

24th October 2016



Re: FOI request IE_FOI_065

Dear 

I refer to the request dated 12th September 2016, which you made under the Freedom of Information Act 2014 for records held by this body:

Copies of all minutes of meetings of the following:

a) Irish Rail Board

The time frame for this request is 01/06/16- today's date.

I, Ms. Sue Stanley, Decision Maker have now made a final decision to grant your request on 24th October 2016

You have sought access to the records outlined above and I consider this an appropriate form of access in this case. Accordingly, a copy of the records are now enclosed including a copy of the schedule to these records.

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,

A handwritten signature in black ink, appearing to be 'Sue Stanley'.

Mr. Sue Stanley,
Decision Maker
Corporate Communications

Schedule of Records for IE_FOI_065 : Summary for Decision Making

| Record No. | Date of Record | Brief Description | No. of Pages | Decision: Grant/Part Grant/Refuse | Section of Act if applicable redaction list on sheet 2 | Record Edited/Identify Deletions |
|------------|----------------|---------------------------------|--------------|---|---|--|
| 1 | 19.05.16 | IE Board Minutes 19th May 2016 | 10 | Part Grant | | |
| 2 | 28.06.16 | IE Board Minutes 28th June 2016 | 11 | | | |

Signed

IE Decision Maker

| Redactions | | | |
|---------------------------------|------------|---|---|
| IE Board Minutes 19th May 2016 | | | |
| Page # | Minute # | Section of Act Applicable | Reason |
| 1 | 4519.1 | Section 29 - Deliberations of Public Bodies | Deliberations amendments |
| 2 | 4520 | Section 29 - Deliberations of Public Bodies | Deliberations |
| 2 | 4521.4 | Section 36(1)(c) - Commercially Sensitive Information | information which could prejudice the conduct of negotiations |
| 3 | 4521.10 | Schedule 1 Part 2 - Exempt Agencies | Information relating to Bus Atha Cliath |
| 3 | 4522.9 | Section 29 - Deliberations of Public Bodies | Deliberations |
| 4 | 4522.15-17 | Section 29 - Deliberations of Public Bodies | Deliberations |
| 4 | 4522.22-25 | 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 |
| 5 | 4523.20 | Schedule 1 Part 2 - Exempt Agencies | Information relating to Coras Iomapir Eireann (CIE) Holding Co |
| 6 | 4523.3 | Section 36(1)(c) - Commercially Sensitive Information | information which could prejudice the conduct of negotiations |
| 7 | 4524.3 | Schedule 1 Part 2 - Exempt Agencies | Information relating to Coras Iomapir Eireann (CIE) Holding Co |
| 7 | 4525.3 | Section 37 - Personal Information | Personal Information |
| 9 | App 1(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 |
| 10 | App 2(1-2) | Section 36(1)(b) - Commercially Sensitive Information | financial information whose disclosure could reasonably be expected to result in a fin loss to those involved |
| IE Board Minutes 28th June 2016 | | | |
| Page # | Minute # | Section of Act Applicable | Reason |
| 3 | 4532.3 | Section 36(1)(b) - Commercially Sensitive Information | financial information whose disclosure could reasonably be expected to result in a fin loss to those involved |
| 3 | 4532.6 | Section 36(1)(b) - Commercially Sensitive Information | financial information whose disclosure could reasonably be expected to result in a fin loss to those involved |
| 4 | 4533.1-2 | Schedule 1 Part 2 - Exempt Agencies | Information relating to Coras Iomapir Eireann (CIE) Holding Co |
| 5 | 4533.14-16 | Section 29 - Deliberations of Public Bodies | Deliberations |
| 6 | 4533.24 | 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 | 4533.32 | Section 36(1)(b) - Commercially Sensitive Information | financial information whose disclosure could reasonably be expected to result in a fin loss to those involved |
| 6 | 4533.33 | Section 36(1)(b) - Commercially Sensitive Information | financial information whose disclosure could reasonably be expected to result in a fin loss to those involved |
| 7 | 4534.2-3 | Section 36(1)(b) - Commercially Sensitive Information | financial information whose disclosure could reasonably be expected to result in a fin loss to those involved |
| 8 | 4535.6 | Section 36(1)(b) - Commercially Sensitive Information | financial information whose disclosure could reasonably be expected to result in a fin loss to those involved |
| 8 | 4536.1 | Schedule 1 Part 2 - Exempt Agencies | Information relating to Coras Iomapir Eireann (CIE) Holding Co |
| 9 | 4536.9 | Schedule 1 Part 2 - Exempt Agencies | Information relating to Coras Iomapir Eireann (CIE) Holding Co |
| 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 |
| 12 | App 2(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 |

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 FOURTH
BOARD MEETING HELD ON 19TH MAY 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. 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. Niall Grogan | Group Property Manager, CIE (part) |
| | Mr. John P. Lynch | General Manager, Rosslare Europort (part) |
| | Mr. Jim Meade | Director, Train Operations |
| | Mr. Colm Reynolds | Chief Procurement Officer (part) |
| | Ms. Melissa Scully | Observer from Deloitte |

MIN NO.

4519 MINUTES

4519.1 The Minutes of the meeting held on 26th April 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 amendment:

Minute 4516

[REDACTED]

4519.2 Outstanding Action Items

The memorandum previously circulated was taken as read and noted.

Mr. McGreevy joined the meeting at this time.

4520 CHAIRMAN'S COMMENTS

4520.1 The Chairman welcomed Ms. Scully from Deloitte as an observer at the meeting. He explained that Ms. Scully was coordinating the Board Evaluation exercise and asked that directors complete the Board Evaluation Survey as soon as possible.

4520.2 The Chairman noted the formation of a new minority Government and the appointment of Mr. Shane Ross T.D. as the new Minister for Transport, Tourism and Sport. It was noted that Mr. Ross had been critical of the CIE Group in the past but that Iarnrod Eireann was looking forward to meeting him and explaining the challenges, particularly with respect to funding, facing the company.

4520.3 The Chairman referred to a recent article in the Sunday Independent regarding signals passed at danger (SPADs) and comments thereon attributed to the Commission for Railway Regulation (CRR). [REDACTED]

4520.4 The Chairman referred to the proposed Fleet Strategy, the draft Five Year Plan and the Rail Review which were the main items on the agenda for the meeting. When finalised, it is hoped that the Rail Review will be accepted by the DTTAS and by the new Minister.

4521 CHIEF EXECUTIVE'S REPORT

4521.1 The Chief Executive's Report previously circulated was taken as read and noted.

4521.2 Mr. Franks presented his report and highlighted the following matters:

- Three signals passed at danger (SPADs) occurred during Period 4 2016. Drivers are being briefed further on the correct use of driver reminder appliance (DRA) equipment.
- The company is ahead of target in dealing with the outcome of safety audits. 56 are now with the CRR awaiting confirmation of closure.
- Progress on IT Matters.
- Mandatory medicals.
- Payroll Project.

Mr. Tom Ramsay, is to attend a board meeting in Quarter 4 2016 in connection with this project.

- New Programme for Government.

A briefing note on the Western Rail Corridor Project is to be circulated to the new directors. This will be a topical issue for the new Government.

Mr. Kenny

4521.3 Matters discussed included the following:

- Progress with the project to fit sanders to the Class 2600 DMU Fleet and the 201 Locomotive fleet.
- Progress with the GSMR Project.
- There is continuous engagement with the CRR on the need for an adequate train protection system (TPS).

Mr. Moloney joined the meeting at this time.

4521.4 Mr. Cronin outlined the Financial Results for Period 4 2016. The company generated a [REDACTED] for the period compared to a budgeted [REDACTED] and forecasted [REDACTED]. The company incurred a year to date [REDACTED] compared to a budgeted [REDACTED] and a forecasted [REDACTED]. The following was noted:

- Reconciliation between the budgeted [REDACTED] for the year of [REDACTED] and the forecasted [REDACTED]. The risks and opportunities identified during Quarter 1 2016 are now reflected in the forecast.
- Revenue performance was slightly ahead of budget during the period.
- The favourable cash [REDACTED] year to date arises mainly from reductions in working capital requirements.
- Shareholders' Funds were [REDACTED] the end of Period 4 2016. Net assets at the end of Period 4 2016 stood at [REDACTED] of called up share cap[REDACTED].

- 4521.5 Mr. Meade outlined the key areas of focus for Train Operations / the Railway Undertaking (RU) as follows:
- Driver recruitment.
 - SPADs which have highlighted the importance of drivers using the DRA equipment correctly.
 - Rail Protection Unit (RPU) work will be amended to address the issues identified in the results of the latest six month survey into the risk of fare evasion. The involvement of the Gardai in ticketing blitzes has worked very well.
 - Service performance continues to lag behind target in the three business areas and the reasons for this were explained.
- 4521.6 Matters discussed included the following:
- Standards adopted for the use of safety critical electronic repair equipment.
 - Research carried out by the Railway Safety and Standards Board (RSSB) in the UK into human factors associated with the introduction of DRA equipment there.
- 4521.7 Mr. Cunningham outlined the key areas of focus for the Infrastructure Manager (IM) Department as follows:
- Recruitment of specialist Signalling, Electrical and Telecoms (SET) services.
 - Discussions with Dublin City Council (DCC) to resolve trespass issues on the railway. The DCC believe that the solution for the Ashdown area lies in the design for Pelletstown Station.
 - Resignalling at Limerick.
 - Ballast cleaning.
 - Plans to fit DRA equipment to on track machinery.
 - Scour management in flood/unexpected events.
- 4521.8 Matters discussed included the following:
- The significant level of work, including ballast cleaning, which was carried out during the May Bank Holiday weekend. This is a good indicator of progress made over the last few years.
 - Level of monitoring of sites which are vulnerable to flooding and other unexpected events.
 - The CRR has given a six month extension for certification on the Enterprise Refurbishment Project.
- 4521.9 Mr. Culligan outlined the key areas of focus for the Commercial Department as follows:
- Marketing awards won by Iarnród Éireann.
 - Software releases for the Customer First Programme (CFP).
 - Further work to be carried out by Belmond in order to achieve the necessary safety approvals from the CRR. It was noted that Northern Ireland Railways (NIR) have advised that they will not be able to accommodate the tour north of Belfast. Alternative options are being considered.
- 4521.10 In response to Mr. O'Mahony, Mr. Culligan confirmed that discussions continue with the National Transport Authority (NTA) on the impact of the Transport for Ireland brand on the brands of the subsidiary companies. [REDACTED]

4522 ADVISORY/POLICY PAPERS

4522.1 Infrastructure Advisory Group (IAG)

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

- 4522.2 The Chairman of the IAG, Mr. Clarke, highlighted the following items discussed at the recent IAG meeting:
- Backlog of SET Works Orders.
 - Planning for the 2016 Low Rail Adhesion (LRA) season.
 - Despite the significant achievement during the May Bank Holiday weekend, ballast cleaning rates are inadequate given the size of the network. More funding is required.
 - The current timetable allowance of 14 minutes for planned engineering work is out of line compared with other railway companies. This can be reduced by better planning. The reduction would result in improvements to journey times.

- 4522.3 Organisation Design Steering Group (ODSG)
The Report from the Chairman of the ODSG previously was taken as read and noted.
- 4522.4 The Chairman of the ODSG, Mr. O'Mahony, advised that the continuing failure to agree safety validation processes with the CRR is causing prolonged delay to the organisation design programme. This needs to be resolved so that Iarnrod Eireann can get on with the business. Further correspondence between Iarnrod Eireann and the CRR in this regard was circulated. A meeting with the CRR will be arranged. However, a recruitment process is going ahead anyway. It was noted that while the detail of the changes has nothing to do with the CRR, he has to be satisfied that there is a proper safety validation process.
- 4522.5 Low Rail Adhesion (LRA) Plan 2016
The memorandum previously circulated was taken as read and noted.
- 4522.6 Mr. Cunningham gave details of the LRA Plan for the 2016 season. He stated that while many of the issues were the same, the company is better informed by what it had learned in previous years e.g. the necessity for pre-season scrubbing on the Maynooth Line. He advised that a multi-disciplinary approach is being adopted.
- 4522.7 Other matters discussed included the following:
- Wider weather plan (e.g. storms, snow, track buckling in the heat, etc.)
 - The review of experiences in 2015 included feedback from the drivers.
 - Mr. Wynne suggested that more emphasis on driver technique should be included in the plan.
- 4522.8 Trains Advisory Group (TAG)
The Report from the Chairman of the TAG previously circulated was taken as read and noted.
- 4522.9 Mr. McGreevy advised that fleet capacity was the main item considered at the last meeting of the TAG. [REDACTED]
- 4522.10 Fleet Strategy 2016 - 2020
The memorandum previously circulated was taken as read and noted. A presentation document was circulated.
- 4522.11 It was noted that the Fleet Strategy needs to address the fleet capacity issues that are arising due to passenger growth. Otherwise overcrowding will continue. Mr. Meade gave details of the following:
- Background to the current capacity issues which are arising.
 - Options for increased fleet capacity.
 - Recommended next steps to be taken.
- 4522.12 Matters discussed included the following:
- Immediate impact of extra capacity –v- long term capacity issues.
 - Robustness of economic predictions.
 - Network electrification.
 - Impact on maintenance costs of increasing fleet capacity.
 - The need to get supply chain involvement in addressing the capacity problem.
 - Increasing capacity by use of airline type seats –v- degradation in quality.
 - Availability of imports with our gauge –v- rebogeying standard gauge vehicles.
 - Availability of NTA funding for capital expenditure.
 - The requirement for an increase in subvention for the additional services that need to be provided.
 - Impact on the Five Year Plan and on the Rail Review.
- 4522.13 It was noted that the reintroduction of the 2700 Class fleet and the purchase of intermediate 22000 Class Intercity railcars is recommended subject to funding from the NTA. The board agreed with this approach and asked management to come back with a final proposal following which management should then consider a longer term proposal.

4522.14

Draft Five Year Plan 2017 - 2021

The draft Five Year Plan 2017 – 2021 previously circulated was taken as read and noted.

4522.15

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] amendments covering matters such as:

[REDACTED]

[REDACTED]

[REDACTED]

4522.19

Risk Management Framework

The memorandum previously circulated was taken as read and noted.

4522.20

Mr. Cronin advised how risk is identified, assessed and managed. He referred to the resources, governance and assurances systems that had been put in place. He noted that Iarnród Éireann's Risk Appetite is the extent to which it is willing to except the risk

affecting the objectives set out in the company's 2017 - 2021 Strategic Business Plan. Mr. Cronin also outlined the following:

- How risks are rated and
- How risks are managed and reported (on a monthly basis to the Executive Team and on a quarterly basis to the board).

4522.21 In response to the Chairman, Mr. Franks confirmed that due to the refinements carried out on the system, the board's concerns (mentioned at the meeting on 29th March 2016) about the consequences of safety risks being outside the company's Risk Appetite (even if mitigating plans have been put in place), have now been taken into account.

4522.22 **Rosslare Europort Internal Audit Report Update**

[REDACTED]

4522.23

[REDACTED]

4522.24

[REDACTED]

4522.25

[REDACTED]

4523

CAPITAL PROJECTS

Mr. Niall Grogan, Group Property Manager, CIE, and Mr. Colm Reynolds, Chief Procurement Officer, joined the meeting at this time.

4523.1

Capital Expenditure Proposals

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

The board gave its approval for the following:

4523.2

[REDACTED]

4523.3

Flood Damage 2015 - 2016

Expenditure of [REDACTED] in response to the damage incurred to Iarnród Éireann infrastructure as a direct result of the severe adverse weather and flooding events of December 2015 to January 2016.

It was noted that:

- Funding was provided through supplementary funding over and above that provided under the MAC.
- The funding forms part of a total overall funding of [REDACTED] provided by the DTTAS following the severe flood and storm damage and is to be incurred in line with the specific requirements set out by the DTTAS for utilisation of this funding.

4524 **PROCUREMENT**

4524.1 Procurement Report

The Procurement Report for Period 4 2016 previously circulated was taken as read and noted.

4524.2 Contract

The memorandum previously circulated was taken as read and noted.

4524.3

[REDACTED]

4524.4 Timetable

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

Mr. Reynolds left the meeting at this time.

4525 **ADMINISTRATIVE ITEMS**

4525.1 Transactions for Approval, Sealing

The transactions (4) for approval and sealing at the meeting were approved and sealed.

Appendix I

The transactions (2) for approval and signing at the meeting were approved and signed.

Appendix II

4525.2 Bank of Ireland Mandate

The memorandum previously circulated was taken as read and noted.

4525.3 The board gave its approval for the following:

- The deletion of the name of [REDACTED] from the list of authorised signatories for the Wages Drawing No. 1 Account (including supplementary accounts).
- The addition of the name of [REDACTED] to the list of authorised signatories for the Wages Drawing No. 1 Account (including supplementary accounts).
- The addition of the name of [REDACTED] to the list of authorised signatories for the Bank of Ireland No. 1 Account (including supplementary accounts).
- The addition of the name of [REDACTED] to the list of authorised signatories for the Bank of Ireland No. 1 Account (including supplementary accounts).

4526 **ITEMS FOR NOTING**

4526.1 Chairman's Report to the Minister

The Chairman's Report to the Minister following the board meeting held on 26th April 2016 previously circulated was taken as read and noted.

4526.2 Miscellaneous

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

- (i) Infrastructure Advisory Group Minutes 14th April 2016.
- (ii) Organisation Design Steering Group Minutes 7th March 2016.

4527 ANY OTHER BUSINESS

4527.1 Mr. Wynne made a suggestion with the respect to the reporting of performance trends in the KPIs.

4527.2 The Chairman of the Audit and Risk Review Group (ARRG), Ms. McGee, advised that business expenses matters continue to be investigated. Advice from the Legal and HR Departments is awaited. The ARRG hopes to have the protected disclosures issues completed before the next board meeting.

4528 DATE AND LOCATION OF NEXT MEETING

Tuesday 28th June 2016 at 9.30 a.m. in Heuston Station.

Chairman _____

Date _____

TRANSACTIONS FOR APPROVAL AND SEALING

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

Company Secretary
Iarnród Éireann
19th May 2016

TRANSACTIONS FOR APPROVAL AND SIGNING

- [REDACTED]
- [REDACTED]

Company Secretary
Iarnród Éireann
19th May 2016

STRICTLY PRIVATE AND CONFIDENTIAL

IN ACCORDANCE WITH THE TERMS OF SECTION 22 OF THE TRANSPORT
(RE-ORGANISATION OF C  RAS IOMPAIR   IREANN) ACT, 1986

IARNR  D   IREANN - IRISH RAIL

DRAFT 2 MINUTES OF THE THREE HUNDRED AND FIFTH
BOARD MEETING HELD ON TUESDAY 28TH JUNE 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. 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. Niall Grogan | Group Property Manager, CIE (part) |
| | Mr. Jim Meade | Director Train Operations |
| | Mr. Cliff Perry | Chairman, Safety and Trains Advisory Groups (part) |
| | Mr. Colm Reynolds | Chief Procurement Officer (part) |
| | Ms. Melissa Scully | Deloitte (part) |
| | Mr. Peter Smyth | Chief Mechanical Engineer (part) |

MIN NO.

4529 MINUTES

4529.1 The Minutes of the meeting held on 19th May 2016 previously circulated were taken as read and noted. They were signed by the Chairman as a true record of the proceedings.

4529.2 Outstanding Action Items
The memorandum previously circulated was taken as read and noted.

4529.3 The Chairman stated that there was no news yet on the establishment of an independent review of the Western Rail Corridor Project by the Government.

4530 CHAIRMAN'S COMMENTS

4530.1 The Chairman noted that the revised Five Year Plan was an agenda item for the meeting.

4530.2 The Chairman advised that another agenda item was a presentation on pensions. Even though management of the pension schemes is a CIE function, the presentation will assist the board in its understanding of how the pension schemes work.

4530.3 The Chairman advised that a copy of the Roland Berger Review on Public Transport Contracting in European Jurisdictions was contained in the board papers. The report was driven principally by what is happening in bus service contracting. However, it was a good review of the approaches taken across Europe. He noted that the Direct Award contract method was a common model from which efficiencies can be achieved i.e. it is not always necessary to go to private companies. The report did not contain much about railway contracting. However, of interest to Iarnrod Eireann was one of the conclusions

which stated that there must be certainty on multi annual funding to facilitate efficient rail operations. The Chairman advised that the report had been presented to the Department of Transport, Tourism and Sport (DTTAS) and to the National Transport Authority (NTA).

4530.4 The Chairman stated that there was no progress with respect to appointments to fill the two current board vacancies. He noted that Ms. McGee's and Mr. O'Mahony's terms on the board expire in September and the process of appointment/reappointment will commence through the Public Appointments Service (PAS).

4530.5 The Chairman stated that the next meeting on 30th August 2016 would take place in Belfast. This would give the board an opportunity to travel on a refurbished Enterprise train and to meet with a major interface.

4531 BOARD PERFORMANCE REVIEW

Mr. Moloney joined the meeting at this time.

4531.1 The Report from Deloitte on its review of board performance previously circulated was taken as read and noted.

4531.2 Ms. Scully thanked directors for completing the performance evaluation survey. She outlined the key high level findings arising from the survey. She emphasised strengths for the board to build on and highlighted further areas for development. She went through a list of recommendations all of which were agreed by the board. Ms. Scully stated that the next step was to update the report for the comments made during the meeting. This will be reviewed by the Chairman and then finalised. Ms. Scully promised to forward a copy of its Report on Good Practice Insights. The Chairman thanked Ms. Scully for the work she carried out in the preparation of the report.

Ms. Scully left the meeting at this time.

4532 CHIEF EXECUTIVE'S REPORT

4532.1 The Chief Executive's Report previously circulated was taken as read and noted.

4532.2 Mr. Franks presented his report and highlighted the following matters:

- Key performance indicators (KPIs) for Period 6 2016 including:
 - Signal passed at danger (SPAD) which occurred at Pearse Station. A review of driver briefing process regarding the correct use of driver reminder appliance (DRA) equipment is taking place.
 - Recent incidents of self-harm and the associated impact on staff.
 - Potential wrong side failure on the 7th June 2016.
 - Culvert collapse on the Cork Line on 23rd May 2016.
 - Responses are awaited from the Commission for Railway Regulation (CRR) on the closeout of Railway Accident Investigation Unit (RAIU) and other historical safety recommendations.
 - Long term absenteeism levels which are driven by the fatalities.
 - A number of outstanding responses to Internal Audit Reports are almost complete.
 - An action plan to address the deterioration in the answer rate for telephone calls is now in place with Southwestern.
 - The customer perception of cleanliness standards has reduced even though the cleaning regime has not changed. This may be linked to the drop in punctuality on the DART network over the past few weeks.
- Sanders are expected to be installed on Class 2600 and Class 201 trains in accordance with deadlines. The trains will not be put into service if they have not been fitted with the sanding equipment.
- Feedback has not been received from the CRR yet regarding the company's revised IM/RU Standard SMS013 regarding company re-organisation. Separate documents had to be submitted in respect of the Infrastructure Manager (IM) and the Railway Undertaking (RU). In the meantime, Safety Validation Panels are being set up and a recruitment process has commenced.
- A draft report has now been prepared by two independent experts appointed by the Labour Court in connection with a past productivity claim and benchmarking.

4532.3

Mr. Cronin outlined the Financial Results for Period 6 2016. The company incurred a [REDACTED] for the period compared to a forecasted [REDACTED]. The company incurred a year to date [REDACTED] compared to a forecasted [REDACTED]. The following was noted:

- Total revenue for Period 6 2016 was [REDACTED] favourable to forecast.
- IM completed [REDACTED] worth of work less than planned. This is analysed between [REDACTED] in less capital work and [REDACTED] in less maintenance work. This resulted in a favourable materials variance of [REDACTED].
- There was a favourable cash variance of approximately [REDACTED] offset in part by additional net capital expenditure of [REDACTED].
- Debtors at the end of Period 6 2016 were [REDACTED] lower than forecast due mainly to the early receipt of public service obligation (PSO) funds.
- Creditors at the end of Period 6 2016 were [REDACTED] higher than forecast due mainly to the timing of payments to trade creditors.
- Shareholders' Funds at the end of Period 6 2016 stood at [REDACTED] a [REDACTED] in the year to date.
- Net assets as a percentage of called up share capital stood at [REDACTED] at the end of Period 6 2016.

4532.4

Mr. Meade outlined the key areas of focus for Train Operations / the Railway Undertaking (RU) as follows:

- Reasons for the disappointing DART punctuality levels during Period 5 2016 which resulted in non-achievement of the passenger service contract target for the first time in the year. Performance improved in Period 6 2016.
- Phoenix Park Tunnel cross city services.
- Identification of a Mark 4 "yaw" damper defect and rectification process. In the long term, the defect will be designed out of the yaw damper which is a "shock absorber" between the bogie and carriage body.
- A third door issue with respect to the Enterprise Refurbishment Project arose on 27th June 2016. Northern Ireland Railways (NIR) pulled the train set from service and a review is being carried out on the others.
- All tests have now been completed with respect to longer freight trains. These trains are now progressing into the safety validation process.

4532.5

In response to Mr. Moloney and Ms. Griffiths, it was confirmed that the Safety Advisory Group (SAG), on behalf of the board, has full visibility on all safety investigation reports. The SAG should satisfy itself that matters are being dealt with properly and can bring forward any issues to the board that it wishes.

4532.6

Mr. Cunningham outlined the key areas of focus for the Infrastructure Manager (IM) Department as follows:

- City Centre Resignalling Project commissioning.
Any necessary redesign or change in procedures will be implemented to ensure there is no repeat of the wrong side failure mentioned earlier.
- [REDACTED]
- A programme of works has now been developed to carry out essential resignalling repairs in Limerick without disruption to passenger services. The resourcing issue has been resolved.
- [REDACTED]
- The procurement process for the provision of flashing lights at temporary speed restriction (TSR) signs and the installation of fixed height TSR signs has commenced.

4532.7

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

- Preparation of the "net financial effect" (NFE) calculation for 2017 for submission to the NTA is being carried out. AECOM have been engaged to assist.
- The results of the Spring Customer Satisfaction Survey indicate a reduction in the customer reaction to punctuality and cleanliness. Poor reliability during the period the research was conducted is the main cause of this.
- The launch date for the Belmond Tour of Ireland has been deferred from 8th August 2016 to 30th August 2016. NIR have indicated that the tour cannot operate north of Belfast this year due to network constraints and planned engineering

works. A submission to the CRR for Stage 4-6 approvals will be dealt with under Iarnród Éireann's Safety Case.

4533 ADVISORY/POLICY PAPERS

4533.1 Pension Schemes

[REDACTED]

4533.3 Five Year Plan 2017 – 2021

The revised Five Year Plan 2017-2021 previously circulated was taken as read and noted.

4533.4 Mr. Cronin advised that the revised Five Year Plan had been presented to the DTTAS, the NTA and New Era. New Era will feed back its comments to the DTTAS. Mr. Cronin then outlined the changes that had been made to the Five Year Plan since the last board meeting.

4533.5 Following discussion the board gave its approval for the Five Year Plan 2017-2021 on the basis of the limited investment funding option. They felt that this was the minimum funding level required in order to operate a safe and reliable service. This means that the funding gap has to be addressed by the DTTAS. The board agreed that the Five Year Plan should be presented to the CIE Board and that the Strategic Business Plan 2017-2021 should be presented to the CIE Board Strategy Committee. It was also agreed that Mr. Kenny, Corporate Communications Manager, should prepare a briefing document that can be used by directors. **Mr. Kenny**

4533.6 Trains Advisory Group (TAG)

Mr. Cliff Perry, Chairman of the TAG and SAG joined the meeting at this time.

4533.7 The Report from the Chairman of the TAG previously circulated was taken as read and noted.

4533.8 Mr. Perry advised that from now on, Mr. McGreevy would chair the TAG. He thanked management for their assistance during his term as Chairman.

4533.9 Mr. McGreevy advised that there would be a lesser number of TAG meetings in 2017. However, these would focus on more strategic matters and also on risk management. Ad hoc meetings can be arranged when required. He agreed to prepare a paper on how the TAG would report to the board. **Mr. McGreevy**

4533.10 Safety Advisory Group (SAG)

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

4533.11 Mr. Perry advised that the chairmanship of the SAG was changing also. He thanked management for their assistance during his term as Chairman of the SAG. The new

Chairman of the SAG would be Ms. Griffiths. This would represent an improvement in that as director, she would be a direct link to the board.

4533.12 Other matters discussed included the following:

- Rosslare Safety Management System (SMS).
- Bridge scour management.
- How to develop and take forward the SAG into the future.

4533.13 The Chairman expressed his gratitude to Mr. Perry for the work he has carried out in various different roles over the past number of years i.e. as Chairman of the SAG, Chairman of the TAG and formerly as a director of the company.

4533.14 Commission for Railway Regulation (CRR) (Formerly Railway Safety Commission

[REDACTED]

4533.15

[REDACTED]

[REDACTED]

4533.17 Organisation Design Steering Group (ODSG)

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

4533.18 Companies Act 2014 - Directors' Compliance Policy Statement

The memorandum previously circulated was taken as read and noted.

4533.19 The board gave its approval for a Compliance Policy Statement as presented.

4533.20 Quarterly Risk Report

The Quarterly Risk Report previously circulated was taken as read and noted.

4533.21 Mr. Cronin presented the Quarterly Risk Report and referred to the following matters:

- Finalisation of the risk rating matrix.
- Matrix illustrating the current risk profile.
- Addition of three new risks to the list of principal risks.
- Review of the Risk Register by the Executive team on a monthly basis.

4533.22 Matters discussed included the following:

- A KPI now exists to monitor occasions when a residual risk rating does not fall within the company's Risk Appetite. On such occasions a material test is carried

out to decide whether the company should carry on its business. Such risks are considered tolerable only when justified to be as low as reasonably practicable.

- The risk of failure to secure funding in line with the limited investment option contained in the Five Year Plan is considered to be moderate. However, there is sufficient funding for the company to continue in operations to the end of 2016. Discussions with respect to funding for 2017 are ongoing. The risk rating would have to be reassessed if the situation changed e.g. if funding discussions collapsed or if the Government insisted on the base case investment scenario rather than the limited investment funding option.
- Even though they are contained in supporting documentation, it was suggested that intermediate target dates for some action treatments should be highlighted.

4533.23 It was noted that the board approves the Risk Appetite, endorses the Risk Management Framework and reviews the Risk Register. It was noted that a deep dive on any particular risk can be provided to any director on request.

4533.24 **Rosslare Safety Management System (SMS)**

[REDACTED]

[REDACTED]

4533.26 **Review of Public Transport Contracting in European Jurisdictions – Roland Berger**

The Report from Roland Berger on its review of public transport contracting in other European jurisdictions previously circulated was taken as read and noted.

4533.27 In particular, it was noted that Direct Award contracts can work and deliver efficiencies.

4533.28 **Annual Report under the Protected Disclosures Act 2014**

The memorandum previously circulated was taken as read and noted.

4533.29 The Report under the Protected Disclosures Act 2014 in respect of the year 2015 was approved subject to minor amendments.

4533.30 **Class 201 Locomotive Repower Business Case**

Mr. Peter Smyth, Chief Mechanical Engineer joined the meeting at this time.

4533.31 The memorandum previously circulated was taken as read and noted.

4533.32 Mr. Smyth outlined the following:

- Background to the procurement process which is taking place for the mid life repowering of the Class 201 locomotive fleet in order to reduce life cycle costs of operation and maintenance. The cost estimate for 22 locomotives is between [REDACTED]
- Current position with respect to locomotive fleet requirements, the repower feasibility study and the reduction in CO2 emissions that can be achieved.
- Timescales within the tender process and progress to date.
- Technical specification.
- Regulatory approvals.
- Maintenance and capital costs and funding.
- Return on investment which depends on the level of funding.

4533.33 Matters discussed included the following:

- Even though the outcome of the tender process has to be seen, early indications are that significant savings can be achieved (up to [REDACTED] after capital expenditure).
- Discussions have taken place with the Department of Communications, Energy and Natural Resources regarding emissions reductions.
- Derogation issues.
- Any other expenditure required to the locomotives in the next few years has been covered in the Heavy Maintenance budgets.

Mr. Smyth left the meeting at this time.

4534 CAPITAL PROJECTS

4534.1 Capital Expenditure Proposals

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

The board gave its approval for the following:

4534.2 Flood Damage 2015 - 2016

Expenditure of €2.45 million in response to the damage incurred to Iarnród Éireann infrastructure as a direct result of the severe adverse weather and flooding events of December 2015 to January 2016.

It was noted that:

- This funding is provided through supplementary funding over and above that provided under the multi-annual contract (MAC).
- The funding forms part of a total overall funding of [REDACTED] provided by the DTTAS following the severe flood and storm damage encountered.
- This funding follows on from the [REDACTED] approved by the board on 19th May 2016 and by the CIE Board on 1st June 2016.

4534.3 Car Park Expansion Feasibility Study

Expenditure of [REDACTED] (of which [REDACTED] is ineligible for NTA funding) to progress a feasibility study on increasing capacity or improving demand management at 15 stations on the Iarnród Éireann network.

It was noted that this project is funded by the NTA.

4534.4 Closeout Reports

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

4534.5 The board gave its approval for the closeout of the following projects:

- (a) Heavy Maintenance 2015.
- (b) Installation of a Driver Reminder Appliance System.
- (c) Strategic land purchase in respect of XG004 Ashtown Level Crossing.

4535 PROCUREMENT

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

4535.1 Procurement Report

The Procurement Report for Period 5 2016 previously circulated was taken as read and noted.

4535.2 The update on the Wheels and Axles contract position was noted.

4535.3 Award Criteria

The memorandum previously circulated was taken as read and noted.

4535.4 Provision of Cash Collection and Cash Management Services to Iarnród Éireann and Bus Éireann

The board gave its approval for the award criteria as presented to evaluate tenderers for the provision of cash collection and cash management services to Iarnród Éireann [REDACTED] for a period of up to five years.

It was noted that the total spend for a period of five years could be in the region of [REDACTED]

4535.5

Contract

The memorandum previously circulated was taken as read and noted.

4535.6

Treatment of Surface Rail Defects

The board gave its approval for the award of a contract to [REDACTED] for the treatment of surface rail defects at an estimated cost of [REDACTED] exclusive of VAT based on a contract duration of [REDACTED]

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 seven year period.
- The funding source for this contract is the MAC.

4535.7

Timetable

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

Mr. Reynolds left the meeting at this time.

4536

ADMINISTRATIVE ITEMS

4536.1

Property

[REDACTED]

[REDACTED]

4536.4

Transactions for Approval, Sealing and Signing

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

Appendix I

The transactions (5) for approval and signing at the meeting were approved and signed.

Appendix II

4536.5

Updates to the Corporate Governance Manual

The two memoranda previously circulated was taken as read and noted.

4536.6

Risk Management Policy

The board gave its approval for the Iarnród Éireann Risk Management Policy and for the Corporate Governance Manual to be updated accordingly.

4536.7

Guidelines for the Release of Information

The board noted revised Guidelines for the Release of Information and that the corporate Governance Manual would be updated accordingly.

4536.8

Comprehensive Constitution

The memorandum previously circulated was taken as read and noted.

4536.9

The board gave its approval for the following:

- (1) Further to the conversion by Iarnród Éireann-Irish Rail to a Designated Activity Company on 1st February 2016 as approved by the shareholders at the Extraordinary General Meeting on 10th December 2015, the draft Comprehensive Constitution as presented was approved to replace the existing constitution of Iarnród Éireann-Irish Rail subject to:
 - (a) The approval by the Board of Coras Iompair Éireann of the matters listed below in paragraphs (i), (ii) and (iii),
 - (b) The approval of the alterations in the existing basic constitution of Iarnród Éireann-Irish Rail that are made by the Comprehensive Constitution, by the Minister for Transport Tourism and Sport, given with the consent of the Minister for Public Expenditure and Reform and
 - (c) The adoption of the Comprehensive Constitution by the members of Iarnród Éireann-Irish Rail at an Extraordinary General Meeting of

shareholders in substitution for and to the exclusion of the existing basic constitution of Iarnród Éireann-Irish Rail

and

(2) That the Board of Coras Iompair Éireann be asked to:

(i)

(ii)

4536.10 Mr. Cronin, Mr. Culligan, Mr. Cunningham, Mr. Dunne, Mr. Franks, Mr. Meade and Mr. Perry left the meeting at this time.

4537 ITEMS FOR NOTING

4537.1 Chairman's Report to the Minister

The Chairman's Report to the Minister following the board meeting held on 19th May 2016 previously circulated was taken as read and noted.

4537.2 Legislation and Government Publications

The board noted the following:

- (i) S.I. No. 284 of 2016 – European Union (Award of Public Authority Contracts) Regulations 2016.
- (ii) S.I. No. 286 of 2016 – European Union (Award of Contracts by Utility Undertakings) Regulations 2016.

4537.3 Miscellaneous

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

- (i) Infrastructure Advisory Group Minutes 12th May 2016.
- (ii) Trains Advisory Group Minutes 18th April 2016 and 16th May 2016.
- (iii) Safety Advisory Group Minutes 12th April 2016.
- (iv) Audit and Risk Review Group Minutes 15th March 2016.

4537.4 Audit and Risk Review Group (ARRG) Report to the CIE Board Audit and Risk Committee

The ARRG Report to the CIE Board Audit and Risk Committee previously circulated was taken as read and noted.

4537.5 The Chairman of the ARRG, Ms. McGee, referred to a number of items which she had highlighted to the CIE Audit and Risk Committee on 21st June 2016 as follows:

- Internal Audit Report on ballast stock management and control.
- Internal Audit Report on agency staff and contractors.
- Complaint under the Protected Disclosures legislation which merited an independent investigation into the following:
 - Property transactions for the Kildare Route Project- Burris and Everglade.
 - Disciplinary proceedings in relation to false expense claims.
 - Award of Dash contracts.

Ms. McGee advised that while there was no evidence of wrongdoing in relation to two of these matters, certain weaknesses in controls were identified and have been taken on board by management. A lengthy debate had taken place on whether to report to the Gardaí on the alleged false expense claims which were many years old. Legal advice had been sought. Ms. McGee outlined the reasons for the decision not to report the matter to the Gardaí. A response to the original complaint has now been issued to the Complainant.

4537.6 The Chairman thanked Ms. McGee for taking on the chairmanship of the ARRG at the time when its two previous members had retired from the board. With respect to the protected disclosures, he noted that the complaints went back many years. Difficulties were encountered due to the passage of time and because the Complainant did not have direct first hand information.

4537.7

In terms of lessons learned from the company's first experience dealing with matters under the Protected Disclosures legislation, Ms. McGee referred to:

- The role of the ARRG
- Difficulties in dealing with multiple issues being complained of to multiple locations even though the issues had already been investigated and decided upon.
- Difficulties surrounding the naming of people in complaints by virtue of their position and who are not involved in the subject matter being complained of.
- Due process and the rights of people named in complaints.
- There is nothing in the legislation regarding time limits for:
 - How far back the complaints can go and
 - How long the Complainant can keep pursuing the matter despite its previous conclusion in other forums.
- How the company itself can be protected.

4538

DATE AND LOCATION OF NEXT MEETING

Tuesday 30th August 2016 in Belfast.

Chairman

Date

TRANSACTIONS FOR APPROVAL AND SEALING

1. Lease in duplicate with Mr. Seamus Eager, for a retail unit at Greystones Railway Station, for a

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Company Secretary
Iarnród Éireann
19th May 2016

TRANSACTIONS FOR APPROVAL AND SIGNING

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

Company Secretary
Iarnrod Éireann
19th May 2016