

## **Minutes of Meeting**

Scottish Rail Holdings Limited – Board Meeting

Monday 23 June 2025, 09.30 to 14.50

Location: St Vincent Plaza / Via Teams\*

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

In attendance:       Bill Reeve –Transport Scotland Director of Rail\*  
                          Graham Kelly – CSL Managing Director (for items six and seven 10.10 to 11.10)\*  
                          Joanne Maguire – ScotRail Managing Director (for items five, six and ten 09:49 to 10.55)  
                          [Redacted] – Audit and Risk Manager (for item 11)  
                          [Redacted] – Head of New Fleet Procurement and Delivery\* (for item 12)  
                          [Redacted] – Board Secretary

Apologies:           Roz Foyer – Non-Executive Director

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

1. The Chair welcomed everyone to the meeting.
2. Apologies were noted. The meeting was quorate.

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

3. There were no declarations of interest.
4. The Chair said that items would be taken out of line with the agenda to accommodate the ScotRail Managing Director who had other commitments.
5. The Chair referred to discussions at the meeting of the Board on 29 May 2025 in relation to [Redacted] and said that it would be helpful, going forward, for the opportunity to discuss with the Transport Scotland Director of Rail, in advance of Board meetings, any issues of substance that Transport Scotland want to raise at Board meetings. The Transport Scotland Director of Rail said that issues of substance are normally raised through regular engagement with SRH. He said that Transport Scotland wishes to rely more on the SRH Board, and he would reflect on this within Transport Scotland and work it through with the SRH Board.

The ScotRail Managing Director joined the meeting at 09.49.

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

6. The Board considered the Chief Executive's report.

7. The Chief Executive highlighted the following for the Board:

- [Redacted] Network Rail Head of Recruitment will be assisting the Chief Executive in developing a recruitment plan and job specification
- The advert for the recruitment of a permanent Managing Director for CSL has been published, the shortlist should be available by August and interviews conducted in September
- Approval to commence the suburban fleet procurement has still not been received from Transport Scotland which means that the critical market engagement phase will be seriously constrained with the August holiday period for European manufacturers. An option could be to undertake a second market engagement phase after the Summer. This will be discussed further under item 12 of the agenda.
- The letter of instruction from Transport Scotland on the abolition of peak fares from 1 September 2025 was received on 18 June which was after ScotRail's deadline of 13 June to enable the 12 week lead time to get the new fares into the ScotRail systems. The instruction letter from SRH to ScotRail had been sent to ScotRail in draft but had one issue to resolve, the Chief Executive asked the Rail Business Director to finalise the letter and issue to ScotRail urgently.
- SRH resource planning is ongoing with a pause on recruitment pending wider review of staffing needs due to emerging pressures and the fast pace of change

8. The Chief Executive said that the proposed new operating model for British Transport Police (BTP) [Redacted] , was of concern given the number of incidents of anti-social behaviour experienced by ScotRail and CSL [Redacted] The ScotRail Managing Director said that Transport Scotland had taken an action on 25 March 2025 to arrange a meeting with Transport Scotland, BTP and BTPA to discuss funding and resource options but that this meeting had not yet been convened. [Redacted] The Transport Scotland Director of Rail said that BTP is a reserved body under the authority of the UK Government and while these are operational matters for BTP/BTPA, Transport Scotland would raise the matter again through the anti-social behaviour working group.

9. Carolyn Griffiths said that this matter had been discussed at a meeting of the ScotRail Safety, Health and Environment Committee (SHEC) where it was suggested that additional measures could be taken [Redacted] The Transport Scotland Director of Rail said that any instances of anti-social behaviour are unacceptable but the crime rate in Scotland is lower than that in the rest of the UK and it would be interesting to see the trends on anti-social behaviour for ScotRail and CSL. The Chair said that thought should be given to [Redacted] and the Board should come back to this issue to develop an action plan.

10. In relation to the abolition of peak fares from September 2025, the Chair asked if there was clarity on whether the new system was to be akin to that of the previous trial period and how railcard discounts would be affected. The ScotRail Managing Director said that there were concerns about the decrease in revenue that the new system would cause but it may create an increase in the number of passenger journeys. She said that dealing with concessions and railcard discounts will be challenging as there are many differences in railcard discounts and that the rules around this will be agreed once the final instruction letter is issued.

11. Carolyn Griffiths referred to the train performance section of the Chief Executive's report and Network Rail and ScotRail's position that rail period four is the opportunity for them to overdeliver on STPM, and SRH awaits confirmation of recovery planning anticipated in period four. She said that exceeding a target doesn't mean that they have a recovery plan in place. The Chief Executive said that was not the meaning portrayed, she said that period four should provide opportunity to exceed target given the absence of industrial relations issues, at the same time as a recovery plan will be available by period four.

12. Carolyn Griffiths said that the report should include data on trends in performance. The Rail Business Director said that he would discuss this with his team and include data for the next meeting of the Board.

13. Carolyn Griffiths said that a KPI relating to people has been discussed at subsidiary Boards and should be included in the Chief Executive's report for the SRH Board. The Board noted that the subsidiary Boards have not yet developed a people KPI and reporting is done by exception.

The CSL Managing Director joined the meeting at 10.10.

## **Agenda Item 6: SRH KPIs for ScotRail and CSL**

14. The Board considered the paper setting out proposed KPIs for SRH to assess the performance of ScotRail and CSL. The Rail Business Director said that the KPIs had been developed in response to an Audit Scotland recommendation from the 2023/24 audit and this was an evolving process that would have regular reporting to the Board.

15. Carolyn Griffiths said that in developing these KPIs consideration needs to be given to what SRH wants to see the subsidiary companies delivering, trend data is needed, and more reliance could be placed on maturity model assessments. She said that the Board doesn't get regular updates on projects and suggested that a KPI is needed for that. The Chief Operating Officer said that a draft proposal for capital projects is on the agenda for Board discussion and he would give consideration to developing an overarching KPI for projects. Carolyn Griffiths said that she had more detailed comments that she would discuss with the Rail Business Director.

16. Brian Baverstock said that the KPIs have to be aligned with strategic objectives and risk and a column should be added to the KPI paper showing this alignment and how these the KPIs help to manage risk.

17. The Transport Scotland Director of Rail said that the KPIs should be developed to ensure that the requirements in the Cabinet Secretary's strategic direction letter are being addressed.

18. The Chief Operating Officer said that consideration should be given to the risk of duplication from ScotRail Board consideration of KPIs and what SRH Board wants to consider and the areas that SRH can take assurance from ScotRail Board.

19. After discussion, the Board agreed that comments should be submitted to the Rail Business Director, with input from ScotRail and CSL and a revised set of KPIs submitted to the August meeting of the Board for approval.

## **Agenda Item 10: ScotRail [Redacted]**

20. The Board considered the paper setting out the position on [Redacted] when the current ScotRail recruitment campaign is completed in 2027.

21. The Rail Business Director said that it is anticipated that there will be a full establishment of drivers by December 2027 [Redacted]

22. The ScotRail Managing Director said that a lot of work is ongoing on this matter within ScotRail and this is just starting to come to fruition. She said that formal approval of the May 2025 timetable as the base timetable has still not been received from Transport Scotland and any significant change to the timetable puts at risk the work that is ongoing. She said that ScotRail Board at its meeting on 20 March and the SRH Board at its meeting on 1 May considered a paper detailing the position with driver recruitment, she said that the ratio of spare driver cover varies by depot and [Redacted]

23. The Transport Scotland Director of Rail said that the paper being considered sets out the position on the recruitment programme [Redacted]

24. The Board noted that it had previously agreed that [Redacted] would be developed and a paper would be submitted to the Board in October which would be a consolidated paper setting out all of the strategic options for the Board to consider to [Redacted] to enable the Board to give assurance to Transport Scotland that all options have been considered, as agreed at the Board meeting on 1 May. The Chair said that ScotRail should not wait until October to start implementing initiatives that would work towards [Redacted] but there would be comprehensive discussion of this at the October Board meeting, in line with the decision made by the Board on 1 May.

25. Carolyn Griffiths said that, for the Board's consideration at the October meeting, it would be helpful to have data on the reasons [Redacted]. The ScotRail Managing Director said that she would provide this data along with comparative data with other train operating companies on operational staff, driver numbers etc.

26. The Board noted that it would consider the presentation of the current recruitment programme and the effect on [Redacted] for the Strategic Rail Board meeting on 1 July.

The Scotrail Managing Director left the meeting at 10.55

## **Agenda Item 7: CSL Winter Fleet Arrangements**

27. The Board considered the paper requesting a change to CSL's service during the lower demand Winter months to allow a schedule of work and modifications to be undertaken to coaches. The Board noted that the proposed change had been endorsed by the CSL Board at its meeting on 11 June 2025.

28. The Board noted that there would be a small net cost as a result of the service changes and the CSL Managing Director confirmed that the cost could be met from within the existing budget. After discussion, the Board endorsed the change of service and agreed that this should be submitted to Transport Scotland for approval.

### *CSL Update*

29. The Chair invited the CSL Managing Director to give an update to the Board on CSL business over the last period.

30. The CSL Managing Director said that period two had been positive with guest satisfaction levels recovering after a small decrease. He said that a sub-surface crack had been found on another coach and the coach that was located at Wembley had the interim modification fitted and has now returned to Scotland. He said that there has been good progress with the locomotive replacement project and the [Redacted]

31. Carolyn Griffiths said that as there are no scheduled Board meetings in July the sub-group that previously considered coach cracking issues should meet to get an update on any open issues from the coach cracking action tracker. The Chair said that the request from SRH Board [Redacted] should be discussed at the meeting and a statement to confirm this should be presented to the SRH Board at its meeting on 21 August 2025. The CSL Managing Director said that he would share the risk assessment with CSL and SRH Boards.

32. General Counsel asked what sub-group was being referred to as he wasn't aware of any sub-groups having been established. Carolyn Griffiths said that this was not a formally constituted group and was not a decision making forum, it was an internal group of CSL non-executives and executives to discuss in-depth issues relating to coach cracking and report back to SHEC and the Board. General Counsel said that it was right to have such groups for deep dive discussion, but the status of groups needs to be clear.

The CSL Managing Director left the meeting at 11.10

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

33. The Board approved the minutes of the meeting held on 29 May 2025 subject to amendment that Carolyn Griffiths asked for at paragraph 24 regarding a more formalised approach to dealing with instructions from Transport Scotland, she said that she would send proposed wording to the Board Secretary. The Chief Operating Officer said that there were some typographical errors, and he would inform the Board Secretary of these.

34. The Board approved the minutes of the meeting held on 3 April 2025.

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

35. Carolyn Griffiths asked about the status of the ScotRail Grant Agreement variation as discussed at the previous meeting of the Board. General Counsel said that the draft changes had been agreed with Transport Scotland and formal sign-off was awaited.

36. Carolyn Griffiths referred to paragraph 43 of the minutes of the previous meeting and noted that the joint performance improvement plan was to be discussed at the Rail Portfolio Board meeting and the Chief Executive undertook to update the Board on the exact requirements for the root and branch review and the timescale for this. She asked for this to be added to the Board action tracker and said that the SRH Board should have input to the joint performance improvement plan, and she asked for information on actions being taken to improve performance to be included in the Chief Executive's report to the Board. The Chief Executive said that consideration needs to be given to interaction and alignment between the Rail Portfolio Board and SRH Board and she is discussing this with the Chair.

37. The Transport Scotland Director of Rail said that the Grant Agreement requires SRH to require ScotRail to have a performance improvement plan to address underperformance. He said that a performance improvement plan would

not be credible without a root and branch review. [Redacted] The Board agreed that this could be discussed further as part of the SRH governance review.

38. Carolyn Griffiths referred to paragraph 51 of the minutes of the previous meeting regarding recommendation five from [Redacted] and the Chief Executive's undertaking to consider if [Redacted] was required, and she asked for this to be added to the Board action tracker.

39. Carolyn Griffiths referred to paragraph 59 of the minutes of the previous meeting and asked to review the wording of the best value self-assessment questionnaire. General Counsel said that the questionnaire had been submitted to the Board at its meeting on 29 May, but he would recirculate this.

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

41. The Board agreed to close actions 22/2025, 26/2025, 35/2025 and 40/2025 as these had been completed or were tabled on the agenda for this meeting.

42. In relation to action 28/2025 General Counsel said that the external legal review of CSL's handling of the grievance had been completed and the legal advisers were now reviewing SRH's handling of the matter. The Board noted that the business case [Redacted] was waiting for Transport Scotland approval.

43. In relation to action 34/2025 the Board asked for this to remain open until after the ScotRail Remuneration Committee meeting on 3 July.

44. In relation to action 38/2025, Chief Executive to include in her report to the Board, a dashboard summary of progress on the joint performance improvement plan, the Board noted that this will be provided for the next meeting of the Board.

45. In relation to action 39/2025, the Board noted that the position paper on brick construction v modular for staff accommodation at stations/depots was being prepared and will be submitted to the Board prior to any further business cases regarding staff accommodation.

46. Carolyn Griffiths referred to paragraph 21 of the minutes of the Board meeting held on 3 April 2025 and asked that the consideration on [Redacted] and asked for this to be added to the action tracker.

#### **Agenda Item 8: Capital Processes**

47. The Board considered the papers setting out proposals to enhance the SRH Group capital projects approval process, including the Cadder depot wheel lathe project lessons learned review and actions to address the recommendations, the group Board assurance template, and the template for reporting capital spend to the Board.

48. Carolyn Griffiths suggested that the wording of the definition of Novel and Contentious should be extended to include possible proposals that could be seen as not wholly in accordance with SRH or Transport Scotland policies but are worthy of consideration as there may be advantageous merits to the proposal. The Board noted that the definition of novel and contentious was in line with the Scottish Government definition and agreed that this should not be amended but a sentence could be added to cover the suggestion from Carolyn Griffiths that this additional consideration could be undertaken within SRH Group.

49. The Board noted that in relation to the wheel lathe project a lot of work had been undertaken previously by Network Rail to drive down the costs of the project, but this information had not been included in the business case papers. The Chief Operating Officer said that in future additional efforts would be made to ensure that the fullest possible details of prior assurance work would be made available.

50. The Chief Operating Officer said that a lot of the issues identified in the wheel lathe project review have been resolved and the capital approvals process will be further enhanced by ensuring that the wording of the terms of reference for CIP are agreed by all parties, and Transport Scotland project staff, as well as finance staff, take an active part in the CIP.

51. Carolyn Griffiths said that compliance with legal requirements needs to be confirmed for all projects. She referred to the station/depot staff accommodation projects which have been approved and said that ScotRail was undertaking a review to ascertain if there were any other accommodation facilities that need to be upgraded to ensure statutory compliance, but she has not seen the outcome of this review yet. The Chief Operating Officer said that he would look into this. General Counsel said that confirmation on legal compliance should state that it is confirmation on the understanding of compliance at the point a project is initiated.

52. [Redacted]

53. After discussion the Board:

- Noted the findings of the Wheel Lathe lessons learned exercise
- Noted the intention to amend Group templates to ensure that business cases are unambiguous about what stage the project is at (strategic, outline or final)
- Noted that the Capital Investment Panel (CIP) is redrafting its terms of reference
- Noted that the SRH Executive Team plans to bring the medium term recommendations in the Wheel Lathe lessons learned exercise to the Board at a future date
- Approved the reordering of forums in the framework for control of major capital projects to allow CIP to complete its due diligence before the subsidiary Board meetings while noting that the other parties involved in CIP will also have to agree to the change before it can be implemented
- Approved the adoption of the SRH Group capital assurance template to allow the CIP to report its due diligence to Group Boards consistently
- Approved the adoption of the SRH capital spend reporting template to provide assurance to the SRH Board that approved capital projects are progressing as planned
- Approved the adoption of the definition of Novel and Contentious with the additional comment for consideration within the SRH Group, as suggested by Carolyn Griffiths.

#### **Agenda Item 9: Review of Terms of Reference for the Audit and Risk Committee**

54. The Board considered the revised terms of reference for the Audit and Risk Committee.

55. General Counsel said that the current terms are overdue for review and the Chair of the Audit and Risk Committee had recast the terms of reference to bring them into line with Scottish Government guidance. He said that delegated authority is requested for the Audit and Risk Committee to approve certain policies, and the Board's previous agreement to allow General Counsel to continue backfilling required policies should continue.

56. After discussion the Board approved the terms of reference for the Audit and Risk Committee and agreed that the Committee should recommend approval of audit plans to the Board, and agreed to the Committee have authority to approve policies subject to a list of policies that are reserved for the Board's approval being included in the terms of reference. General Counsel will update the terms of reference with a proposed list of reserved policies plus a statement of an overarching right of Board to recall any particular matter for its consideration and submit these to the next meeting of the Board. The General Counsel is to continue with the creation of interim policies where required to address gaps.

#### **Agenda Item 11: Risk Register**

The Audit and Risk Manager joined the meeting.

57. The Board considered the strategic risk register update.

58. The Chair referred to the [Redacted] and asked for explanation of this. The Audit and Risk Manager said that the scoring reflects [Redacted] The Chief Executive said that there is a vacancy within the SRH organisational design [Redacted] and discussions are ongoing on how to fill this gap.

59. [Redacted] The Chair said that there are categorised variables that will have different interpretations which is likely causing this misalignment. Brian Baverstock said that the situation should be reconciled through the mitigating controls that drive the probability score.

60. The Board noted that the same issues had been raised at the subsidiary Boards and Committees and the outcome from those forums has not yet flowed through to the risk register. The Chief Operating Officer said that the subsidiary Boards and Committees had also agreed that the wording of the description of the risks should be reviewed which should help to manage the scoring. The Board noted that the Audit and Risk Manager is working with the subsidiary companies to bring in a common risk scoring methodology and approach to risk management.

61. Carolyn Griffiths said that she would welcome the Audit and Risk Manager's assistance in reviewing the safety risks at SHEC as the risks are too aggregated. She said that the strategic risk register should be detailing the risks to delivering the organisation's strategy and the [Redacted] should be a moderate risk to achievement of strategic objectives. Brian Baverstock said that he agreed that this is not a significant risk due to the assurance that SRH can get from the subsidiary companies and SHEC on safety matters. He said that moving to a group scoring system was imperative. He noted that ScotRail had flagged that [Redacted]

62. The Chief Executive agreed that the risk ownership lies with the executive, and she would consider the [Redacted] further with the executive team and with SHEC.

The Audit and Risk Manager left the meeting

#### **Agenda Item 12: New Fleet Procurement**

The Head of New Fleet Procurement and Delivery joined the meeting.

63. Period two progress reports had been provided for the Board on the Intercity and Suburban projects.

64. The Head of New Fleet Procurement and Delivery gave the Board an update including:

##### *Suburban Project*

- All documentation for the suburban project has been through the assurance groups, PAG and FROG
- The Grant Agreement variation has had minor changes approved and is ready for final sign-off
- Scottish Government approval to proceed with the project is awaited and the timescale for this is unknown
- The PIN has not yet been issued as the above mentioned approval is needed, [Redacted]
- [Redacted]

##### *Intercity Project*

- Initial responses from bidders were received in mid-June and are being reviewed
- Consultations with stakeholders are being arranged
- The analysis of bidders' initial responses will be presented to the Board at a special meeting of the Board in July where the final ITN will also be presented for approval (*post meeting note, the special meeting of the Board will be held on 16 July 2025 at 11am*)
- The business case will detail all options for the Board's consideration
- One of the main risks is the timescales to get through the approval stages of the project and discussions will be held with Transport Scotland to line up key dates to avoid the risk of delays in the approval stages

##### *CSL Locomotive Project*

- Responses to the market engagement have been received and are being considered
- The strategic business case and outline business case are being developed for CSL and SRH Board consideration in August

The Head of New Fleet Procurement and Delivery left the meeting

### **Agenda Item 13: Staff Roles and Responsibilities**

65. The Board noted the organisation design, phase two paper.

66. The Chief Executive said that the paper sets out the plan to review job descriptions and undertake a job evaluation exercise to address issues raised by the Board and to ensure that job descriptions are in line with the strategic and business plans.

67. The Chair noted that the job descriptions for senior roles need to be more robust.

68. Carolyn Griffiths said that a full formal job evaluation exercise will take a long time to complete and there are matters that should be addressed now to give the Board assurance that all positions are adding value to the organisation. She said that staff outputs are not visible in the documents provided and it is unclear whether executive team members are leveraging as much added value as the post would allow.

69. The Chief Executive said that various recent changes have been made to provide assurance to the Board, including:

- A proper performance appraisal system being put in place with staff objectives aligned to the business plan
- Each director has responsibility for relevant areas in the business plan
- Staff roles have been separated and spread across the executive team

70. The Chief Executive said that there is more work to be done as there are problems with job titles not matching the actual work undertaken and there is a problem with leveraging for example in relation to General Counsel who is spending most of his time backfilling policy and procedure areas that were missing in SRH rather than utilising his extensive experience in transport in Scotland to add value to the organisation.

71. Brian Baverstock said that staffing is a matter for the Chief Executive, and he agreed that the approach outlined in the paper are sensible. He said that it would be helpful to have a matrix resourcing model to understand the group position, and he referred to previous discussions for a job evaluation exercise to be undertaken at executive level across the group. The Chief Executive said that there is a lot of work to be done on people matters across the group and this is being taken forward by the People and Culture Director.

### **Agenda Item 14: Legal Horizon Scanning**

72. The Board noted the paper setting out emerging legal issues and the associated resource impact. The Chair said that comments on the paper should be sent to General Counsel.

### **Agenda Item 15: SRH Group Finance Report**

73. The Board noted the SRH Group Finance Update for 2025/26 and the segmental reports.

### **Agenda Item 16: Board Member Appraisal and Board Self-Assessment**

74. The Board noted the timeline for the non-executive director appraisals to be conducted and noted that there was a more up to date appraisal form used by the previous Chair.

75. The Board agreed with the recommendations in relation to the Board self-assessment exercise and asked for this to be initiated and for timescales to be accelerated wherever possible.

### **Agenda Item 17: Quarterly SRH Business Plan and Strategic Plan Progress Report**

76. The Board noted the business and strategic plan progress update.

77. The Chief Executive said that [Redacted]. She said that ScotRail is recruiting additional resources for timetabling and once this is in place SRH will consider how to develop capability further. She said that [Redacted]. She said that she is considering this further with General Counsel.

78. Carolyn Griffiths asked at what stage the Chief Executive will be able to provide the Board with assurance that work and staffing resources have been allocated to ensure that all work required in the business plan and strategic plan is being actioned. The Chief Executive said that the key element this year is that there is a business plan and strategic plan in place. She said that by September/October she will have a more informed view on structures going forward which will also take account of the outcome from the governance review and also help to answer what SRH is in place to do.

The Transport Scotland Director Rail left the meeting at 14.00

#### **Agenda Item 18: Quarterly Review of the Register of Directors' Interests**

79. The Register of Directors' Interests had been tabled on the agenda for Board Members to check their entries and advise of any changes. The Chief Operating Officer said that he had been appointed as a trustee of Rock Trust. The Finance Director said that he is a Member of the Institute of Chartered Accountants of Scotland (ICAS). The Board Secretary will update the register in this regard.

#### **Agenda Item 19: Quarterly Review Board Planner**

80. The Board noted the Board Planner.

#### **Agenda Item 20: Dates for Board and Committee Meetings 2026**

81. The Board noted the list of dates for Board and Committee meetings for 2026. The Board agreed that a meeting should be held in January 2026 and the time for Board meetings should be changed to 09.30 to 13.30.

#### **Agenda Item 21: Committee Updates**

82. Brian Baverstock gave the Board an update from the Audit and Risk Committee meeting held on 7 May 2025, including:

- [Redacted]
- A plan for shared services across the group is being developed but this may be impacted by rail reform
- The Internal Audit service is not yet in place due to delays in agreeing the contract terms and conditions with the supplier
- An internal SRH Group timetable and tracker for 2024/25 annual report and accounts preparation and audit is in place. The Finance Director and his team have done an excellent job in planning the ground work.
- A proposal is being developed to hold a session for the Board on Risk Management

83. The Chair said that he would welcome the session on risk management and asked for this to be arranged for September/October.

#### **Agenda Item 22: Any Other Business**

84. General Counsel reminded the Board to sign the employee privacy notice that had been issued to them.

85. General Counsel said that SRH has the register of directors' interests in place, has a process in place for declaring any conflicts of interest at the start of Board and Committee meetings, and has in place a gifts and hospitality register that is published on the SRH website, all in line with the ethical standards in public life legislation and guidance issued by the Standards Commission for Scotland. He said that the Chair has had various discussions with parties/stakeholders that would not be classed under hospitality and have not created any potential conflict of interest in relation to SRH

Business but nevertheless and to ensure complete transparency, the Chair had asked if these should be recorded. General Counsel said that for this purpose a non-hospitality stakeholder engagement log had been put in place internally (although not published in the same way as the gifts and hospitality register) and if any Board Member wished to add any event to this then they could do so. The Chief Operating Officer said that this was a good idea particularly in relation to procurement where contact outside of business purposes with anyone remotely involved in procurement projects could be misrepresented by the media.

86. Brian Baverstock said that SRH should keep to the definition of “interest” and gifts and hospitality, and the additional non-hospitality log could be confusing. [Redacted] General Counsel said that all railway related hospitality events should be logged in the gifts and hospitality register [Redacted]

87. The Chair asked General Counsel to seek further guidance on the question of recording non-hospitality engagement with industry parties and stakeholders.

88. The Board noted that the Communications report had been issued to the Board by email on 21 June.

89. The Chair said that he had been reflecting on the SRH governance review and the unknowns in relation to rail reform and the recent publication by Scottish Government of the public service reform strategy. He said that SRH should be proactive and develop proposals on measures that SRH could be putting in place to make governance throughout the group more efficient and effective and develop proposals on where SRH should fit in the rail reform programme. General Counsel said that delegated financial authority also needs to be considered. The Board agreed that a meeting should be arranged in July for the Board. The Chief Executive said that the executive will put forward proposals for the Board to consider at the meeting. *(post meeting note, the meeting for the Board has been arranged for 16 July 14.00 to 17.00).*

90. The Chair said that the quarterly meeting schedule of non-executive directors needs to be set up with the first such meeting commencing in August.

91. The Chair said that he has a quarterly meeting with the Cabinet Secretary on 2 July. He said that he will be discussing rail reform and the public sector reform strategy implications for SRH and asked the Board if there were any other matters they wished him to raise. The Chief Executive said that the approval to commence the suburban fleet procurement should be raised if approval was not received by then.

92. Carolyn Griffiths said that she had accepted the re-appointment as a non-executive member of the SRH Board. The Chair said that recruitment of additional non-executive members is on-going and being taken forward by Transport Scotland.

### **Agenda Item 23: Date of next meeting**

93. The next scheduled meeting of the Board will be held on 21 August 2025. There will be a special meeting of the Board held on 16 July 2025.