

**Minutes of ScotRail Trains Limited (ScotRail) Board
held on Thursday, 13 September 2023,
0945 – 1245
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
John MacQuarrie (JM) – Non-Executive 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: 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 LK.
1.3	Declarations of interests and conflicts No new declarations were noted.
Operational	
2.1	Carmont derailment — Network Rail court appearance Network Rail representatives (including AH in his capacity as Network Rail Scotland Managing Director) attended the High Court in Aberdeen on 7 September 2023 to hear the court’s decision following the Carmont derailment in August 2020. Network Rail was fined £6.7m after pleading guilty to a charge contrary to sections of the Health and Safety at Work etc. Act 1974. ScotRail representatives were in Aberdeen to support the local team.

	<p>The Board noted that a fatal accident inquiry (FAI) will be established. Full details of the enquiry will be outlined in due course by the Crown Office.</p> <p>AH was thanked for the update and the Board noted it.</p> <p>Safety, Health, and Environment Committee (SHEC) Update</p> <p>The Board received a report from the Chair of the SHEC. The Board noted the following was discuss at the SHEC:</p> <ul style="list-style-type: none"> - There have been six category A signals passed at danger (SPADs) since March 2023, which have been a result of loss of concentration/ distraction. - There have been 15 station stopping incidents. This was within ScotRail's threshold, but the precursor risk was not. - The SHEC meeting was informed that ScotRail is putting greater focus on concentration in driver briefings. This will be revisited at the next SHEC. - Other areas of concern noted at the SHEC included the over threshold level of incidents of trips, slips, and falls. The increasing number is cause for concern as there are no trends or connections identified after station specific risk assessments have been carried out. - Concern was also raised that there had been several train over-speed events when blanket emergency speed restriction had been applied. Some had been caused by a breakdown in communication that led to notices not reaching the drivers. All incidents have been followed up with Network Rail. The Board requested that this further information, including benchmarks for the corresponding rail periods. <p>It was noted that over-speeding incidents had been discussed at the Safety Committee. It was agreed that the Board should be advised of significant incidents more generally to allow discussion in the appropriate forum.</p> <p>The Board agreed that Non-Executive Directors who are members of the SHEC would receive a copy of the pack issued to the Executive Safety Committee each period.</p> <p>It was noted that investigations should be concluded as soon as possible. The Board noted that reports on some events are yet to be completed as information has not been received from other parties.</p> <p>ACTIONS</p> <ul style="list-style-type: none"> - SHEC Report typos to be corrected. - AH to confirm number of recent over-speeding incidents and ensure that any outstanding reports have been appropriately distributed.
<p>2.2</p>	<p>Workforce planning</p> <p>The Board noted that recruitment is the single biggest current challenge at ScotRail. It noted the paper describing (1) the current and anticipated future vacancies across ScotRail up to 31 March 2024; and (2) a short-term plan to improve recruitment and training capacity and eliminate the vacancy gap for drivers, conductors, gateline, dispatch, ticket office staff, and ticket examiners up to 31 March 2024.</p>

	<p>The Board considered the proposal and noted the appointment of a recruitment agency to expedite the filling of 139 roles, in addition to the work carried out by ScotRail's in-house recruitment team.</p> <p>The Board considered the staff attrition rate, noting:</p> <ul style="list-style-type: none"> - ScotRail has an ageing work force with many expected to retire in the near future. - The current market has high levels of employment, however feedback from employees is positive (see item 2.4) as 68 per cent would recommend ScotRail as a good place to work. <p>The Board noted that a separate paper to cover engineering workforce plans will be tabled at the October 2023 meeting. ScotRail's strategic long-term plan will be presented to the Board in February 2024. This will include detailed workforce plans by year, including recruitment and training numbers, times, and costs for key roles.</p> <p>The Board noted the current headcount and vacancy gap and endorsed the proposed approach to short and long-term workforce and recruitment plan.</p> <p>ACTIONS: The Board requested that:</p> <ul style="list-style-type: none"> - A pay strategy is proposed for discussion and agreement at the November meeting. - Updates on the vacancy gap are added to the periodic Board pack.
2.3	<p>Shared Services</p> <p>Abellio Transport Holdings Ltd, now operating as Transport UK Group, currently provides shared services to ScotRail under the Transitional Services Agreement entered at the end of the Abellio franchise. This expires in January 2025 [REDACTED]</p> <p>[REDACTED]</p> <p>The Board considered the issues and noted:</p> <p>[REDACTED]</p> <p>[REDACTED]</p>

	<div style="background-color: black; width: 100%; height: 60px; margin-bottom: 10px;"></div> <p>The Board requested that actions should be updated to SRH to ensure that all parties are aware of best value for money propositions for the Group.</p>
<p>2.4</p>	<p>Employee engagement update</p> <p>On 24 May 2023, ScotRail launched its first all-staff survey since 2020. The Board noted the following key findings:</p> <ul style="list-style-type: none"> - 62 per cent of staff who responded intend to stay (significantly above other organisations with customer facing roles) and 68 per cent of staff who responded recommended ScotRail as a good place to work. - Only 23 per cent of staff who responded think positive change will come from the survey, which is disappointing. However, if ScotRail delivers on business plans then trust and faith in the leadership team will improve and this will have a positive ripple effect across the business. - Compared with the last survey, the response rate is up 11 percentage points. - During staff Q&A sessions, the ScotRail leadership team is noticing a positive change in staff attitude towards the business. <p>The Executive team had reviewed the report and prioritised three areas of focus:</p> <ol style="list-style-type: none"> 1. Resolving vacancy gaps in business. 2. Dealing with anti-social behaviour 3. Communicating the strategy of the business to staff.
<p>1) 2.5</p>	<p>Train plan evolution</p> <p>The Board noted:</p> <ul style="list-style-type: none"> • The first of three timetable changes to improve services in the Strathclyde area was successfully delivered in May 2023. Subsequent phases will be delivered in December 2023 and June 2024. • Services between Dundee and Aberdeen will be restructured in December 2023 to improve performance. • Lack of daily passenger count data by service limits ScotRail's ability to efficiently match capacity with demand. Investment to fit more train fleets with on train count equipment is essential. • The off-peak all day trial which runs from October to March may change passenger travel patterns and require that timetables are completely recast. ScotRail will use a variety of methods to monitor passenger demand during the trial. <p>The Board noted that the Fife, Perth and Dundee timetable consultation had launched and requested a summary be provided on the agreement with Transport Scotland to operate services on the new Levenmouth route.</p>

	<p>ACTIONS:</p> <ul style="list-style-type: none"> - One page summary on what has been agreed with Transport Scotland for Edinburgh to Fife, Perth, and Dundee timetable incorporating Levenmouth to be provided.
<p>Governance</p>	
<p>3.1</p>	<p>Rail period 5 finance update</p> <p>The finance summary for rail period 5 was noted.</p>
<p>3.2</p>	<p>Accountable Officer submissions tracker</p> <p>The Finance Director presented this paper and noted that several items have been submitted pending approval from Transport Scotland for a protracted period of time and are now operationally urgent, particularly for ramps. It was noted that procurement processes may need to be restarted if approval was not provided imminently.</p> <p>The concerns were noted. The Board considered the issues and concluded that it was in the best interests of the company to proceed with procuring the ramps rather than breach its safety obligations. Therefore, it authorised the procurement of the ramps.</p> <p>ACTIONS:</p> <ul style="list-style-type: none"> - JM to instruct the completion of the ramps' procurement and JM to confirm approval of purchase with Transport Scotland.
<p>3.3</p>	<p>Rail period five reporting pack</p> <p>The Chief Operating Officer presented the paper, noting the high-quality service delivery encouraged more customers to travel by rail to the major international events across Scotland in August. There has been 30.8 million ScotRail passenger journeys in the rail year to date, representing 33 per cent growth on 2022/23. Revenue growth in the first five periods is up on last year and beating budget. The teams have been commended for the volumes of passengers carried safely across the network and the revenue collected.</p> <p>The Board noted these good results and congratulated the Executive team on their achievement.</p> <p>Lost time injuries, passenger accidents, and fleet availability remain areas of focus for ScotRail.</p> <p>The Board noted that a fleet performance report will be in the October Board pack.</p> <p>The Board noted that ScotRail held its first in-person stakeholder panel since before the pandemic, chaired by CBI Scotland Director Tracy Black and attended by senior figures from business, third sector, and the British Transport Police. The panel discussed the following:</p> <ul style="list-style-type: none"> - The delivery of special events in August.

	<ul style="list-style-type: none"> - Tackling anti-social behaviour. - Collaboration with other industry partners on decarbonisation targets. - Off-peak all day trial and how best to communicate this to customers. <p>ACTIONS:</p> <ul style="list-style-type: none"> - It was requested that the monthly Performance Improvement Executive pack be provided to CG.
<p>3.4</p>	<p>Safety, Health, and Environment Committee (SHEC) update</p> <p>Covered under item 2.1.</p>
<p>Minutes, other actions, and AOB</p>	
<p>4.</p>	<p>Update from SRH group</p> <p>It was noted that this has been added to the standing agenda to increase transparency within the group.</p> <p>It was noted that SRH is developing its strategic business plan and intends to engage with its subsidiaries as the strategy is developed.</p>
<p>5.</p>	<p>Minutes from previous meetings for approval</p> <p>It was agreed to approve the minute of 15 June 2023 subject to fixing a typo in item 2.6, paragraph four. Sentence to read “it was recommended that ScotRail should continue within the schedule four scheme”.</p> <p>It was noted the minute of 10 August 2023 was missing action tracker points. Written changes to be sent by Board to ED.</p> <p>It was agreed that minutes would include which actions had been closed to create an audit trail of actions.</p> <p>The following changes were made to the action tracker:</p> <ul style="list-style-type: none"> - Item 22.57 revision date changed to October. Outstanding response from TS. - Item 23.13 revision date changed to October. DML to provide update on conversation with HMRC regarding fuel allocation to Caledonian Sleeper. - Item 23.21 revision date changed to March 2024. - Item 23.24 closed. - Item 23.25 revision date pushed beyond October. - Item 23.34 revision date changed to October. - Item 23.38 closed. Will reopen if legal advice is required. - Item 23.39 revision date changed to November. - Item 23.43 performance improvement to be included in DML's October report. <p>ACTIONS:</p> <ul style="list-style-type: none"> - Update minutes. - Edit action tracker to appropriately close out actions.

	<ul style="list-style-type: none"> - ED to reissue last period's action tracker.
6.	<p>Actions arising from previous meeting not already discussed</p> <p>The Board reviewed the action tracker and removed items as required.</p>
7.	<p>AOB</p> <p>Levenmouth opening: The Board agreed that Transport Scotland would need to provide funding for an opening event that matched the sponsor's expectations, along with a direction to proceed if it considered it value for money.</p> <p>Peak fares programme: It was noted that the off-peak all day six-month trial starts on 2 October. This programme was discussed positively in the Scottish Parliament on 13/09/23. Public communications will commence shortly.</p> <p>ACTIONS:</p> <ul style="list-style-type: none"> - Summary to be provided at next meeting of what has happened since 13/09/23. Summary to include communication to customers and feedback on initiative. <p>Intercity and suburban fleets: The Board noted the ongoing discussions between ScotRail, SRH, Transport Scotland, and Network Rail regarding the future of the intercity fleet and the options to procure new trains fleets.</p> <p>ACTIONS:</p> <ul style="list-style-type: none"> - DML to provide a concise summary on future intercity activities for consideration at the November meeting.
	<p><u>The date of the next ScotRail Board meeting is at 13.00 on Thursday, 5 October at Atrium Court, Glasgow.</u></p>