

## **Minutes of Meeting**

Scottish Rail Holdings Limited – Board Meeting

Thursday 1 May 2025, 13.30 to 17.15

Location: St Vincent Plaza / Via Teams\*

Present:           Iain Docherty – Chair  
                      Hannah Ross – Chief Executive  
                      Carolyn Griffiths – Non-Executive Director\*  
                      Brian Baverstock – Non-Executive Director  
                      Roz Foyer – Non-Executive Director  
                      Neil Amner – General Counsel  
                      Graeme Cook – Chief Operating Officer  
                      Campbell Davidson – Finance Director  
                      John MacQuarrie – Rail Business Director

In attendance:    John Provan – Transport Scotland Head of Rail Passenger Services Unit (deputising for Transport Scotland Director of Rail) (from 14.25)\*  
                      Graham Kelly – CSL Managing Director (for item five 14.10 to 15.05)\*  
                      Joanne Maguire – ScotRail Managing Director (for items five to seven 14:10 to 16.00 )  
                      [Redacted] – Board Secretary

Apologies:

### **Agenda Item 1: Notice, apologies, and quorum**

1. The Chair welcomed everyone to the meeting.
2. There were no apologies. The meeting was quorate.

### **Agenda item 2: Declarations of interests and conflicts of interest**

3. There were no declarations of interest.

### **Agenda Item 3: Minutes from previous meetings**

4. The Board approved the minutes of the meeting held on 25 February 2025.
5. The Board approved the minutes of the meeting held on 6 March 2025.
6. The Board approved the minutes of the meeting held on 3 April 2025 subject to comments that Carolyn Griffiths said that she would send to the Board Secretary.
7. The Board approved the minutes of the meetings held on 9 and 15 April 2025.
8. The Board approved the minutes of the meeting held on 22 April 2025 subject to amendment at paragraph 12 to note that medium risks would be reported to the Board for decision as necessary.

#### **Agenda Item 4: Actions and matters arising**

##### *Matters arising*

9. Carolyn Griffiths referred to paragraph four of the minutes of meeting held on 6 March 2025 where she had raised a matter from the 6 February meeting [Redacted] The Chief Executive said that she would check whether this matter was already captured in the ScotRail Board minutes. *(post meeting note: Carolyn Griffiths' view was noted in the ScotRail Board minutes of 20 February meeting. A paper on ScotRail's approach to dealing with the FAI was discussed and agreed at the ScotRail Board meeting on 20 March)*

10. Carolyn Griffiths said that a lot of safety issues were discussed at the Board meeting on 6 March, and she would discuss with General Counsel [Redacted]

11. Carolyn Griffiths referred to paragraph 46 of the minutes of the meeting on 6 March and said that there was an open issue in relation to capital expenditure. The Chief Operating Officer said that there was an open action listed on the Board action tracker for proposals to be developed to give the Board better oversight and scrutiny of capital plans, and this is being taken forward by the Business Analyst. He said that there is also a separate lessons learned review of 2024/25 capital expenditure being undertaken and this should be considered separately from the work the Business analyst is taking forward.

12. In relation to paragraph 53 of the minutes of the meeting on 6 March regarding the coach cracking discussion, the Chair said that a meeting had been held with the CSL Managing Director where the Chair had stressed the importance of the Board having adequate assurance that ALARP (as low as reasonably practicable) standard has been met for all risks. [Redacted]

- [Redacted]

13. Carolyn Griffiths referred to the minutes of the meeting held on 3 April at paragraph eight, regarding the Board's discussion of actions 14/2025 and 15/2025 relating to the CSL staff grievance matter. She said that the requirement for a lessons learned review to ensure timely notification to the Board and SHEC of such matters in the future should be added to the Board actions list.

14. Carolyn Griffiths referred to paragraphs 36 and 37 of the minutes of the meeting on 3 April regarding the Board's discussion of the People and Culture Strategy. She said that she had asked at that meeting when the Board would have sight of the detail of the roles and responsibilities of SRH staff and directorates and asked for a timescale to be set for this.

##### *Actions list*

15. The Board considered the list of actions from previous meetings.

16. The Board agreed to close actions 17/2025, 18/2025, 20/2025 and 24/2025 as these had been completed or were tabled on the agenda for this meeting.

17. In relation to action 13/2025 Brian Baverstock said that the requirements for monetary settlement of grievance matters are set out in the Scottish Public Finance Manual and the Board should be assured that these requirements are adequately taken into account. The Chief Executive said that a business case is being developed on this matter, and she will discuss this with the Board and Transport Scotland. Brian Baverstock said that the business case should be considered through the Remuneration Committee.

18. In relation to action 19/2025 on new fleet procurement, the Board noted that all tasks had been completed except [Redacted] The Chief Executive said that this matter would be discussed under item eight of the agenda covering the gateway review report.

19. In relation to action 21/2025 the Board noted that the Chief Executive would have a discussion with Transport Scotland regarding ScotRail's budget for 2025/26.

20. In relation to action 22/2025 to develop a template for reporting to the Board on capital spend, the Board noted that this was also listed as an action for the Audit and Risk Committee and had been triggered from consideration of the risks arising from capital underspend. The Board agreed that it could be deleted from the Audit and Risk Committee actions and retained on the Board actions list as reporting to the Board should provide the assurance needed, as highlighted by the Audit and Risk Committee. The Board noted that this will be considered further at the June meeting of the Board.

21. In relation to action 23/2025 the Board noted that the Chair has a meeting with the Transport Scotland Director of Rail scheduled for 16 May to discuss further [Redacted]

22. In relation to actions 25/2025 and 26/2025 regarding the [Redacted] project and the lessons learned review, the Board noted that a paper will be submitted to the June Board covering the revised business case and lessons learned for the approval process for this project, the capital reporting template (action 22/2025) and capital approvals process.

### **Agenda Item 5: Chief Executive's Report**

The ScotRail and CSL Managing Directors joined the meeting.

23. The Board considered the Chief Executive's report and appendices.

#### *Safety*

24. The Chief Executive gave an overview on the position and timescale for the fitment of variable rate and multi formation sanders for the ScotRail fleet.

25. The update in relation to CSL coach cracking matters was discussed earlier in the meeting under agenda item four.

#### *ScotRail Performance*

26. The Chief Executive said that ScotRail had performed well in period 13 of 2024/25 but overall performance for the year did not reach the target for PPM as specified in the Grant Agreement. She said that a [Redacted] She said that she had discussed target PPM with Transport Scotland and had agreed a minimum recovery target of 90.7 PPM for 2025/26 which is challenging but realistic, and if this target is being met as the year progresses, further discussion will take place on a higher target being agreed.

27. Carolyn Griffiths referred to the [Redacted] She said that the Board should also have the information to provide insight into other areas that affect performance such as traincrew, operations etc and a retrieval plan. The ScotRail Managing Director said that the target breakdown of all categories can be provided for the Board. The Chief Executive said that the Rail Business Directorate is working on clearer reporting for the Board. She said that the [Redacted] She said that benefit realisation from capital investment also needs to be tracked, and this will be considered through the capital processes work that is on-going.

28. The Chair said that the Chief Executive's report provides the performance data from which the Board can decide which elements need in-depth discussion for delivery of best services for customers.

#### *Reducing reliance on rest day working*

29. The Chief Executive said a key matter for the Board, ScotRail and Transport Scotland is the need to reduce reliance on rest day working, as discussed at previous Board meetings. She referred to the Cabinet Secretary's letter of 7

November 2024 in which the Minister required SRH to accelerate the recruitment of key staff within ScotRail to reduce the levels of reliance on overtime and rest day working. [Redacted]

30. The ScotRail Managing Director said that having an agreed core timetable based on the May 2025 timetable will help to manage rest day working. She said that the proposals on [Redacted] previously considered by the SRH and ScotRail Boards and [Redacted] and [Redacted] are key to the process, and ScotRail will be in a position [Redacted] The Chief Executive said that in her role as Chair of ScotRail Board she had asked ScotRail to prioritise [Redacted] and she will arrange a meeting with Transport Scotland, SRH and ScotRail to discuss.

31. Brian Baverstock said that the issue of reducing reliance on rest day working was brought to the attention of the current SRH Board after a previous agreement with Transport Scotland on the need for this. He said that this is a matter that requires strategic consideration of all options by SRH. He said that while there have been separate papers at different meetings on [Redacted] there has been no consolidated paper for the Board's consideration of the strategic options on reducing reliance on rest day working. He said that from a governance perspective, the Board should have this to be able to give assurance to Transport Scotland that all options have been considered. General Counsel said that he supported this view and said that Board papers should provide an analysis of all options for Board consideration.

32. The Chair said that ScotRail will cover the points discussed [Redacted]

#### *CSL Update*

33. The Chief Executive said that the locomotive procurement is progressing and 10 expressions of interest have been received, nine of which have progressed to pre-qualification questionnaire stage. She said that responses to questionnaires will be assessed, and market engagement will commence with an indicative timescale of end August for completion.

34. In relation to the IT business transition project, the Chief Executive said that this is nearing completion, and she congratulated CSL on the success of the project and the smooth transition from Serco.

35. The Chief Executive said that the main actions outstanding from the CSL Board are the framework for the control of major capital projects, which will be submitted to the next meeting of the CSL Board, and the [Redacted] which is awaiting Transport Scotland approval. The CSL Managing Director said that the [Redacted] will take 12 months from implementation for savings to be realised and that it would be of benefit for a decision to be made on this initiative soon.

36. The CSL Managing Director said that full fleet formations would be back in service today, which is the first time since the coach cracking issue came to light. He said that all coaches bar three have had the interim modification fitted, one of which was being fitted today. He said that in relation to [Redacted]

The CSL Managing Director left the meeting at 15.05

#### **Agenda Item 6: [Redacted]**

37. The Board considered the paper on proposals to [Redacted]

38. The Rail Business Director said that the proposal would assist in [Redacted] and increase revenue thus contributing to subsidy reduction. He said that the various options, as set out in the paper, had been considered and the recommendation was for the Board to approve the option [Redacted]

39. Carolyn Griffiths said that she had not seen enough information to take a decision on [Redacted] The ScotRail Managing Director said that it is physically and logistically impossible [Redacted] She said that where new stations are being built or current stations being renewed as part of the electrification work, [Redacted] will be installed. She said that these matters had been fully considered by the ScotRail Executive Team, and she would discuss with Carolyn Griffiths the additional information that she requires. The ScotRail Managing Director said that ScotRail is also trialling [Redacted]

40. After discussion the Board approved the [Redacted]

41. [Redacted]

#### **Agenda Item 7: ScotRail Budget 2025/26**

42. The Finance Director said that further analysis of revenue data for periods 12 and 13 of 2024/25 and period one of 2025/26 are forecasting a [Redacted] based on different scenarios, for 2025/26. He said that he is working with ScotRail to align the risk level to an agreed position and the mitigating actions to be taken to address this.

43. The ScotRail Managing Director said that ScotRail's analysis is that the [Redacted] She said that the proposals will be submitted to the ScotRail Board at its meeting on 15 May for consideration and will include detail of any effect of the proposals on the Grant Agreement and whether a request for derogations may be required. The Chief Executive said that, subject to ScotRail Board agreeing the proposals, these will then be submitted to the next meeting of the SRH Board with a deliverability action plan.

44. The Board thanked the Managing Director for the proactive approach being taken to address [Redacted] and noted that once the proposals have been considered further thought can be given to a multi-year approach to delivering efficiencies.

The ScotRail Managing Director left the meeting at 16.00

#### **Agenda Item 8: [Redacted]**

45. The Board considered the [Redacted]

46. [Redacted]

47. After in-depth discussion the Board agreed to the [Redacted] The Board noted that the job description for the post was being developed, and terms and conditions of appointment would also be developed. The Board agreed to delegate authority to the SRH Remuneration Committee to approve these matters to allow quick progress of the [Redacted] The Chief Executive will confirm the timing for a meeting of the Remuneration Committee.

48. The Board noted and agreed the proposals for reporting to the Board on progress on the [Redacted] The Board agreed that the Audit and Risk Committee should be used to scrutinise and review progress on addressing [Redacted]

49. The Chief Executive said that she will liaise with Transport Scotland and ScotRail on the [Redacted] She said that she will also consider how best to keep staff informed of actions being taken.

50. Carolyn Griffiths referred to the recently approved framework for [Redacted] and asked if this had been in place [Redacted] The Chief Executive said that she would consider this with the Chief Operating Officer and submit her view to a future meeting of the Board.

**Agenda Item 9: Capital Approvals**

51. There were no capital business cases for the Board's consideration.

**Agenda Item 10: Governance Review Outcome Update**

52. The Chair said that a discussion had been held prior to the meeting and the effect of the forthcoming Railways Bill to Scotland's railway is awaited. The Transport Scotland Head of Rail Passenger Services Unit said that the Cabinet Secretary had written to the Secretary of State for Transport in response to the consultation "A Railway Fit for Britain's Future". He said that he would find out if that letter can be shared with SRH and will inform the Chief Executive. The Board noted that the consultation process had now closed.

53. The Chair said that the Transport Scotland Director of Rail [Redacted]

**Agenda Item 11: Board Self-assessment, Skills Matrix, Board Capacity**

54. [Redacted]

**Agenda Item 12: Committee Updates**

55. There were no Committee updates for the Board to note.

**Agenda Item 13: Any other business**

56. The Board had no other business to discuss.

**Agenda Item 14: Date of next meeting**

57. The next meeting of the Board will be held on 29 May 2025.