

**Minutes of ScotRail Trains Limited (ScotRail) Board
held on Thursday, 5 October 2023,
1300 - 1530
Atrium Court, 50 Waterloo St, Glasgow**

Present: David Lowrie (DL) – Chair
Julie Dale (JD) – Human Resource Director
Emma Dixon (ED) – Non-Executive Director and Company Secretary
Carolyn Griffiths (CG) – Non-Executive Director
Alex Hynes (AH) – Managing Director, Scotland’s Railway
David Lister (DML) – Safety, Engineering and Sustainability Director
Joanne Maguire (JHM) – Chief Operating Officer
Derek Marchant (DM) – Finance Director
David Simpson (DS) – Service Delivery Director

In attendance: Phil Campbell (PB) – Customer Operations Director
Claire Dickie (CD) – Head of Retail
Scott Prentice (SP) – Head of Business Development
David Ross (DR) – Communications Director
Sophie Mills – Minute taker

Apologies: John MacQuarrie (JM) – Non-Executive Director
Lesley Kane (LK) – Commercial Director

Item No	Item
1.1	Welcome The Chair welcomed all to the meeting.
1.2	Apologies for absence and quorum Apologies were noted from JM and LK.
1.3	Declarations of Interests and Conflicts No new declarations were noted.
Operational	
2.1	Engineering workforce plan The Engineering Director presented the paper considering the current and anticipated future vacancies for engineering up to 31 March 2024 and a short-term plan to improve recruitment and eliminate the current vacancy gap. The Board considered the issues, noting that: recruitment remains the biggest challenge for ScotRail; the general employment market in Scotland, and that recruitment and retention in Edinburgh is particularly difficult because of the cost of

	<p>ACTIONS:</p> <ul style="list-style-type: none"> a. Prepare proposal for capital investment required for multiple unit fleets in October. b. Prepare proposal for capital investment required for HST fleet. c. What fleet actions would be necessary for ScotRail to achieve the 92.5 per cent PPM target.
<p>2.3</p>	<p>ScotRail HQ office update</p> <p>The Board noted the options available and the recommendation that ScotRail continues to maintain contact with the Atrium Court landlord regarding additional space, but that no new commitment is made. It was considered and agreed that the next proposal should be considered by June 2024.</p> <p>ACTION:</p> <ul style="list-style-type: none"> a. DM to provide any next update with recommendation for potential approval by June 2024.
<p>Governance</p>	
<p>3.1</p>	<p>Rail period six finance update</p> <p>The Board considered the paper and noted:</p> <ul style="list-style-type: none"> - Revenue and cost savings are up. - Not having a CDEL budget continues to cause difficulties for ScotRail and introduces risk to the business. <p>It was noted that TS had advised that ScotRail would be held harmless for variations in the expected cost of the fares trial. The Board requested that the impact of the fares trial is monitored very closely to prove variations to forecast.</p> <p>The Board noted that the Q2 forecast is imminent.</p>
<p>3.2</p>	<p>Accountable Officer submissions tracker</p> <p>The Board was pleased to note that several items which had been on the tracker for a considerable length of time had now closed.</p> <p>The paper was noted by the Board.</p>
<p>3.3</p>	<p>Rail period six reporting pack</p> <p>The Chief Operating Officer presented the period's reporting pack. It was noted that:</p> <ul style="list-style-type: none"> - It was another positive period in terms of exceeding revenue target. - It was confirmed that the business had achieved the joint highest ever customer satisfaction score, as independently measured by Transport Focus, with 91 per cent of customers satisfied with ScotRail. - Operational performance exceeded target, at 91.3 per cent PPM against a target of 90.3 per cent.

	<ul style="list-style-type: none"> - In the immediate future, the delivery of the off-peak all-day trial will be a focus area. <p>The Board congratulated the Executive team on the positive results.</p> <p>The Board considered the following staffing matters:</p> <ul style="list-style-type: none"> - Internal staff surveys are carried out many periods apart. The Board requested whether further information might be available to allow periodic monitoring as a precursor to the less frequent surveys. Examples might be on Executive team engagement with ScotRail staff, site visits, and Q&A session to be provided. - Staff absence: the Board noted that there had been an increase in covid over the past 5-6 weeks. Current government guidance is that people isolate at home for five days. The Board also noted the increase in stress and anxiety as a factor in staff absence. The Board requested analysis to consider whether staff stress and anxiety was linked to work related tasks, incidents, or other external factors. - Gender distribution: it was noted that the gender balance of new recruits (particularly within engineering) is difficult to achieve in the short term while the emergency recruitment drive is underway. <p>The Board noted the number of customer accidents, and noted that ScotRail has seen a change in demographic of customers from commuters to leisure travellers. The increased unfamiliarity with trains and stations is likely to have led to an increase in accidents.</p> <p>The Board noted that submission had been made to the Office of Rail and Road (ORR) in response to the regulator's request for detail of ScotRail's environmental arrangements. It requested that a copy of this was provided to CG.</p> <p>The Board was pleased to note that the electric vehicle charging proposal had been approved by Scottish Rail Holdings (SRH) and TS.</p> <p>ACTIONS:</p> <ol style="list-style-type: none"> a. DR to prepare an Executive engagement activities paper to be presented at next Board meeting. b. JD to consider and analyse the extent to which stress and anxiety amongst staff is work related. c. ORR submission to be provided to CG by DML.
	<p>Minutes, other actions, and AOB</p>
<p>4.</p>	<p>Update from SRH Group</p> <p>A summary of SRH Board discussions relevant to ScotRail was noted. The Chair noted that this update would evolve.</p>
<p>5.</p>	<p>Minutes from previous meetings for approval</p> <p>The minutes of the meeting on 13 September 2023 had been circulated at the meeting, so Board members had not had time to consider them. Due to this, as a</p>

	<p>one off, it was agreed that DR would collate feedback and propose amendments from ScotRail executive and AH. The minutes would be amended and re-circulated for approval.</p>
<p>6.</p>	<p>Actions arising from previous meeting not already discussed</p> <p>The Board reviewed the action tracker and removed items as required.</p> <p>ED to circulate September action tracker.</p> <p>The following changes were made to the action tracker:</p> <ul style="list-style-type: none"> - Item 22.45 – Close action and move DVRS part to HST action. - 22.57 – No response from TS, leave open and remove Jo Maguire from action lead. Clarity needed from Ministers. - 23.13 – Remains the same. DML has meeting with in house legal to review the level of data ScotRail can collect. - 23.16 – Consultation has started, and Strathclyde consultation starts on Monday. Close action. - 23.21 – Paper noted at this meeting. No change. - 23.25 – Close action. - 23.29 – Ongoing as business plan to be reviewed by SRH. Close action for ScotRail. - 23.30 – close action - 23.33 – Split into two actions and update due date Action 1: Be advised when final report is published. Action 2: Give CG adequate time to review final report and report back to Board. - 23.34 – Board induction done – close action. - 23.39 – Paper considered today – close action. - 23.40 – Close action - 23.41 – Remains ongoing. - 23.42 – Close action. - 23.43 – Close action. - 23.44 – Remains ongoing. - 23.45 – Close action. - 23.46 – Close action. - 23.47 – Close action. - 23.48 – AH to amend typos in SHEC minute and close action. - 23.49 – CG to provide feedback on papers sent from AH outside board. Close action. - 23.50 – Ongoing- due date November 2023. - 23.51 – Close action. - 23.52 – Remains ongoing. - 23.53 – SRH to discuss. Ongoing. - 23.54 – One page summary outstanding for review by ScotRail Board. - 23.55 – Remains ongoing. - 23.56 – Close action. - 23.57 – Close action. - 23.58 – Remains ongoing. - 23.59 – Close action and new action for interim fleet to be created. NB: Add 'fleet' next to intercity in action description.

<p>7.</p>	<p>AOB</p> <p>Board oversight of new trains project: The Board noted that SRH has a Fleet Strategy Committee (FSC). It was agreed that the ScotRail Finance Director should now attend these meetings and relevant papers should be submitted to the ScotRail Board for noting as they contain matters that would be relevant to ScotRail's reputation or the board's fiduciary obligations. It was requested that the terms of reference of the Fleet Strategy Committee be circulated to the Board.</p> <p>[REDACTED]</p> <p>Peak fares: The Head of Retail provided a preliminary update on the peak fares trial. It was noted that it is early days, but there is some uplift in demand. The launch was a success internally and externally with the trial receiving positive national press coverage. The Board congratulated her and the whole team on the launch's success.</p> <p>Levenmouth opening: The Chief Operating Officer reported that TS has approved spending [REDACTED] for initiating activities around the opening of Levenmouth services and station, but that no additional funds had been made available. TS had requested a steam train for the launch event. The Board noted the importance of ScotRail supporting an opening event and continuing to work with all parties to agree an appropriate launch and funding, however it also considered that ScotRail must comply with its value for money obligations, brand, and operational capability.</p> <p>The Board requested a draft launch programme and budget be prepared by CD for review at the next board meeting.</p> <p>ACTIONS:</p> <ul style="list-style-type: none">a. DM to be invited to future group Fleet Strategy Committee (FSC) meetings.b. ScotRail Board to be able to note relevant FSC matters.c. CD to prepare Levenmouth launch proposal.
	<p><u>The date of the next ScotRail Board meeting is at 13.00 on Thursday, 2 November in Atrium Court, Glasgow</u></p>