deliberations of Public Bodies	Deliberations with the RSC/CRR

7	4482.15	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
8	4483.1	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
8	4484.4	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
9	4484.4	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
9	4484.5	Section 36(1)(b) - Commercially Sensitive Information	financial information whose disclosure could reasonably be expected to result in a fin loss to those involved
9	4484.7	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
9	4484.9	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
11	App 1(1-5)	Section 36(1)(b) - Commercially Sensitive Information	financial information whose disclosure could reasonably be expected to result in a fin loss to those involved / information related to CIE group
12	App 2(1-7)	Section 36(1)(b) - Commercially Sensitive Information	financial information whose disclosure could reasonably be expected to result in a fin loss to those involved / information related to CIE group

IE Board Minutes 23rd February 2016

Page #	Minute #	Section of Act Applicable	Reason
1	4488.3	Section 29 - Deliberations of Public Bodies	Deliberations with the RSC/CRR
2	4490.3	Section 40 - Economic & Fin Interests of Public Body	strategy & finances of a public body
3	4490.5	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
4	4491.7	Section 31 - legal privilege	legal advice from CIE solicitor
5	4491.8	Section 31 - legal privilege	legal advice from CIE solicitor
5	4492.1	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
6	4493.4 - 4493.7	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
6	4493.8	Schedule 1 Part 2 - Exempt Agencies	Information relating to Coras Iomair Eireann (CIE) Holding Co
7	4493.9	Schedule 1 Part 2 - Exempt Agencies	Information relating to Coras Iomair Eireann (CIE) Holding Co
8	App 1(1-6)	Section 36(1)(b) - Commercially Sensitive Information	financial information whose disclosure could reasonably be expected to result in a fin loss to those involved / information related to CIE group
9	App 2(1-4)	Section 36(1)(b) - Commercially Sensitive Information	financial information whose disclosure could reasonably be expected to result in a fin loss to those involved / information related to CIE group

IE Board Minutes 29th March 2016

Minute #		Section of Act Applicable	Reason
1	4498.2	Section 29 - Deliberations of Public Bodies	Deliberations with the RSC/CRR
2	4498.3	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
2	4498.5	Section 29 - Deliberations of Public Bodies	Deliberations with the RSC/CRR
2	4499.3	Section 40 - Economic & Fin Interests of Public Body	strategy & finances of a public body
3	4499.4		
3	4499.5	Schedule 1 Part 1 (p) - Partially Included agencies	Iarnród Éireann is exempt from FOI in so far as it relates to the operation of its Freight Business
3 & 4	4500.1-4500.6	Section 40 - Economic & Fin Interests of Public Body	strategy & finances of a public body - 2015 Annual Report to be published shortly
5	4501.4	Section 29 - Deliberations of Public Bodies	Deliberations with the RSC/CRR
5	4501.5 - 4501.7	Schedule 1 Part 1 (p) - Partially Included agencies	Iarnród Éireann is exempt from FOI in so far as it relates to the operation of Rosslare Europort

6	4501.19	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
6	4502.2	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
7	4502.3	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
8	4502.10	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
8	4502.11	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
8	4503.3	Section 36(1)(c) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations
10	App 1(1-9)	Section 36(1)(b) - Commercially Sensitive Information	information which could prejudice the conduct of negotiations

STRICTLY PRIVATE AND CONFIDENTIAL

IN ACCORDANCE WITH THE TERMS OF SECTION 22 OF THE TRANSPORT
(RE-ORGANISATION OF CÓRAS IOMPAIR ÉIREANN) ACT, 1986

IARNRÓD ÉIREANN - IRISH RAIL

DRAFT 2 MINUTES OF THE TWO HUNDRED AND NINETY NINTH
BOARD MEETING HELD ON 1ST DECEMBER 2015
AT 9.30AM IN HEUSTON STATION

PRESENT:	Mr. Phil Gaffney	Chairman
	Mr. Frank Allen	Director
	Ms. Carolyn Griffiths	Director
	Ms. Tracey McGee	Director
	Mr. Mal McGreevy	Director
	Mr. John Moloney	Director
	Mr. Flor O'Mahony	Director
	Mr. Tommy Wynne	Director
IN ATTENDANCE:	Mr. John Cassidy	Safety Advisor (part)
	Mr. Aidan Cronin	Chief Financial Officer
	Mr. Gerry Culligan	Commercial Director
	Mr. Don Cunningham	Director Infrastructure Manager
	Mr. Stephen Downes	Customer First Programme Director (part)
	Ms. Kay Doyle	Head of Safety, Infrastructure (part)
	Ms. Geraldine Finucane	Company Secretary
	Mr. David Franks	Chief Executive
	Mr. Ronan Glynn	Safety, Technical & Approvals Manager (part)
	Mr. Jim Meade	Director Train Operations
	Mr. Cliff Perry	Chairman, Safety and Trains Advisory Groups (part)
	Mr. Michael Power	Head of Strategy, RU (part)
	Mr. Colm Reynolds	Chief Procurement Officer (part)
	Mr. Brendan Smith	Train Operations Safety Manager (part)
	Mr. Peter Smyth	Chief Mechanical Engineer (part)

ABSENT: Apologies were received from Ms. Patricia Golden.

MIN NO.

4467 MINUTES

4467.1 The Minutes of the meeting held on 27th October 2015 previously circulated were taken as read and noted. They were signed by the Chairman as a true record of the proceedings.

4467.2 Outstanding Action Items

The memorandum previously circulated was taken as read and noted.

4468

CHAIRMAN'S COMMENTS

4468.1

The Chairman welcomed Ms. Griffiths and Mr. McGreevy to their first board meeting. He stated that their experience will be of value to the board over the next three years. Their appointments brings the board to full strength for the first time since he was appointed Chairman. The membership and chairmanship of the various Advisory Groups will now be reviewed.

4468.2

Since the last meeting the Labour Court intervened in the dispute which led to service disruption on 23rd October 2015. However, the intervention came too late to prevent some further disruption on 6th November 2015. The financial impact of the disruptions was a revenue loss of approximately [REDACTED]. This does not take into account any amount that the National Transport Authority (NTA) may withhold from the public service obligation (PSO) payment for not running the required service. The Chairman stated that such revenue losses cannot be tolerated. He noted that both trade unions are balloting their members and hoped that they will agree to the Labour Court recommendations and that dialogue will commence on how to progress them.

Mr. Franks advised that the Labour Court had suggested two people who could carry out the potential studies recommended by it. These were Mr. [REDACTED] to deal with productivity and Mr. [REDACTED] to deal with driver hours.

4468.3

It was noted that directors had received a file containing the Railway Safety Commission (RSC) Report on its investigation into the safety validation of the proposed procurement organisation changes and the correspondence subsequent to that report. The Chairman proposed that this be discussed later in the meeting.

4468.4

The Chairman advised that since the last meeting he tried to arrange a meeting with the Railway Safety Commissioner. However, the Commissioner declined his invitation to have a one on one chat on how the relationship could be improved. The Chairman stated that he would continue to seek ways on how Iarnród Éireann's relationship with the RSC could be improved.

4468.5

It was noted that directors had been invited by the Minister to a ceremony on 7th December 2015 marking the completion of the works on the Drogheda Viaduct. He stated that if directors were available it would be useful if they could make it to the ceremony.

4469

CHIEF EXECUTIVE'S REPORT

4469.1

The Chief Executive's Report previously circulated was taken as read and noted.

4469.2

Mr. Franks presented his report and referred to the following matters.

- Key performance indicators (KPIs) for Period 11 2015.
- [REDACTED]
- Liaison with the RSC on the Train Protection System (TPS) Project.
- Serious incidents of signals passed at danger (SPADs) as a result of the low rail adhesion (LRA) season.
 - Serious train slide and SPAD approaching Ardahan Station on the Western Rail Corridor on 23rd October 2015.
 - Another train slide and SPAD on the Ballybrophy Line on 28th November 2015.
 - Mr. Meade gave details of these SPADs and of the action taken. The same train set was involved in both incidents and has been subject to comprehensive testing since then. The 2600 Class have now been restricted to the Cobh Line only for the remainder of the LRA season.

Modifications are required including the need to fit sanders. Investigations are ongoing and the RSC has been notified.

Mr.O'Mahony joined the meeting at this time.

- The majority of wrong side failures year to date took place during Period 11 due to seasonal conditions.
- An incident of over speeding through a speed restriction occurred at Sallins on 30th October 2015. The incident was reported by the driver himself which is very positive.
- Disciplinary procedures have been implemented following a positive drugs and alcohol test result during Period 11 2015.
- The Driver Reminder Appliance (DRA) Project is on target to be completed on time.
- Vehicle recognition cameras are being installed at certain level crossings.
- The LRA season has had an impact on punctuality and reliability levels during Period 11 2015.
- The industrial stoppages resulted in [REDACTED] in PSO payment being withheld by the NTA.
- The company incurred a loss of [REDACTED] during the period.
- The year to date loss incurred by the company is [REDACTED]

4469.3 There followed a discussion on the trial lights being used on advance warning boards and their potential for use on commencement boards. It was noted that different types of warnings are being tried out in an effort to seek the optimum solution which takes into account battery life. It was noted that the main reason for over speeding at temporary speed restrictions is that there is no audible warning for drivers. This is a funding issue. However, a pilot project is underway.

4469.4 Mr. Franks advised that when the budget for 2016 was being prepared it had been assumed that [REDACTED] in funding would be available under the multi annual contract (MAC). However, the Department of Transport, Tourism and Sport (DTTAS) has now confirmed that [REDACTED] will be available. This puts plans for the ballast cleaning programme at risk. However, savings are being sought elsewhere. In addition, since the budget was prepared, not all of the fares increases sought from the NTA were granted. However, the NTA has agreed to make up the shortfall of [REDACTED] by increasing subvention. The budget for 2016 has now been redrafted (incorporating correct revenue and subvention figures). However, a net difference of [REDACTED] between the original budget and the revised budget remains.

4469.5 There followed a lengthy discussion about relations with the RSC on the

[REDACTED]

[REDACTED]

4469.6 Mr Cunningham outlined the key areas of focus for the IM Division. He referred to the following matters:

- Follow up media campaign following the outcome of the court case relating to a road vehicle collision with the side of a train in June 2014 at the user worked Knockaphunta Level Crossing.
- Installation work for the low cost traffic light solution at user worked level crossings.
- LRA issues.
- The roll out phase for a train protection system (TPS) will take at least seven years and require a funding commitment of [REDACTED] This funding would need to be guaranteed and ring fenced. It needs to be made clear to the DTTAS that priority for this project is risk based.

4469.7 The Chairman asked that his congratulations be conveyed to the SET team for the completion of the Cherryville interlocking which took place over the bank holiday weekend.
Mr. Cunningham

4469.8 Mr. Meade outlined the key areas of focus for the RU. He referred to the following matters:

- The fourth train set in the Enterprise Refurbishment project is unlikely to return to service until January 2016, thus missing the deadline to drawdown 100% of EU funding. However, both teams are working hard to minimise the financial impact.
- Recent successful sting operation and subsequent court case relating to graffiti.

4469.9 Mr. Culligan outlined the key areas of focus for the Commercial Department. He referred to the following matters:

- Relaunch plans for the proposed ten minute DART service.
- Driver rosters for the proposed ten minute DART service are with driver representatives for consideration.
- The Belmond Grand Hibernian service is expected to be launched in late summer 2016. Further discussions are taking place with respect to stabling options and the disposal of grey water.

[REDACTED]

- Recent adverse media comment about bicycles on trains was handled well.

4469.10 Mr. Cronin presented the Financial Results for Period 11 2015. The company incurred a loss of [REDACTED] for the period compared to a forecasted loss of [REDACTED]. The negative variance is due mainly to the impact of the work stoppage. The company has incurred a year to date loss of [REDACTED] compared to a forecasted loss of [REDACTED]. As a result Shareholders' Funds continue to deteriorate with net assets at only [REDACTED] of called up Share Capital as at the end of Period 11 2015.

4469.11 Other matters referred to included the following:

- Levels of capital and maintenance work.
- Amendments to the budget for 2016 as outlined earlier.
- Commencement of the external audit.
- Completion of the 2014 capital and PSO audits by McClure Watters.
- Progress with the FRS102 Project.
- If the National Oil Reserve Agency (NORA) oil levy is not resolved, a larger provision [REDACTED] will have to be provided for in the 2015 Financial Statements. This will be reflected as a charge in the Profit and Loss Account. [REDACTED] has been booked to date. A Note to the Financial Statements would also be required.

4470 **SAFETY**
Mr. John Cassidy, Safety Advisor, Ms. Kay Doyle, Head of Safety, Infrastructure, Mr. Cliff Perry, Chairman, Safety Advisory Group and Mr. Brendan Smith, Train Operations Safety Manager, joined the meeting at this time.

4470.1 **Safety Plan 2015 Update**
The Update on the Safety Plan 2015 previously circulated was taken as read and noted.

4470.2 **Safety Plans 2016**
The IM and RU Safety Plans for 2016 previously circulated were taken as read and noted.

4470.3 Mr. Cassidy advised that the identification of the key safety risks and actions to mitigate these risks are the core elements of the safety plans. The risk profile takes account of the following:

- Iarnrod Eireann board safety policy,
- Output of the Network Risk Model and any associated information,
- European and national common safety targets,
- Safety performance trend analysis,
- Findings from investigations and audits and
- The Iarnrod Eireann Five Year Business Plan.

Mr. Cassidy also noted that the development of the safety culture throughout the organisation is also a core element of the safety plans.

4470.4 **IM Safety Plan 2016**
Ms. Doyle gave an outline of the IM Safety Plan for 2016 and referred to the following matters:

- Plans, actions, targets and owners.
- Leading and lagging KPIs.
- Overview of key initiatives.

4470.5 Matters discussed included the following:

- Processing of data in respect of user worked level crossings.
- New KPIs for 2106.

- Automatic train protection (ATP) safety case.
- Lone working reference points.
- Communication of information about temporary speed restrictions to drivers.
- Infrastructure asset management system (IAMS) and risk registers.

4470.6 RU Safety Plan 2016

Mr. Smith presented the RU Safety Plan for 2016 and reassured the board that the RU works closely with IM in this regard. He covered the following matters:

- Leading and lagging KPIs.
- Actions to be taken to address key risk areas.

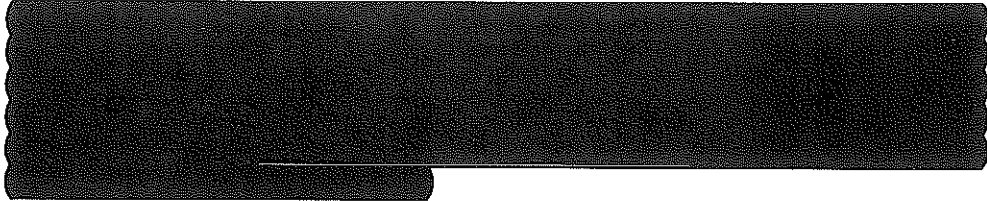
4470.7 Matters discussed included:

- Fleet action plans and in particular the need to resolve the root cause of the problems with the ICR axle bearings.
- The need to fit sanders to the 2600 and 201 fleets.
- Funding for CCTV on fleets.

4470.8 Safety Advisory Group (SAG)

The Report from the Chairman of the SAG, Mr. Perry, previously circulated was taken as read and noted.

4470.9



Mr. Cassidy, Ms. Doyle and Mr. Smith, left the meeting at this time.

4471 **ADVISORY/POLICY PAPERS**

4471.1 Trains Advisory Group (TAG)

The Report from the Chairman of the TAG, Mr. Perry, previously circulated was taken as read and noted.

4471.2 Mr. Perry advised that a situation of overcrowding on peak services is emerging. The TAG discussed this and fleet capacity. A paper will be prepared for the board for the new year. **Mr. Meade**

4471.3 In response to Ms. Griffiths, Mr. Meade confirmed that a number of third parties will be involved in the review and investigation of axle bearings on the ICR fleet. Therefore, a final report is unlikely to be available before June 2016.

4471.4 Audit Review Group (ARG)

The Report from the Chairman of the ARG, Ms. Golden, previously circulated was taken as read and noted.

4471.5 Mr. Allen advised that another ARG meeting was held two weeks ago during which the PricewaterhouseCoopers plan for the 2015 audit was discussed.

4471.6 Organisation Design Steering Group (ODSG)

The Report from the Chairman of the ODSG, Mr. O'Mahony, previously circulated was taken as read and noted.

4471.7 Mr. O'Mahony advised that no recent meetings had taken place due to the attendance of personnel at IR meetings. He outlined the actions being progressed by management.

- 4471.8 **Organisation Design Programme – Plan for Engagement with the RSC**
Mr. Michael Power, Head of Strategy, RU, joined the meeting at this time.
- 4471.9 The memorandum previously circulated was taken as read and noted.
- 4471.10 [REDACTED]
- 4471.11 [REDACTED] **Mr. Franks**
- 4471.12 It was again noted that EU regulations did not flow directly into Irish legislation. However, the European Rail Agency (ERA) carries out compliance audits. It was agreed to find out when the Irish audit is scheduled as it would be important for Iarnród Éireann to benchmark itself with other railway companies across Europe. **Ms. Griffiths**
- Mr. Power left the meeting at this time.
- 4471.13 **Risk Report Quarter 4 2015**
Mr. Ronan Glynn, Safety, Technical & Approvals Manager, joined the meeting at this time.
- 4471.14 The Risk Report for Quarter 4 2015 previously circulated was taken as read and noted.
- 4471.15 Mr. Glynn presented the Risk Report and the following were noted:
- A supplier has been selected for the provision of a risk management software system. It will take approximately four weeks to input all the necessary information and for the new system to be up and running.
 - Iarnród Éireann has gone to the market to procure the services of a risk assurance auditor to review Iarnród Éireann's risk management system. This audit will take place during the first quarter of 2016.
 - Iarnród Éireann's risk criteria have been amended slightly to facilitate the valuation of risks which might give rise to a financial loss.
 - All risks continue to be identified and managed by the Iarnród Éireann Senior Executive team.
 - The list of principal risks was noted by the Board.
- 4471.16 Risks discussed included the following:
- Loss of license to operate.
 - Inability to fund pension commitments.
 - Maintenance of NORA fuel levels.
 - Over speeding.
- 4471.17 The board thanked Mr. Glynn for the excellent work he has carried out to date on the risk management project. The information provided to board is much improved than in the past and provides greater assurance.
- Mr. Glynn left the meeting at this time.

4471.18

Customer First Programme

Mr. Stephen Downes, Customer First Programme Director, joined the meeting at this time.

4471.19

The memorandum previously circulated was taken as read and noted.

4471.20

Mr. Downes circulated an Executive Summary on the status of the Customer First Programme. He outlined the following matters:

- The Customer First Programme supports the company's commercial strategy.
- Strategic pillars which are driving the programme.
- Status update including details of the tasks done to date. The inception phase has been successfully completed.
- Issues, risks and mitigation actions.
- Programme plan for 2016.
- Three month look ahead.

4471.21

Matters discussed included the following:

- Stability of the Cubic team.
- Cubic are aware of the importance of the project to Iarnród Éireann and the potential opportunities for them in Ireland.
- The contract with Cubic contains penalties for missing milestones. These are onerous in the implementation phase.

Mr. Culligan and Mr. Downes left the meeting at this time.

4472

CAPITAL PROJECTS

4472.1

Capital Expenditure Proposals

[REDACTED]

4472.2

Heavy Maintenance 2016

[REDACTED]

4472.3

[REDACTED]

[REDACTED]

[REDACTED]

4472.4

[REDACTED]

It was noted that:

- [REDACTED]
- [REDACTED]
- [REDACTED]

4472.5

Small Plant and Equipment Requirements for 2016

[REDACTED]

4473

PROCUREMENT

Mr. Colm Reynolds, Chief Procurement Officer, joined the meeting at this time.

4473.1

Procurement Report

The Procurement Report for Period 11 2015 previously circulated was taken as read and noted.

4473.2

It was noted that the cost of the recycling and waste management contract benefited in recent years from a low market price. However, the new contract reflects prices which have returned to normal market conditions.

4473.4

Award Criteria + Contract Extension

The five memoranda previously circulated were taken as read and noted.

The board gave its approval for the following:

4473.5

Track Recording Vehicle – Award Criteria

The award criteria as presented for the purchase of a track recording vehicle and associated recording systems.

It was noted that:

- The estimated value of this contract is [REDACTED] excluding VAT and
- The funding source for this contract is the MAC.

4473.6

Revenue Equipment Maintenance – Contract Extension

To exercise the option of a two year extension to the revenue equipment maintenance services contract with Quaestor Analytic Ltd. bringing the total contract award value to [REDACTED] excluding VAT.

It was noted that:

- The spend over the total contract duration will be greater than originally estimated by approximately [REDACTED] primarily due to the asset base being maintained being greater than originally estimated and also due to the contract variations arising from vandalism.
- [REDACTED]
- The funding source for this contract is from the operational budget of the RU.

4473.7

Manufacture and Supply of Telecommunication Equipment Rooms – Award Criteria

The award criteria as presented to be used in the procurement process for the manufacture and supply of telecommunication equipment rooms.

It was noted that:

- This contract will operate for a period of four years.
- The estimated total spend under this contract will be in the order of [REDACTED] excluding VAT.
- The funding source for this contract is the MAC.

4473.8

Supply of Oils, Greases and Lubricants Award Criteria

The award criteria as presented for the tender for the supply of various oils, greases and lubricants commonly used throughout the mechanical engineering rolling stock fleet as part of the preventative maintenance cycle.

It was noted that:

- The proposed duration of the contract is three years with an option to extend it by a further one year.
- The annual estimated value of the contract is in the order of [REDACTED]
- The funding source for this contract will be from operational expenditure budgets relating to vehicle running maintenance.

4473.9

Fuel Management and Fuel Distribution Services – Award Criteria

The award criteria as presented for the tender for the provision of fuel management and fuel distribution services.

It was noted that:

- The proposed duration of the contract is three years with an option to extend it by a further one year.
- The estimated annual value of the contract is [REDACTED]
- The funding source for this contract will be from operational expenditure budgets [REDACTED]

4474

ADMINISTRATIVE ITEMS

4474.1

Transactions for Approval, Sealing and Signing

The transactions (10) for approval and sealing at the meeting were approved and sealed. **Appendix I**

The transactions (11) for approval and signing at the meeting were approved and signed. **Appendix II**

4474.2

Fishguard and Rosslare Railways and Harbours Company – Appointment of Proxies

[REDACTED]

[REDACTED]

[REDACTED]

4474.4

Bank of Ireland Mandate – Amendment to Authorised Signatories

The memorandum previously circulated was taken as read and noted.

4474.5

The board gave its approval for:

- (a) The deletion of the name of [REDACTED] from the list of authorised signatories for the Bank of Ireland No. 1 Account and the Bank of Ireland Wages Accounts with effect from 1st December 2015.
- (b) The addition of the name of [REDACTED] to the list of authorised signatories for the Bank of Ireland No. 1 Account with effect from 1st December 2015.

4474.6

Revised Terms of Reference for the Audit Review Group

The memorandum previously circulated was taken as read and noted.

4474.7

The board gave its approval for revised Terms of Reference for the Audit Review Group and the update of the Corporate Governance Manual accordingly.

However, the board agreed that the name of the Audit Review Group should be changed to "Audit and Risk Review Group".

4474.8 Extraordinary General Meeting

The memorandum previously circulated was taken as read and noted.

4474.9 The board noted that now that the necessary Ministerial and CIE Board approvals have been received, an Extraordinary General Meeting of the company is being convened for 10th December 2015 for the purpose of passing an ordinary resolution to re-register Iarnród Éireann – Irish Rail as a designated activity company and for that purpose to adopt a basic Constitution under the Companies Act 2014.

4475 ITEMS FOR NOTING

4475.1 Chairman's Report to the Minister

The Chairman's Report to the Minister following the board meeting on 27th October 2015 previously circulated was taken as read and noted.

4475.2 Miscellaneous

The board noted the following items contained in the board papers which were previously circulated:

- (a) Legislation and Government Publications
 - (i) Notice of publication of the Code of Practice for Freedom of Information for Public Bodies.
 - (ii) SI No. 475 of 2015 – Córas Iompair Éireann Superannuation Scheme 1951 (Amendment) Scheme (Confirmation) (No. 2) Order 2015.
 - (iii) SI No. 476 of 2015 – Coras Iompair Éireann Scheme for Regular Wages Staff (Amendment) Scheme (Confirmation) (No.2) Order 2015.
- (b) Minutes of the following meetings:
 - (i) Safety Advisory Group Minutes 7th September 2015.
 - (ii) Infrastructure Advisory Group Minutes 15th October 2015.
 - (iii) Trains Advisory Group Minutes 20th October 2015.
 - (iv) Audit Review Group Minutes 22nd October 2015.

4476 ANY OTHER BUSINESS

4476.1 In response to Mr. Wynne, Mr. Cunningham confirmed that the NTA are planning for a National Transport Control Centre to begin in 2018. Formal proposals regarding location are expected in 2016.

4476.2 It was confirmed that Iarnród Éireann is to revisit its paper on the Phoenix Park Tunnel to take account of up to date information on patronage, fleet deployment and time scales.

Mr. Franks

4477 DATE AND LOCATION OF NEXT MEETING

Tuesday 2nd February 2016 at 9.30am in Heuston Station.

Chairman _____

Date _____

TRANSACTIONS FOR APPROVAL AND SEALING

1.

[REDACTED]

2.

[REDACTED]

3.

[REDACTED]

4.

[REDACTED]

5.

[REDACTED]

6.

[REDACTED]

7.

[REDACTED]

8.

[REDACTED]

9.

[REDACTED]

10.

[REDACTED]

Company Secretary
Iainr  d Eireann
1st December 2015

TRANSACTIONS FOR APPROVAL AND SIGNING

1.

[REDACTED]

●

[REDACTED]

●

[REDACTED]

●

[REDACTED]

●

[REDACTED]

●

[REDACTED]

●

[REDACTED]

8.

[REDACTED]

●

[REDACTED]

●

[REDACTED]

●

[REDACTED]

Company Secretary
Iarnród Éireann
1st December 2016

STRICTLY PRIVATE AND CONFIDENTIAL

IN ACCORDANCE WITH THE TERMS OF SECTION 22 OF THE TRANSPORT
(RE-ORGANISATION OF CÓRAS IOMPAIR ÉIREANN) ACT, 1986

IARNRÓD ÉIREANN - IRISH RAIL

DRAFT 2 MINUTES OF THE THREE HUNDREDTH
BOARD MEETING HELD ON 2ND FEBRUARY 2016
AT 10.00AM IN HEUSTON STATION

PRESENT:	Mr. Phil Gaffney	Chairman
	Mr. Frank Allen	Director
	Ms. Carolyn Griffiths	Director
	Ms. Tracey McGee	Director
	Mr. Flor O'Mahony	Director
	Mr. Tommy Wynne	Director

IN ATTENDANCE:	Mr. Eamonn Ballance	Chief Civil Engineer (CCE) (part)
	Mr. Bob Clarke	Chairman, Infrastructure Advisory Group
	Mr. Aidan Cronin	Chief Financial Officer
	Mr. Gerry Culligan	Commercial Director
	Mr. Don Cunningham	Director Infrastructure Manager
	Mr. Cyril Dunne	Chief Operating Officer, CIE
	Ms. Geraldine Finucane	Company Secretary
	Mr. David Franks	Chief Executive
	Mr. Cathal Mangan	Technical Manager, CCE Department (part)
	Mr. Jim Meade	Director Train Operations
Ms. Ann Spellacy	Quality Manager, CCE Department (part)	

ABSENT: Apologies were received from Mr. Mal McGreevy and Mr. John Moloney.

MIN NO.

4478

4479

MINUTES

4479.1

The Minutes of the meeting held on 1st December 2015 previously circulated were taken as read and noted. They were signed by the Chairman as a true record of the proceedings.

4479.2

Matters Arising

Minute 4471.12

Ms. Griffiths advised that it remains open for the European Rail Agency (ERA) to come to Ireland and carry out a review.

4479.3

Outstanding Action Items

The memorandum previously circulated was taken as read and noted.

4480 CHAIRMAN'S COMMENTS

- 4480.1** The Chairman advised that this was the 300th meeting of the Iarnród Éireann board.
- 4480.2** The Chairman welcomed all to the first meeting of 2016 in what would hopefully be a safe, productive and profitable year.
- 4480.3** The Chairman confirmed that Iarnród Éireann had been re-registered as a designated activity company. A new Certificate of Incorporation was issued on 1st February 2016.
- 4480.4** The Chairman advised that Ms. Golden had resigned from the board with effect from 31st January 2016. She has taken up a full time position as Head of Corporate Services at the National Gallery of Ireland and needs to devote all of her energy into that position. The process of finding a replacement for the board vacancy which now arises has commenced through the Public Appointments Service (PAS). The Chairman expressed his thanks in respect of Ms. Golden's work over the past number of years as a director of the company and as Chairman of the Audit Review and Risk Group (ARRG). It was noted that Ms. Golden has offered to continue work on the ARRG with respect to the 2015 Annual Accounts. This offer has been accepted.
- 4480.5** It was noted that this was Mr. Allen's final board meeting under his current term of office which is due to expire on 19th February 2016. It is anticipated that his appointment to the board will be renewed. However, confirmation of this may be delayed due to the impending General Election and the reluctance of the Minister to make appointments/reappointments in the final days of this administration. The Chairman stated that he is doing everything he can to prevent a delay in Mr. Allen's reappointment.
- 4480.6** The Chairman advised that the draft revised Code of Practice for the Governance of State Bodies recommends that Board Audit Committees (or the ARRG in Iarnród Éireann's case) should be comprised of three non-executive directors. This may reduce to zero if Mr. Allen's reappointment is delayed. Therefore, it is intended to appoint another non-executive director to the ARRG shortly.
- 4480.7** The Chief Executive's Report (incorporating reports from the Infrastructure Manager (IM), the Railway Undertaking (RU) and the Commercial Department), highlights the major achievements of 2015. The Chairman placed on record his thanks to the Chief Executive and his team for a very fine performance during 2015 in terms of service delivery, people development and in beating the budget. Much work is required in 2016 to achieve the necessary improvements across the business but 2015's outturn demonstrated that this can be done.
- 4480.8** The Chairman asked that his thanks be conveyed to staff for their remarkable performance over the past two months during some of the worst rain ever seen in the country. They ensured that, by and large, services were maintained and when disruption did occur, other than in extreme circumstances, Iarnród Éireann was able to get back into operation within a short period of time.
- 4480.9** The Chairman noted that the Chief Executive's Report referred to difficulties being experienced in finalising the implementation of the 10 Minute DART timetable. He stated that he was convinced that this is a key service improvement that should be delivered in 2016. It would provide the opportunity to generate increased passenger numbers and increased revenue. He noted that implementation was being deferred until April (following St. Patrick's Day and the 1916 Centenary celebrations). He urged all involved to reach agreement on any outstanding issues in the meantime.

4480.10 In response to Mr. Allen, Mr. Franks stated that even though a 10 Minute DART timetable appears to be a modest improvement, it is in fact very significant. The preparation involved a high level of public consultation. It will result in major changes, especially for north of the Connolly area (including Northern Ireland). In addition, the changes will also impact on maintenance regimes. While the original plan was to commence the new timetable in January 2016, it is not now expected to be implemented until April 2016.

4481 CHIEF EXECUTIVE'S REPORT

4481.1 Mr. Franks thanked the board for their acknowledgment of the hard work carried out by staff during the recent inclement weather conditions. This message will be passed on.

4481.2 The Chief Executive's Report previously circulated was taken as read and noted.

4481.3 Mr. Franks presented his report and stated that the two main items impacting on Period 13 2015 was the bad weather and the additional funding of [REDACTED] received from the Department of Transport, Tourism and Sport (DTTAS). He also referred to the following matters:

- Key performance indicators (KPIs) for Period 13 2015.
- Signal passed at danger (SPAD) near Sandymount Station.
- Incident in Dundalk Station whereby an elderly lady fell and broke her hip.
- Installation of vehicle recognition cameras at level crossings.
- The Driver Reminder Appliance (DRA) Programme has now been completed.
- Good revenue performance during the period bringing the year to date positive variance, compared with budget, to [REDACTED]
- High revenue protection targets are to be set for 2016.
- Level of over speeding incidents.
- Work to be carried out with the National Transport Authority (NTA) on the new Rail Policy will include updates to the 2014 Rail Review document and to the route profitability work.
- Details of the outcome of the external audit review currently being carried out on the new risk management system will be presented to the Iarnród Éireann and CIE Boards.
- Roll out of the Leadership Development Programme.

4481.4 Matters discussed included the following:

- There is a lot of CCTV evidence of car driver misbehaviour at level crossings. The areas of education, discipline and enforcement are being tackled.
- The high level of over speeding incidents is due mainly to temporary speed restrictions and the fact that Iarnród Éireann does not have the benefit of a continuous automatic warning system (CAWS) in all train cabs. The ideal solution would be proper supervision with automatic train protection (ATP). However, this would be costly. In the meantime, issues such as notices, positioning of boards, visibility of boards, route specific flyers and reporting levels etc. are being examined. In particular, self-reporting is being encouraged. The involvement of front line staff in developing solutions is becoming increasingly part of the culture now and is very welcome.
- The Chairman and the Chief Executive met personnel from the NTA recently. These personnel are disappointed that the development of a new Rail Policy has not progressed as quickly as they would have liked. There is now the fear of further delays following the General Election. It is

important for Iarnród Éireann that it is progressed because it will focus attention on the company's precarious financial position.

4481.5

[REDACTED]

4481.6

[REDACTED]

4481.7

Mr. Cunningham outlined the key areas of focus for the IM Division. He referred to the following matters:

- Status update on the top IM projects.
 - Resources for the GSMR Project are still a problem and plans to address this are to be discussed with the Chief Executive.
 - [REDACTED]
- 23 miles of ballast cleaning is planned at a cost of [REDACTED]. This compares well with other companies. However, while state of the art equipment is being used, it is only being used for one third of the year. However, there may be opportunities for work in Northern Ireland.
- On site trials of lights on advance warning boards continue.
- A review is to take place shortly to learn lessons from the 2015 low rail adhesion season.
- Exchequer funding of [REDACTED] has been allocated under the 2016 multi annual contract (MAC). This reflects a shortfall of [REDACTED].

4481.8

Mr. Cunningham then highlighted the successes of the IM Division during 2015. He also gave details of projects that have been delayed.

4481.9

Mr. Meade outlined the key areas of focus for the RU. He referred to the following matters:

- Key points emerging from the public consultation on the proposed 10 Minute DART timetable. Solutions have been found for a number of the issues raised in Northern Ireland on the matter. At present the Trade Unions are refusing to discuss revised rosters and are trying to link them directly to their ongoing productivity talks even though the revised rosters are compliant with existing terms and conditions.
- Enterprise Refurbishment Project.
 - Current funding position.

- Door incidents which occurred on the first refurbished set that was put into service.
- Planned introduction into service of the remaining three sets.
- Two facilitators have been appointed for discussions around the Trade Unions' concerns relating to past productivity and hours of work.

4481.10

Matters discussed included the following:

- The company has gone out to a tender and is about to award a contract for the fitting of sanding equipment to the Class 2600 railcars. It is expected that this project will be delivered by September 2016.
- SPADs have significantly reduced since the completion of the DRA Project. No starts against signals have occurred. Mr. Wynne stated that the manner in which the DRAs were introduced helped a great deal.
- There is no funding available at present (€140 million) for a full train protection system (TPS). This will feature as a key item in the forthcoming rail review to be carried out with the NTA. The Railway Safety Commission (RSC) have been helpful on this topic. In addition, the Rail Accident Investigation Unit (RAIU) has also issued a recent recommendation that ATP should be installed.
- Mr. Doug Barnes has been appointed as Seat Reservation Delivery Leader. A presentation will be given to the board in due course.

Mr. Meade

4481.11

Mr. Culligan outlined the key areas of focus for the Commercial Department. He referred to the following matters:

- Update on the Belmond Grand Hibernian Project.
- The installation of Happy or Not devices on a pilot basis in Heuston and Connolly Stations.

- [REDACTED]

[REDACTED]

[REDACTED]

4481.12

Capacity constraints are arising due to the growth in passenger numbers. A paper will be presented to the board within the next few months on the issues which are expected to arise and on the possible solutions. The NTA has been warned about this and has been advised that funding for additional rolling stock is likely to be needed.

Mr. Franks

4481.13

The board congratulated Mr. Culligan on the five marketing industry awards won by his department.

4482

ADVISORY/POLICY PAPERS

4482.1

Safety Policy

The draft Revised Safety Policy previously circulated was taken as read and noted.

4482.2

The draft Revised Safety Policy was approved by the board, subject to a minor amendment.

Mr. Cassidy

4482.3

Infrastructure Advisory Group (IAG)

The Report from the Chairman of the IAG, Mr. Clarke, previously circulated was taken as read and noted.

4482.4

Mr. Clarke advised that, at its last meeting, the IAG considered the following matters:

- The Risk Evaluation Tool will be helpful in prioritising investment following the recent adverse weather conditions.
- A number of initiatives are being considered to improve permanent speed restrictions.
- Proposals to resolve train crew resourcing difficulties for civil engineering work will lead to greater efficiencies.
- A good level of ballast cleaning work was carried out during 2015. In the medium term to long term a cleaning rate of more than 20 miles p.a. is necessary. This should be emphasised in the new Rail Policy being developed with the NTA. It is basic maintenance but leads to journey time improvements.
- A number of technical issues will need to be addressed if there is to be a National Control Centre. This will be kept under review by the IAG.

4482.5 Organisation Design Steering Group (ODSG)

The Report from the Chairman of the ODSG, Mr. O'Mahony, previously circulated was taken as read and noted.

4482.6 Mr. O'Mahony advised that the question of the respective authorities of the RSC and Iarnrod Eireann has been a point of difference in relation to changes to the procurement organisation. As a consequence, planned changes to the procurement organisation have been delayed by a year and the work of the ODSG has been delayed by two months. It will be hard to move forward until the issue of safety validation for the changes to the procurement organisation has been resolved. However, preparatory works for the safety validation of Work Package 2 are ongoing.

4482.7 Ms. Griffiths updated the board on the positive meeting that she and Mr. McGreevy had with the Railway Safety Commissioner and his team on 17th December 2015. She advised that the overriding theme of the meeting was the RSC's primary concern about the level of compliance by Iarnrod Eireann with its own procedures. Whilst the RSC had suggested that Iarnrod Eireann was non-compliant with its procedures, this had been refuted by the Chief Executive. During the meeting, the RSC suggested that the procurement reorganisation process be re-run in order to ensure full compliance with procedures.

4482.8 Following a lengthy discussion it was decided that the process would not be re-run but that the re-organisation of the procurement activity in Iarnrod Eireann would be moved forward, particularly given that a number of the RSC's points had been taken on board by the company. In this regard, a certain aspect of the safety validation standard had been amended following a meeting chaired by the Chief Executive on 4th January 2016. It was also decided that the proposed revised standard would be brought to the board and then shared with the RSC. It was acknowledged that the Railway Safety Commissioner may not be happy with the proposed revised standard as he may consider that it does not adequately reflect his view of his role and authority. However, it was noted that an independent advisor's opinion had been obtained as well as Senior Counsel's opinion.

Mr. Franks

4482.9 Other matters discussed included the following:

- Future communications with the RSC should provide more details and greater clarity on any issues relating to compliance. **Mr. Franks**
- Useful information and guidance would be obtained from the European Rail Agency (ERA) regarding relevant roles, supervisory matters and the recent matrix management review. **Ms. Griffiths**

Mr. Allen left the meeting at this time.

- 4482.10 **Trains Advisory Group (TAG)**
The Report from the Chairman of the TAG, Mr. Perry, previously circulated was taken as read and noted.
- 4482.11 **Phoenix Park Tunnel**
The memorandum previously circulated was taken as read and noted.
- 4482.12 **Overview of Flooding Impacts on Iarnród Éireann 2015/2016**
Mr. Eamon Ballance, Chief Civil Engineer (CCE), Mr. Cathal Mangan, Technical Manager and Ms. Ann Spellacy, Quality Manager, all from the CCE Department, joined the meeting at this time.
- 4482.13 The presentation document previously circulated was taken as read and noted.
- 4482.14 Mr. Mangan gave details of the following:
- Types of impacts (pluvial flooding, coastal erosion, sink holes and land slips).
 - Most badly affected areas (Eniscorthy Station, Kiltartin on the Limerick/Galway Line, The Murrough, Co. Wicklow, Ballycar on the Limerick/Ennis Line and various areas on the Mayo Line).
 - Benefits obtained from the review of structures (including bridges) and track lift schemes.
 - Flood management including:
 - Adverse weather event preparation.
 - The use of the flooding Risk Evaluation Tool.
 - Strategic Flooding Research Project.
 - Study into the Medium Term to Long Term Management Options for Coastal Protection of Railway Infrastructure in the East Coast of Ireland.
 - Involvement with the DTTAS led Climate Change Adaptation Plan for the Transport Sector.
 - Involvement with the Office of Public Works led Catchment Flood Risk Assessment and Management.
- 4482.15 It was noted that:
- A claim for short term infrastructural costs of [REDACTED] has been lodged with the DTTAS. The urgency of The Murrough situation was highlighted and especially the necessity to obtain the necessary foreshore licenses immediately.
 - Major capital costs of [REDACTED] have been identified for coastal defence works on the east coast and to rectify the situation at Ballycar.
 - Very detailed design work for coastal erosion works is required.
- 4482.16 **Possession Management Project**
The presentation document previously circulated was taken as read and noted.
- 4482.17 Ms. Spellacy gave details of the following:
- Items identified by the external review by the RSC and by Bridgeway Consulting.
 - Achievements to date.
 - Development of an integrated planning and possession management system software tool entitled "An Sli Nua - On Track".
 - Details of how An Sli Nua would work.
 - Benefits for planning, signal men, persons in charge of possession (PICOPs), site workers, the IM and the RU.
 - Roll out of the project.
 - Future developments in the area of speed restrictions and the possible move from the current share point base to a dedicated structured query language (SQL) server.

- 4482.18** Matters discussed included the following:
- Early involvement of front line staff.
 - The RSC has been kept fully informed.
 - The CCE Department would like the new system to be deemed a safety critical system. The fall back position at present is the original paper system.
 - The benefits of this system will be for everyone in the organisation and not just the CCE Department.

4482.19 The Chairman thanked Mr. Ballance, Mr. Mangan and Ms. Spellacy for their excellent presentations. They then left the meeting at this time.

4483 CAPITAL PROJECTS

4483.1 Closeout Reports

The five memoranda previously circulated were taken as read and noted.

The board gave its approval for the closeout of the following IM projects:

PAS	Description	Approved €'000	Final Outturn €'000	Effective Variance		Contingency		
				€'000	%	App'vd €'000	Used €'000	%
CIR100866	Portmarnock Carpark extension - Design & Construction							
CIR00748	Ticket validation 9 stations feasibility design and tender							
CIR00402	Cork Route Accessibility - Package C (Cork Kent & Charleville)							
CIR00386	Limerick –Galway Line Project							
CIR00735	Ticket Validation – 9&10 (Donabate, Sallins & Naas, Cork, Mallow, Portlaoise, Thurles, Galway and Limerick)							
IM Total								

4484 PROCUREMENT

Mr. Colm Reynolds, Chief Procurement Officer, joined the meeting at this time.

4484.1 Procurement Report

The Procurement Report for Period 13 2015 previously circulated was take as read and noted.

4484.2 The Chairman asked that Mr. Reynolds to ensure that the details of reported non compliances are consistent with the Annual CIE Chairman's Letter to the Minister required under the Code of Practice for the Governance of State Bodies.

Mr. Reynolds

4484.3 Contracts

The memorandum previously circulated was taken as read and noted.

4484.4 The board gave its approval for the award of the following two contracts to Company A:

- Contract 1: Heating, ventilation and air conditioning (HVAC) module overhauls and running maintenance services for the 22000 DMU, 29000 DMU, MK4 Carriage and 8520 EMU fleets for a duration of three years with options to extend by a further two years at an estimated annual cost, excluding additional works arising, of [REDACTED] based on 80 module overhauls p.a., or in the order of [REDACTED] over the full five years.

It was noted that the non-recoverable VAT arising against this contract is estimated at [REDACTED] giving a total estimated contract award value in the order of [REDACTED] over the five year period.

- (b) Contract 2: Toilet maintenance, air dryer and levelling valve services on the 22000 DMU, 2600 DMU, 2800 DMU, 29000 DMU and MK4 fleets for a duration of three year years with options to extend by a further two years at an estimated annual cost of [REDACTED] or € [REDACTED] over the full five years.

It was noted that the non-recoverable VAT arising is estimated at [REDACTED] p.a., giving a total estimated contract award value of € [REDACTED] the five year period.

4484.5 It was confirmed that Company A is [REDACTED]

4484.6 **Selection Criteria**

The memorandum previously circulated was taken as read and noted.

4484.7 The board gave its approval for the selection criteria as presented to shortlist suitable candidates for the provision of merchant card acquiring and payment gateway services to the CIE Group of companies for a period of up to five years.

It was noted that it is anticipated that the total Group wide spend for the period of five years will be in the region of [REDACTED] based on 2015 usage figures.

4484.8 **Disposal**

The memorandum previously circulated was taken as read and noted.

4484.9 The board gave its approval for the disposal of an estimated 2,500 tonnes of scrap rail for an estimated value of [REDACTED] (as outlined below) in accordance with the CIE Group Policy and Procedures governing the Disposal of Assets.

Material	Estimate of Disposal Tonnes	Estimate of Sales €'000	Estimate Per Tonne
Rail & Points & Crossings	[REDACTED]	[REDACTED]	[REDACTED]

4484.10 **Timetable**

The Timetable for 2016 previously circulated was taken as read and noted.

4485 **ADMINISTRATIVE ITEMS**

4485.1 **Transactions for Approval, Sealing and Signing**

The transactions (5) for approval and sealing at the meeting were approved and sealed. **Appendix I**

The transactions (7) for approval and signing at the meeting were approved and signed. **Appendix II**

4486 **ITEMS FOR NOTING**

4486.1 **Chairman's Report to the Minister**

The Chairman's Report to the Minister following the board meeting on 1st December 2015 previously circulated was taken as read and noted.

4486.2

Miscellaneous

The board noted the following items contained in the board papers which were previously circulated:

- (a) Legislation and Government Publications:
 - (i) SI No. 551 of 2015 - European Communities (Interoperability of the Rail System) Regulations 2011 (Amendment) Regulations 2015.
- (b) Minutes of the following meetings:
 - (i) Infrastructure Advisory Group Minutes 19th November 2015.
 - (ii) Trains Advisory Group Minutes 23rd November 2015.
 - (iii) Organisation Design Steering Group Minutes 12th October 2015.
 - (iv) Organisation Design Steering Group Minutes 14th December 2015.

4487

DATE AND LOCATION OF NEXT MEETING

Tuesday 23rd February 2016 at 9.30am in Heuston Station.

Chairman _____

Date _____

TRANSACTIONS FOR APPROVAL AND SEALING

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]

Company Secretary
Iainr  d   ireann
2nd February 2016

TRANSACTIONS FOR APPROVAL AND SIGNING

1.

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

Company Secretary
Iarnród Éireann
2nd February 2016

STRICTLY PRIVATE AND CONFIDENTIAL

IN ACCORDANCE WITH THE TERMS OF SECTION 22 OF THE TRANSPORT
(RE-ORGANISATION OF CÓRAS IOMPAIR ÉIREANN) ACT, 1986

IARNRÓD ÉIREANN - IRISH RAIL

DRAFT 2 MINUTES OF THE THREE HUNDRED AND FIRST
BOARD MEETING HELD ON 23rd FEBRUARY 2016
AT 9.30AM IN HEUSTON STATION

PRESENT:	Mr. Phil Gaffney	Chairman
	Ms. Carolyn Griffiths	Director
	Ms. Tracey McGee	Director
	Mr. Mal McGreevy	Director
	Mr. John Moloney	Director
	Mr. Flor O'Mahony	Director
	Mr. Tommy Wynne	Director
IN ATTENDANCE:	Mr. Colm Costello	Group Solicitor (part)
	Mr. Aidan Cronin	Chief Financial Officer
	Mr. Gerry Culligan	Commercial Director
	Mr. Don Cunningham	Director Infrastructure Manager
	Mr. Cyril Dunne	Chief Operating Officer, CIE
	Ms. Geraldine Finucane	Company Secretary
	Mr. David Franks	Chief Executive
	Mr. Jim Meade	Director Train Operations
	Mr. Cliff Perry	Chairman, Safety and Trains Advisory Groups (part)
	Mr. Colm Reynolds	Chief Procurement Officer (part)
	Mr. Stephen Watson	AD Little (part)

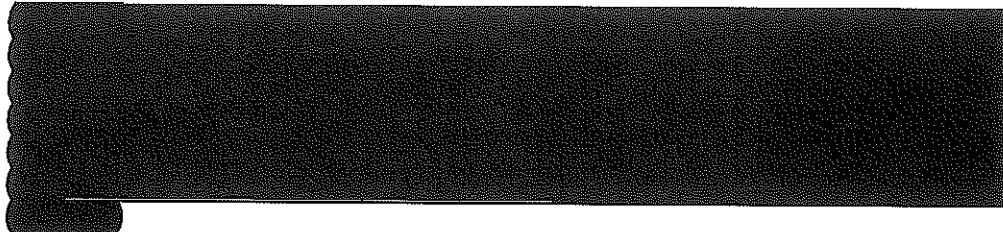
MIN NO.

4488 MINUTES

4488.1 The Minutes of the meeting held on 2nd February 2016 previously circulated were taken as read and noted. They were signed by the Chairman as a true record of the proceedings.

4488.2 Outstanding Action Items
The memorandum previously circulated was taken as read and noted.

4488.3 Item 339



4489 CHAIRMAN'S COMMENTS

4489.1 It was noted that Ms. Golden had resigned from the board with effect from 31st January 2016. Mr. Allen's term of office on the board expired on 19th February 2016. The recommendation to reappoint Mr. Allen to the board had been accepted by the DTTAS. However, no board appointments/reappointments have been made by the Minister since the dissolution of the Dáil. The process for appointing a replacement for Ms. Golden has commenced. The Chairman advised that he had met the Public Appointments Service (PAS) in this regard on

22nd February 2016. However, it is unlikely that any board vacancies will be filled until after a new Government is in place.

4489.2 The Chairman advised that the Code of Practice for the Governance of State Bodies recommends that Audit Committees should comprise of at least three non-executive directors. Therefore, he had appointed Ms. McGee to the Audit Review and Risk Group (ARRG). As she is the only member of this group at the moment, she is, therefore, its chairman also. He added that Ms. Golden will assist the ARRG for a couple of months until the 2015 Accounts are finalised.

4489.3 The Chairman stated that the company had made a good start to the year and that it is important that a service to meet the growing demand is provided. He stated that the provision of a ten minute DART service is a key element of this. He encouraged management and staff to resolve all outstanding issues in this regard to ensure that this service can be provided from 10th April 2016.

4489.4 The Chairman stated that he had asked for an additional paper to be circulated to the board. This follows a Railway Safety Commission (RSC) report on a heritage train trip to Midleton, which was the subject of negative media comment recently.

Mr. Moloney joined the meeting at this time.

4489.5 In response to Mr. O'Mahony, the Chairman confirmed that the proposal for the DART Underground Project (which is part of the DART Expansion Programme) is fully supported by the National Transport Authority (NTA). However, it is a matter of funding and unfortunately, it was not approved prior to the dissolution of the Dáil. Mr. Franks stated that a small amount of money has been provided to revisit the business case for the project and a steering group has been established in this context. Mr. Cunningham confirmed that the project would attract EU funding and the company is in contact with EU officials in this regard.

4490 CHIEF EXECUTIVE'S REPORT

4490.1 The Chief Executive's Report previously circulated was taken as read and noted.

4490.2 Mr. Franks presented his report and referred to the following matters.

- Key performance indicators (KPIs) for Period 1 2016.
- Signal passed at danger (SPAD) by a freight train during the period.
- A number of third party accidents involved slips on icy surfaces during the cold spell of 14th/15th January 2016.
- €8 million has been secured from the DTTAS to cover infrastructure costs arising as a result of the winter flooding. This will cover emergency repairs required in the Murrough, Co. Wicklow, as a result of coastal erosion. However, it will not cover the cost of rectifying the situation at Ballycar on the Limerick/Ennis Line. The need to fast track the necessary foreshore licences has been highlighted.
- The revised timescale for the GSMR Project reflects the need to recruit additional resources.
- Given that the Train Protection System (TPS) Project is the single most important safety project, external expertise is to be sourced to carry out a review. The ERA may be able to assist the work of the reviewer.
- Early indications as to the cause of the rail accident in southern Germany on 8th February 2016 were provided. The protections in force in the Irish context were outlined.
- Discussions continue with the trade unions in respect of the Drugs and Alcohol Policy and mandatory medicals.

4490.3 Mr. Cronin outlined the Financial Results for Period 1 2016. The company incurred a loss of [REDACTED] compared to a budgeted loss of [REDACTED]

and a loss of [REDACTED] for the same period in 2015. However, it was noted that Period 1 2016 contained six additional days compared with Period 1 2015. Despite this, when normalised for the additional days, the real increase in passenger revenue generated during the period was [REDACTED]. This represents a solid start to the year. Other items referred to by Mr. Cronin included the following:

- Multi annual contract (MAC) funding for infrastructure activities was [REDACTED] higher than budget in the period due to additional works required because of the adverse weather conditions, works deferred from 2015 and acceleration of works planned for later periods.
- Enhancement funding was [REDACTED] than budget due to the acceleration of works on the Phoenix Park Tunnel, the City Centre Resignalling Project and Kent Station.
- Fuel and DART electricity costs were favourable to budget due to volume usage savings.
- Cash generated was [REDACTED] than budget due to timing issues in respect of working capital.
- PricewaterhouseCoopers (PwC) have commenced the 2015 audit. It is expected that final accounts will be presented for the approval of the board at its meeting in March.
- While it is too early to discern a trend, following a rigorous review after Period 1, a net potential opportunity of [REDACTED] in respect of the delivery of the 2016 Budget has been identified.

4490.4 Mr. Meade outlined the key areas of focus for the Railway Undertaking (RU). He gave updates on the pay talks with drivers and the Enterprise Refurbishment Project. He also outlined the level of planning involved for the 1916 Centenary celebrations and gave details of events that will involve Iarnród Éireann.

4490.5 Mr. Cunningham outlined the key areas of focus for the Infrastructure Manager (IM) Department. He referred to the following matters:

- Final phases of the EU Restructuring Project which involves the transfer of 16 signalling staff from the RU to the IM and a service level agreement between both divisions.
- Reasons for the over spend of approximately [REDACTED] on budget.
- GSMR train radio project.
- Ballast cleaning and other type of work carried out for Northern Ireland Railways (NIR).
- The DTTAS have advised that they will only be in a position to sign the 2016 MAC by April at the earliest. It was agreed that it should be emphasised to the new Assistant Secretary that the MAC should be treated as a long term contract.

4490.6 Mr. Culligan outlined the key areas of focus for the Commercial Department. He gave an update on the Belmond Grand Hibernian and Customer First Projects. It was noted that additional staff resources (including subject matter experts that do not exist within the company) will be required up to summer 2017 for the Customer First Project. This will amount to 30 to 40 staff equating to 10 full time equivalents. It was noted that Mr. Tony Cassidy, Business Development Manager, Dublin, won the "Outstanding Operator" category at the Institution of Railway Operators annual awards.

4491 **ADVISORY / POLICY PAPERS**

Mr. Cliff Perry, Chairman, Safety and Trains Advisory Groups and Mr. Stephen Watson, AD Little, joined the meeting at this time.

4491.1 **Safety Advisory Group (SAG)**

The Report from the Chairman of the SAG, previously circulated was taken as read and noted.

- 4491.2 Mr. Perry highlighted the following points of interest for the board:
- Benefits being derived from the newly commissioned acoustic bearing monitors for the InterCity Railcar fleet.
 - Increase in the overall risk measure in the Chief Mechanical Engineer's (CME) Department, due to delayed heavy maintenance work on long term items such as body/roof corrosion on the Class 201s.
 - Ms. Griffiths and Mr. McGreevy are new members of the SAG and, therefore, the board will be well represented.
- 4491.3 Ms. Griffiths and Mr. McGreevy gave details of a visit to Inchicore on 22nd February 2016. They both stated that they were impressed by what they had seen and had obtained comfort from the visit.
- 4491.4 **Trains Advisory Group (TAG)**
The Report from the Chairman of the TAG, previously circulated was taken as read and noted.
- 4491.5 Mr. Perry advised that the group had received a paper on what the fleet can do to deliver capacity in the future e.g. reinstatement of Class 27000s to release InterCity Railcars for better intercity use. It was noted that the NTA is showing an interest in this regard and that discussions are already taking place about funding.
- 4491.6 **Procurement Reorganisation + Draft RSC Midleton Report**
The following memoranda previously circulated were taken as read and noted:
- Proposed next steps.
 - Summary of discussion at the SAG.
 - Note on the RSC draft report into an alleged incident at Midleton in November 2014.
 - Organisation Design Programme – revised draft standard.
- 4491.7 There followed a lengthy discussion on the above mentioned memoranda. It covered the following matters:
- Chronology of events since the issue of the draft RSC/DNV-GL Report in October 2015.
 - Reconvening of the Safety Validation Panel to consider and take on board relevant comments from the RSC's draft report in a revised Standard 13.
 - The proposed revised IM/RU-SMS-013 has been drafted to remove the requirement to make the RSC aware and seek their comments about an organisational change as it is considered to be inconsistent with regulatory requirements.
 - Independent review by AD Little.
 - Discussion at and view of the SAG.
 - Whether a letter should be sent to the RSC advising of the implementation of the proposed procurement changes.
 - Language and terminology to be used in any such letter.

Mr. Costello joined the meeting at this time.

- [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

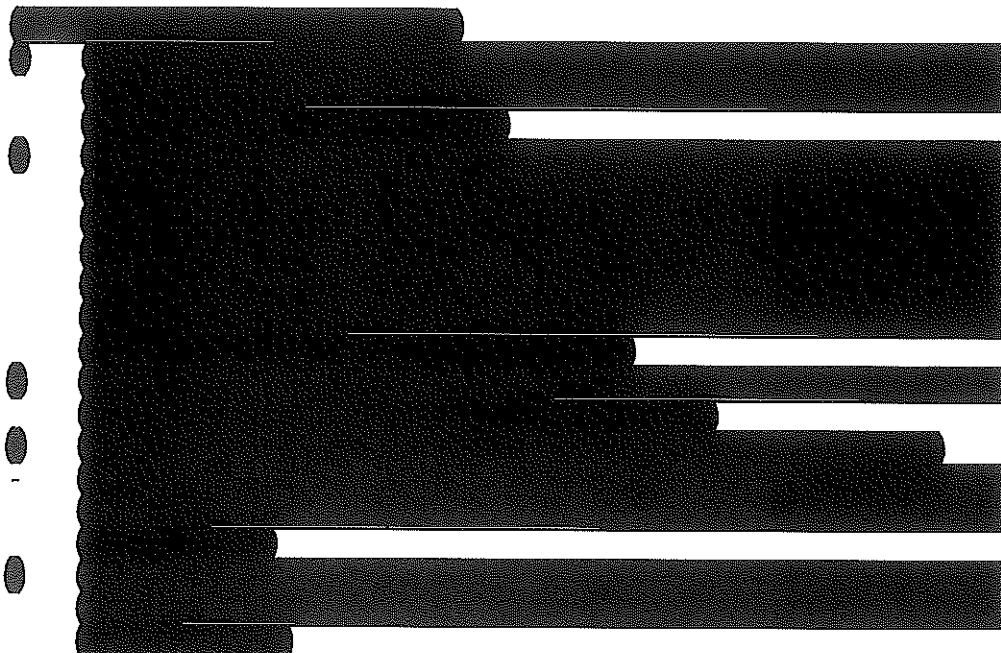
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

4491.8



Mr. Costello, Mr. Perry and Mr. Watson left the meeting at this time.

4492 CAPITAL PROJECTS

4492.1 Closeout Reports

The three memoranda previously circulated were taken as read and noted.

The board gave its approval for the closeout of the following IM projects:

PAS	Description	App'vd €'000	Final Outturn €'000	Effective Variance		Contingency		
				€'000	%	App'vd €'000	Used €'000	%
CIRI00836	Nat. LX System Safety Case							
CIR00816	Station Customer Information Services							
CIR00840	Commercialisation of Trackside Fibre Optic Cable							
IM Total								

4493 PROCUREMENT

Mr. Colm Reynolds, Chief Procurement Officer, joined the meeting at this time.

4493.1 Procurement Report

The Procurement Report for Period 1 2016 previously circulated was taken as read and noted.

4493.2 Contracts + Selection and Award Criteria

The seven memoranda previously circulated were taken as read and noted.

The board gave its approval for the following:

4493.3 Supply of Rolling Stock Wheels and Axles

The selection criteria as presented to shortlist suitable candidates for the supply of rolling stock wheels and axles for a period of up to five years.

It was noted that the funding source for this contract will be from the CME Fleet Maintenance Budget and is estimated to have an annual contract value of [REDACTED]

4493.4

Fuel Management and Distribution Services

The award of a contract to Company A for the provision fuel management and fuel distribution services to Iarnród Éireann, [REDACTED] exclusive of VAT based on an estimated distribution of [REDACTED] diesel.

It was noted that:

- The non-recoverable VAT arising is estimated at [REDACTED] giving a total contract award figure of [REDACTED] over a four year period.
- The funding source for this contract will be from operational expenditure budgets divided between Iarnród Éireann, [REDACTED]
- Company A is the [REDACTED]
- [REDACTED]

4493.5

Lift and Escalator Maintenance

Award criteria as presented to evaluate tenderers who have been invited to participate in a tender process for the provision of lift and escalator maintenance, for a period of up to three years.

It was noted that the estimated value to be incurred under this contract is [REDACTED] excluding VAT.

4493.6

Manufacture and Supply of Telecommunication Towers

The award of a contract to Company A for the manufacture and supply of telecommunication towers at an estimated cost of [REDACTED] exclusive of VAT based on a contract duration of four years.

It was noted that:

- The non-recoverable VAT arising against this contract is estimated at [REDACTED] providing a total estimated contract award value of [REDACTED] over the four year period.
- The funding source for the contract is the MAC.
- Company A is [REDACTED]

4493.7

Field Work Management and Data Capture

Award criteria as presented to evaluate tender submissions from those tenderers who have been invited to participate in a tender process leading to a contract award for the implementation and maintenance of field work and data capture system.

It was noted that:

- The term of the contract will be five years with an option to extend it for up to a further two years.
- The estimated value of the contract is [REDACTED] excluding VAT in the event that the option to extend is exercised.

4493.8

[REDACTED]

[REDACTED]

4493.9 **Cash Collection and Cash Management Services**

[REDACTED]

[REDACTED]

4493.10 **Timetable**

The Timetable for 2016 previously circulated was taken as read and noted.

4493.11 It was noted that there have been no slippages to date.

Mr. Reynolds left the meeting at this time.

4494 **ADMINISTRATIVE ITEMS**

4494.1 **Transactions for Approval, Sealing and Signing**

The transactions (7) for approval and sealing at the meeting were approved and sealed. **Appendix I**

The transactions (4) for approval and signing at the meeting were approved and signed. **Appendix II**

4494.2 **Corporate Governance Manual Update**

The memorandum previously circulated was taken as read and noted.

4494.3 The board noted the new Recruitment and Remuneration Policy for Senior Executives in the CIE Group of Companies which was approved by the CIE Board on 3rd February 2016 and that the Corporate Governance Manual would be updated accordingly.

4495 **ITEMS FOR NOTING**

4495.1 **Chairman's Report to the Minister**

The Chairman's Report to the Minister following the board meeting on 2nd February 2016 previously circulated was taken as read and noted.

4495.2 **Miscellaneous**

The board noted Minutes of the following meetings contained in the board papers which were previously circulated:

- (i) Safety Advisory Group Minutes 10th November 2015.
- (ii) Infrastructure Advisory Group Minutes 21st January 2016.
- (iii) Trains Advisory Group Minutes 25th January 2016.

4496 **DATE AND LOCATION OF NEXT MEETING**

Tuesday 29th March 2016 at 9.30am in Heuston Station. The Chairman advised that the meeting on 27th April 2016 will be held in Inchicore.

Chairman _____

Date _____

TRANSACTIONS FOR APPROVAL AND SEALING

1. [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

Company Secretary
Iarnród Éireann
23rd February 2016

TRANSACTIONS FOR APPROVAL AND SIGNING

1.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Company Secretary
Iarnród Éireann
23rd February 2016

STRICTLY PRIVATE AND CONFIDENTIAL

IN ACCORDANCE WITH THE TERMS OF SECTION 22 OF THE TRANSPORT
(RE-ORGANISATION OF CÓRAS IOMPAIR ÉIREANN) ACT, 1986

IARNRÓD ÉIREANN - IRISH RAIL

DRAFT MINUTES OF THE THREE HUNDRED AND SECOND
BOARD MEETING HELD ON 29TH MARCH 2016
AT 9.30AM IN HEUSTON STATION

PRESENT:	Mr. Phil Gaffney	Chairman
	Ms. Carolyn Griffiths	Director
	Ms. Tracey McGee	Director
	Mr. Mal McGreevy	Director
	Mr. John Moloney	Director
	Mr. Flor O'Mahony	Director
	Mr. Tommy Wynne	Director
IN ATTENDANCE:	Mr. Bob Clarke	Chairman, Infrastructure Advisory Group
	Mr. Aidan Cronin	Chief Financial Officer
	Mr. Don Cunningham	Director Infrastructure Manager (IM)
	Ms. Geraldine Finucane	Company Secretary
	Mr. David Franks	Chief Executive
	Mr. Ronan Glynn	Safety, Technical & Approvals Manager (part)
	Mr. John Kennedy	IM Human Resources Manager (part)
	Mr. John P. Lynch	General Manager Rosslare Europort (part)
	Mr. Ciaran Masterson	Director Human Resources (part)
	Mr. Jim Meade	Director Train Operations
	Mr. Colm Reynolds	Chief Procurement Officer (part)

ABSENT: Apologies were received from Mr. Gerry Culligan.

MIN NO.

4497 MINUTES

4497.1 The Minutes of the meeting held on 23rd February 2016 previously circulated were taken as read and noted. They were signed by the Chairman as a true record of the proceedings subject to the following amendments:

1. Minute 4491.3

Amend:

"Ms. Griffiths and Mr. McGreevy gave details of a visit to Inchicore on 22nd February 2016. They both stated that they were impressed with what they had seen and had obtained comfort from the visit."

to:

"Ms. Griffiths gave details of her visit to Inchicore on 22nd February 2016. She stated that she was impressed by what she had seen and had obtained comfort from the visit."

4497.2 Outstanding Action Items

The memorandum previously circulated was taken as read and noted.

4498 CHAIRMAN'S COMMENTS

4498.1 The Chairman stated that the absence of a permanent Government and Minister for Transport means that the two board vacancies are unlikely to be filled for quite some time. He thanked Ms. McGee for the additional work that she is carrying out as Chairman of the Iarnrod Eireann Audit and Risk Review Group (ARRG).

4498.2

[REDACTED]

Mr. Franks

4498.3 It was noted that the emerging industrial relations environment in the public sector is a topic of political and media interest, brought about principally by the ongoing dispute between Luas and Transdev but also by the various pay and conditions claims submitted across the CIE Group of companies. The Chairman asked directors to consider the 2015 Financial Statements (showing accumulated losses of €150 million) [REDACTED]

in 2016. He stated that comparisons should not be made with Luas. Iarnrod Eireann cannot afford to increase its cost base. Affordability and ability to pay are important matters that must be considered.

4498.4 A recent report in The Sunday Times on correspondence between the Chief Executive and Commission for Railway Regulation (CRR) on the Middleton issue was noted. This correspondence was not released by Iarnrod Eireann under the Freedom of Information legislation.

4498.5 [REDACTED]

4499 CHIEF EXECUTIVE'S REPORT

4499.1 The Chief Executive's Report previously circulated was taken as read and noted.

4499.2 Mr. Franks presented his report and the following matters were discussed:

- Signage in respect of the CCTV cameras at Merrion, Sydney Parade and Sutton Level Crossings must be erected in order to strengthen the company's position when pursuing prosecutions.
- The tragic father and son death over the weekend occurred at an Iarnrod Eireann drainage ditch near the canal at Ashtown. The Local Authority is calling Iarnrod Eireann's signage into question.
- Actions are being taken to address the level of bridge strikes. Ms. Griffiths advised that she would find out how the inclusion of bridge heights on satellite navigation systems are funded in the UK. Ms. Griffiths
It was agreed that the Infrastructure Advisory Group (IAG) would consider the issue of bridge strikes. Mr. Clarke
- Reasons for operational delays at times of fatalities/self-harm incidents on the line.
- Possible follow-on consequences to the operation of the Phoenix Park Tunnel if the City Centre Re-signalling Project is not implemented by June 2016.
- A third party independent review is to be carried out on the protracted approval process with the CRR for a train protection system.
- Bar coding is not included in the Customer First Programme. This would be a separate project requiring separate funding.
- CRR approval has been received in respect of the GSMR Project.
- Ms. Griffiths stated that she would try and get more information on the Dutch rail accident which occurred on 23rd February 2016.

4499.3 Mr. Cronin outlined the Financial Results for Period 2 2016. The company incurred a loss [REDACTED] compared to a budgeted loss of [REDACTED] and a loss of [REDACTED] the same period in 2015. The company incurred a year to date loss [REDACTED] compared to a budgeted loss of [REDACTED] and a loss of [REDACTED] for the same period in 2015. This represents a good start to the year with the good DART and Commuter revenue performance being negated slightly by the Intercity performance. The following was also noted:

- Additional funding of [REDACTED] for storm damage approved by the Department of Transport, Tourism and Sport (DTTAS) has been included in the results while multi annual contract (MAC) revenue recognised has been brought in line with year to date budget.

- Shareholders' Funds continue to deteriorate due to the continuing losses. Net assets as a percentage of called up share capital now stands at [REDACTED] at the end of Period 2 2016. This level is heading towards becoming unsustainable.
- A number of marketing initiatives are taking place to improve Intercity revenue.
- The investment in acoustic bearing monitoring equipment has been of great benefit and it is yielding valuable data. The report expected from Interfleet is to be chased up.

Mr. Meade

4499.4

Mr. Meade outlined the key areas of focus for the Railway Undertaking (RU). The following were noted:

- Service Plans for the 1916 Centenary celebrations went well.
- The fact that Iarnród Éireann personnel were in the Garda incident room in Dublin Castle following the aforementioned Ashtown incident was of benefit.
- Plans for the new 10 Minute DART Timetable have been shelved due to recent industrial relations developments. However, driver training will continue as part of normal training. The impact of this decision will be a shortfall in passenger revenue amounting to [REDACTED]. Cost savings will now have to be identified to close this gap. Northern Ireland Railways have been advised that their changes to the Enterprise service timetable can still be accommodated. Consideration is being given to adding additional carriages to current peak time DART services in order to minimise overcrowding.
- The principle of sharing cost savings and revenue increases was discussed. It was pointed out that funding for investment in assets cannot be used for the share out. However, it was also stated that staff, should not be continuously expected to make up the shortfall in the underfunding of the company.

[REDACTED]

4499.5

Mr. Meade outlined the key areas of focus for the Commercial Department as follows:

- Initiatives to improve Intercity revenue performance.

[REDACTED]

Mr. Culligan

4499.6

Mr. Cunningham outlined the key areas of focus for the IM Department as follows:

- Graffiti management.
- Review following the 2015 low rail adhesion season.
- Allocation of the funding for repairs due to the flooding and adverse weather damage caused during the winter.
- Ballast cleaning work to date is ahead of target.
- Resolution of the portacabin issue at Portarlinton Station.
- There has been positive feedback to the use of a simulator at signalling training.
- A further appeal is being considered to the decision of the Innovation and Networks Executive Agency which rejected certain costs associated with the DART Expansion Programme.

4500

DRAFT 2015 FINANCIAL STATEMENTS

4500.1

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Ms. McGee

4500.7 Draft Chief Executives' Letter to the Chairman

The draft Chief Executive's Letter to the Minister required under the Code of Practice for the Governance of State Bodies previously circulated was taken as read and noted.

4500.8 It was noted that the Procurement Exceptions Report for 2015 outlined in Appendix B to the draft letter had been reported to the ARRГ.

4501 ADVISORY POLICY PAPERS

4501.1 Infrastructure Advisory Group (IAG)

The Report from the Chairman of the IAG previously circulated was taken as read and noted.

4501.2 The Chairman of the IAG, Mr. Clarke, highlighted the following matters for the board's attention:

- Plans to address signalling, electrical and telecoms (SET) resources.
- Review of the options available for support for the General Electric Transportation Systems (GETS). It was suggested that the Lloyds Report should be revisited in light of indications from Alstom that no support would be available after 2017 due to the obsolescence of the systems. It was also suggested that the company's risk register needs to be reviewed.

Mr. Cunningham

- Permanent speed restriction improvements on the Dublin/Cork and Limerick Lines involving:
 - A review of curves that are currently restricted to below 100 miles per hour.
 - New Down platform at Limerick Junction.
 - Closure of Level Crossing XC197
- Possession overruns are being reviewed.

4501.3 Organisation Design Steering Group (ODSG)

[REDACTED]

[REDACTED]

[REDACTED]

4501.5 ROSSLARE EUROPORT

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Mr. Lynch

Mr. Lynch left the meeting at this time.

4501.8 Risk Report

Mr. Ronan Glynn, Safety, Technical & Approvals Manager, joined the meeting at this time.

4501.9 The Risk Report for Quarter 1 2016 previously circulated was taken as read and noted.

4501.10 Mr. Glynn advised that the new risk management system is up and running. The Quarter 1 Report is the first output of the new system. The main item highlighted was that risks which exhibit a "high" or a "very high" residual risk rating fall outside the company's Risk Appetite.

4501.11 The following matters were discussed:

- The consequences of safety risks being outside the company's Risk Appetite even if mitigating plans have been put in place.
- Danger of "high" or "very high" safety risks being interpreted as a requirement to close down services.
- The need to show:
 - That the company is meeting its annual safety targets from mitigating actions,
 - Where the company would be if it had the necessary additional investment and
 - That it is acceptable for the company to be moving from "high" risks to "low" risks.

4501.12 Following further discussion it was agreed that the output of the new risk management system would be a useful tool to drive the NTA and the DTTAS into understanding the requirement for additional funding. However, further refinements to the system are required first. The system needs to reflect cost benefit analyses, delivery of annual targets in relation

to risk, mitigating plans to reduce "high" risks to "tolerable" risks and common sense. It was also agreed that the Risk Appetite Framework also needed to be revised to reflect any resulting changes in strategy following a revision of the Iarnrod Eireann Strategic Business Plan.

Executive Team

4501.13 RMI Audit of the Iarnrod Eireann Risk Management System

The Report by RMI on its audit of the company's new Risk Management System previously circulated was taken as read and noted.

4501.14 Mr. Glynn outlined RMI's findings which were spilt into three categories. There were no major non-compliances with international best practice, the principles of ISO 31000 or other guidelines or legal requirements (Category 1 observation). There were three Category 2 observations (minor non-compliances). Iarnrod Eireann will address these within the next three months. There were nine Category 3 observations relating to how effectiveness, efficiency and consistency of risk management processes can be improved.

4501.15 Following discussion of the RMI Audit Report, it was suggested that guidance should be obtained on how the board itself should construct the Risk Appetite document from a best practice point of view. It was agreed that this guidance should be taken from a third party with experience of railways.

Mr. Glynn

Mr. Glynn left the meeting at this time.

4501.16 Payroll Project

Mr. John Kennedy, IM Human Resources Manager and Mr. Ciaran Masterson, Director Human Resources, joined the meeting at this time.

4501.17 Mr. Kennedy and Mr. Masterson gave a presentation covering the following matters:

- Current state of HR / Payroll Systems (project context).
- Business strategy.
- Project approach.
- IT requirements.
- Next steps.

4501.18 In response to queries from directors, Mr. Masterson advised that:

- Problems with payroll system are continuously raised by internal and external auditors.
- All options including outsourcing are being examined in order to identify the best fit for Iarnrod Eireann.
- The Core Payroll System introduced by the bus companies are not suitable to deal with the complexity of the payroll system in Iarnrod Eireann.
- The governance of the project mirrors that of the Customer First Programme.
- Current funding of the project does not include funding to purchase a system. Additional board approval would be required for that.

4501.19 Mr. Cronin advised that there is a budget of [REDACTED] for own funded capital expenditure. Some of this will be allocated at budget time for any future capital expenditure requirements of the project.

Mr. Kennedy and Mr. Masterson left the meeting at this time.

4501.20 Trains Advisory Group (TAG)

The Report from the Chairman of the TAG previously circulated was taken as read and noted.

4502 CAPITAL PROJECTS

4502.1 Capital Expenditure Proposals

The nine memoranda previously circulated were taken as read and noted.

The board gave its approval for the following:

4502.2 Limerick Junction Down Platform

Expenditure of [REDACTED] to progress the detailed design stage for a new Down platform and associated infrastructure at Limerick Junction Station, subject to funding from the DTTAS or the NTA.

- 4502.3** Accessibility Programme 2016
Expenditure of [REDACTED] of which €30,000 is ineligible for NTA funding) to progress the design and construction of accessibility works in 2016 across four stations on the Iarnród Éireann network. It was noted that this project is funded by the NTA.
- 4502.4** DART Underground Design Review
A scope change and associated increase in funding in the amount of [REDACTED] in 2016-2017 (of which €15,000 is ineligible for NTA funding) to conduct a technical review of the DART Underground Reference Design to deliver a lower cost solution.
- It was noted that:
- The scope change is necessitated as a result of the Government's decision on the DART Underground Project as part of the Infrastructure and Capital Investment Plan 2016-2021 (Building on Recovery) in September 2015.
 - This will increase the project expenditure approval from [REDACTED] of which [REDACTED] costs have already been incurred.
 - The NTA will fund this project.
- 4502.5** Broombridge Station Footbridge
Expenditure of [REDACTED] to construct a new footbridge at Broombridge Station as part of the Transport Infrastructure Ireland (TII) Cross City Project.
- It was noted that:
- The work will be carried out by Iarnród Éireann and will be funded by TII at an estimated total cost of [REDACTED] excluding VAT.
 - All costs incurred by Iarnród Éireann will be recovered from TII.
- 4502.6** Underbridge UBR139 in Bray
Expenditure of [REDACTED] to straighten the piers and abutments of Underbridge UBR139 carrying the Wexford Line over the Dargle River at Bray Harbour.
- It was noted that all costs incurred by Iarnród Éireann will be recovered from Wicklow County Council.
- 4502.7** National Train Control Centre (NTCC) Building Design and Planning Phases
An increase in the scope and associated increase in funding in the amount of [REDACTED] (of which €86,000 is ineligible for NTA funding) to undertake the preliminary design, planning, detailed design and tender phases of the new NTCC building, thereby increasing the total expenditure from €1.43 million to €3.2 million.
- It was noted that:
- The NTA will fund this project.
 - There is a potential planning permission issue with respect to the height of the proposed building.
- 4502.8** Widening of Overbridge OBB026 at Malahide
An increase in expenditure from [REDACTED] (not including VAT) to [REDACTED] (not including VAT) to cover the costs associated with the revised scope and design in respect of the proposed widening of Overbridge OBB026 in Malahide.
- It was noted that all costs incurred will be recovered from Fingal County Council.
- 4502.9** Upgrade for Fire Regulation Compliance in Operational Stations
Expenditure of [REDACTED] (including non-recoverable VAT) for Phase 1 upgrade for Fire Regulation compliance in operational stations.
- It was noted that:
- The cost of this project will call on the [REDACTED] set aside for own funded projects in 2016.
 - All three phases of this project will cost [REDACTED]
- 4502.10** Land Purchase to facilitate the Closure of Level Crossing XC197
Expenditure of [REDACTED] plus reasonable legal costs to purchase 55 acres of land at Effin, Kilmallock, Co. Limerick, in order to facilitate the possible closure of Level Crossing XC197 on the Dublin/Cork Line.

It was noted that funding for this project is provided under the MAC.

Mr. Moloney left the meeting at this time.

4502.11

Closeout Reports

The four memoranda previously circulated were taken as read and noted.

The board gave its approval for the closeout of the following IM projects:

PAS	Description	App'vd €'000	Final Outturn €'000	Effective Variance		Contingency		
				€'000	%	App'vd €'000	Used €'000	%
CIRI00854	DART Underground Business Case							
CIR00382	Cork Blarney Station – Design and Agreements							
CIR00508	Drumcondra Metro Interchange							
CIR00692	TVP – Ashtown, Castleknock, Drumcondra, Leixlip Confey, Leixlip Louisa Bridge							
IM Total								

4503

PROCUREMENT

Mr. Colm Reynolds, Chief Procurement Officer, joined the meeting at this time.

4503.1

Procurement Report

The Procurement Report for Period 2 2016 previously circulated was taken as read and noted.

4503.2

Selection Criteria

The memorandum previously circulated was taken as read and noted.

4503.3

Half Life Overhaul and Repower of the Class 201 Locomotive Fleet

The board gave its approval for the selection criteria as presented to shortlist suitable candidates to participate in the tender for the undertaking of the half-life overhaul and repower of the Class 201 Locomotive Fleet.

It was noted that:

- The estimated cost of this contract is between [REDACTED]
- The funding source of this contract will be from the Chief Mechanical Engineer's annual fleet heavy maintenance budget.

4503.4

2015 Derogations

The memorandum previously circulated was taken and read and the board noted the significant purchases carried out under derogation in 2015 in accordance with the CIE Group Procurement Policy and Procedures.

4503.5

The board asked that future Derogation Reports should include the controls that are in place to:

- Demonstrate value for money where there is only one provider.
- Seek benchmark prices or
- Ensure that the company goes out to tender where possible, should be identified to ensure that these contracts do not roll on and on.

4503.6

Timetable

The up to date Timetable for 2016 previously circulated was taken as read and noted.

Mr. Reynolds left the meeting at this time.

4504 ADMINISTRATIVE ITEMS

4504.1 Transactions for Approval, Sealing

The transactions (9) for approval and sealing at the meeting were approved and sealed.

Appendix I

4505 ITEMS FOR NOTING

4505.1 Chairman's Report to the Minister

The Chairman's Report to the Minister following the board meeting on 23rd February 2016 previously circulated was taken as read and noted.

4505.2 Miscellaneous

The board noted the Minutes of the following meetings contained in the board papers which were previously circulated:

- (i) Audit Review Group Minutes 13th November 2015.
- (ii) Infrastructure Advisory Group Minutes 11th February 2016.
- (iii) Trains Advisory Group Minutes 15th February 2016.

4506 ANY OTHER BUSINESS

4506.1 In response to Mr. Wynne, Mr. Meade confirmed that fatalities have reduced since the initiative implemented with the Samaritans. However, there has been an upturn in fatalities during Quarter 1 2016.

4506.2 In response to Ms. McGee, Mr. Cunningham confirmed that the DTTAS additional funding covers remedial works for the Murrough, Co. Wicklow and other areas. Discussions are continuing for Foreshore Licences to be speeded up.

4507 DATE AND LOCATION OF NEXT MEETING

Tuesday 26th April 2016 at 9.00 a.m. in Inchicore.

Chairman _____

Date _____

TRANSACTIONS FOR APPROVAL AND SEALING

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]

Company Secretary
Iarnród Éireann
29th March 2016