Minutes of Meeting

Scottish Rail Holdings Limited – Board Meeting

Thursday 2 April 2026, 09.30 to 15.50

Location: Room 11, St Vincent Plaza / Via Teams*

Present:	Brian Baverstock – Deputising for Chair Hannah Ross – Chief Executive Carolyn Griffiths – Non-Executive Director Mike Bagshaw – Non-Executive Director* Neil Amner – General Counsel Roz Foyer – Non-Executive Director* John MacQuarrie – Rail Business Director Campbell Davidson – Finance Director
In attendance:	Matthew Spence – Director Strategy and Investment Amanda MacLellan – People and Culture Director Joanne Maguire – ScotRail Managing Director (for items 7 to 9) David Ross – ScotRail Chief Operating Officer (for items 7 to 9) [Redacted] – Head of New Fleet Procurement and Delivery (for item 11) Graham Kelly – CSL Managing Director (for item 10)* Graeme Cook –Transport Scotland Director of Rail Delivery [Redacted] – Board Secretary
Apologies:	Professor Iain Docherty - Chair

Agenda Item 1: Notice, apologies, and quorum

1. The Chair welcomed everyone to the meeting.

2. The meeting was quorate. Apologies were noted.

Agenda item 2: Declarations of interests and conflicts of interest

3. There were no declarations of interest.

Agenda Item 3: Minutes of Previous Meetings

4. The Board approved the minutes of the SRH Board meetings held on 5 February 2026 and 12 March 2026.

5. The Board approved the minutes of the joint meetings of the SRH and ScotRail Boards held on 12 March 2026 and 5 March 2026, subject to an amendment that the Finance Director still had to provide regarding reference to the financial challenge.

Agenda Item 4: Actions and Matters Arising

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

7. In relation to action 74/2025, document responsibility of SRH Board and subsidiary Boards in relation to rail safety, General Counsel said that additional legal advice was awaited, and the paper would be submitted to the Board at its meeting on 30 April 2026.

8. In relation to action 82/2025, draft terms of reference for Committees, the Chair said that he had an outstanding action to discuss amendments to the draft Group Audit and Risk Committee and Group Remuneration Committee terms of reference with the SHEC Chair and this would be completed and the outcome reported to the Board at its meeting on 30 April 2026. In relation to the terms of reference for SHEC, this will be discussed once the above mentioned safety responsibilities of the Boards has been discussed.

9. In relation to action 11/2026, procurement process for [Redacted], the Chair confirmed that he had received information from the ScotRail Chief Financial Officer which he would consider and report to the Board if anything further was required.

10. In relation to action 15/2026, assurance for SRH Board on cyber security, General Counsel said that he has had some discussions with the ScotRail Head of IT and will report back to the Board.

11. In relation to action 16/2026, assurance for SRH Board on health and safety, the Board noted that this had been discussed at the recent SHEC meetings. The Chair of SHEC said that relevant categories of reporting can be easily identified to provide the assurance required for SRH Board and the Managing Directors should be reporting to SRH Board on this. The Chair said that the SRH Executive Team also needs assurance in relation to safety. The Chief Executive said that the note on safety responsibilities being prepared by General Counsel will help to clarify this and this will be discussed at the next meeting of the Board on 30 April 2026.

(The Transport Scotland Director of Rail Delivery left the meeting at 10.00).

12. The Board agreed to close actions 10, 12, 13 and 14/2026, as these had been moved to the Board planner, were on the agenda or had been completed.

Agenda Item 5: Chief Executive's Report

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

14. The Board noted that the intercity procurement of the class 222 trains had been announced publicly and had received positive media coverage.

15. The Chief Executive said that the [Redacted] and she had requested, through ScotRail Board, more information and analysis of the reasons for the [Redacted]

16. The Board discussed resources and agreed that:

- The need for the Fleet Programme Director to be in post is critical to ensure the governance relationship from the project team to the Board and to ensure project delivery success;
- The arrangements for the Director, Strategy and Investment to continue to be a member of the SRH Executive Team and continue to attend the SRH Board meetings, now that the secondment to SRH from Network Rail had ended, need to be formalised;
- The role of SRH Chief Operating Officer needs to be filled as soon as possible; and
- A paper should be prepared for the Board's consideration at its meeting on 30 April 2026 on resource requirements and current position covering all new fleet procurement projects.

17. The Board considered the people dashboard included in the Chief Executive's report. The Chief Executive said that she had initiated work to look at SRH succession planning and to identify key skills gaps. The People and Culture Director said that SRH staff vacancies are being advertised as secondment opportunities across Scotland's railway.

(The Transport Scotland Director of Rail Delivery rejoined the meeting at 10.30)

18. The Board noted that the recruitment for an additional Non-Executive Director (NXD) was ongoing and Transport Scotland was progressing this. The Chief Executive said that she was developing a paper for the Board's discussion on the number of papers that are submitted to the Board as this needs to be streamlined. [Redacted].

19. After discussion the Board agreed that a paper should be prepared for the Board meeting on 28 May 2026 covering:

- NXD capacity – are there gaps for workload and/or skills and experience;
- Options to address any gaps given that NXD appointments are a matter for Transport Scotland and there is one unfilled post;
- Is additional executive capacity needed to reduce time pressure of NXDs; and
- Additional Non-Executive Membership of subsidiary boards.

20. The Board noted that all services had resumed through Glasgow Central Station after the Union Street fire, although not all entrances were opened yet.

21. The Chief Executive informed the Board of the Rail Enforcement Powers Working Group Final Report and Recommendations published on 11 February 2026 by Transport Scotland, which relates to better addressing antisocial behaviour on trains and at stations, the recommendations from which have been accepted by the Cabinet Secretary for Transport. She said that one of the recommendations is to consider whether SRH could be afforded powers under the Antisocial Behaviour Banning Orders (ASBOs) legislation to apply to the Courts for an ASBO to prevent offenders from entering the rail environment. Roz Foyer said that measures to address antisocial behaviour problems are a step in the right direction and development of the proposals should be cognizant of any impact on staff. The Chief Executive said that if it is agreed that this recommendation will be developed, this will require legislation which will be a long way off. She said that General Counsel would pick up on this work and keep the Board advised on progress.

Agenda Item 6: 2026/31 SRH Strategy and 2026/27 Business Plan

22. The Board considered and approved the 2026/31 Strategic Plan and the 2026/27 Business Plan subject to some amendments to be discussed by Carolyn Griffiths and the Chief Executive.

23. The Chief Executive said that the strategy session on 1 May 2026 will be to discuss the 2027/32 strategy and the 2027/28 SRH business plan. She said that she has discussed the revised business planning and budgeting schedule with the subsidiary companies as these need to be done earlier in the year. She said that she would issue the timetable for this to the Board. She said that the SRH Group strategy should be in place to inform the business plans for the three companies. Carolyn Griffiths asked that the upcoming strategy session utilise best practice strategy planning tools (e.g. Pestel, Porters 5 Forces etc) to better engage the team's consideration. The Chief Executive said that she would look to do this.

The Board agreed to take items out of line with the agenda.

Agenda Item 12: Assurance on the delivery of the Root and Branch commitments

24. The Board considered the paper setting out the SRH and Office of Road and Rail (ORR) views on implementation of the Root and Branch review commitments, which had been agreed by the Rail Portfolio Board in October 2025.

25. The Rail Business Director said that there were two areas of concern relating to the [Redacted] and that the Project Management Office (PMO) is currently set up only to deal with the root and branch initiatives but it should also cover the performance improvement plan, programme 49 and the targeted performance fund. He said that progress is being made in these two areas with a target date set of 1 April to report on all initiatives in the one place, and a paper on the [Redacted] is being progressed through the Alliance Board. He said that the initiatives need culture and behavioural change which will support successful delivery.

26. Carolyn Griffiths said that she was unclear of the governance role of the Rail Portfolio Board and said that the root and branch initiatives should be discussed at ScotRail and SRH Boards as Board members are out of the loop on matters for which they are responsible, she asked for the root and branch initiatives to be recirculated to the Board. The Transport Scotland Director of Rail Delivery said that the Rail Portfolio Board, chaired by the Transport Scotland Chief Executive, is in place for assurance that the organisations within Scotland's railway work in unison. He said that SRH

and ORR are holding Network Rail and ScotRail to account to deliver on all performance plans as these have shared activities and shared accountability, but these all have to come together.

27. The Rail Business Director said that this is why the PMO is required to cover all of the above mentioned performance projects in one place. The Chief Executive said that the PMO is a positive development as a lot of time has been spent on developing plans rather than delivering improvements. She said that the PMO will provide a platform for reporting to the SRH Board and the Rail Business Director will consider the appropriate timing and format for this.

Agenda Item 7: ScotRail Managing Director Update

The ScotRail Managing Director and Chief Operating Officer joined the meeting at 11.30.

28. The ScotRail Managing Director gave an update to the Board on rail period 12 including the following:

- The ORR passenger usage report for the period October to December 2025 reports ScotRail as having the second highest passenger journey growth in the UK at a 10percent increase from the same period in the previous year;
- There has been a decrease across the UK in passenger kilometers per journey confirming that while more passengers are travelling these relate to shorter journeys;
- Revenue has increased by 8percent year to date;
- The introduction of a minimum fare has been announced publicly and there will be a passenger education period from 1 April to 1 July, enforcement will begin thereafter;
- Customer engagement and announcements regarding the minimum fare will be phased with a heavier focus in the few weeks prior to 1 July;
- Staff will have an app to check realtime if facilities were available for a passenger to purchase a ticket prior to boarding, before enforcing the minimum fare;
- Performance in the period has been challenging due to the Union Street fire and the flooding issues at Glasgow Central station;
- Performance improvements are starting to be realised through the fleet investment projects;
- The driver recruitment training programme remains ahead of schedule;
- The fare freeze was announced which received good media sentiment; and
- A lot of work will have to be done on the recovery from the Union Street fire and ScotRail is working proactively with Glasgow City Council and is a member of the steering group relating to the reconstruction of the area.

29. In relation to performance improvement, the Managing Director said that there is opportunity in improving the worst performing areas and reducing short formations and cancellations, and a targeted sectorial approach should be taken. The Chief Executive agreed that the Board's focus should be on the sectorial experience. The ScotRail Chief Operating Officer said that the ongoing investment in the driver training programme is delivering benefit in the reduction of cancellations due to train crew shortage. [Redacted].

30. The Managing Director said that she would obtain the information that Carolyn Griffiths requested on the Class 170 engine issues relating to downtime and an end date to resolve the issues.

Agenda Item 8: Small Value Assets ScotRail Business Case

31. The Finance Director said that the Board had not approved the business case at its meeting on 5 March 2026 as there was a change in accounting policy relating to capitalisation thresholds and Audit Scotland's view was requested. He said that SRH has been discussing this with Audit Scotland and the outcome will be presented to the Audit and Risk Committee for discussion.

32. The Finance Director said that the separate matter for the Board's decision was the authority to spend for the purchase of the items detailed in the business case. The Director, Strategy and Investment said that the Capital Investment Panel had recommended approval to the Board for the next stage in the TSEP control process.

33. The Board approved the authority to spend.

Agenda Item 9: ScotRail 2026/27 Business Plan

34. The 2026/27 ScotRail Business Plan had been submitted to the Board for noting.

35. The ScotRail Chief Operating Officer said that the format for the business plan is prescribed in the Grant Agreement and sets out how ScotRail contributes to the National Transport Strategy, achievement on delivery of 2025/26 commitments, and new commitments for 2026/27. He said that the [Redacted], as discussed at the SRH Board meeting on 30 March, may impact the business plan commitments and this is being considered and will be discussed at the ScotRail Board at its meeting on 18 June 2026.

36. The Chief Executive said that, for future years, the ScotRail business plan needs to come from the executive team rather than what is prescribed in the Grant Agreement as it is too voluminous for meaningful accountability, and she is discussing this with Transport Scotland. The Transport Scotland Director of Rail Delivery said that he supports meaningful change and will consider changes to the Grant Agreement and Framework Agreement.

37. The Managing Director confirmed that the level one KPIs in the business plan are consistent with those monitored by SRH and the level two and three KPIs are reported through the ScotRail Board.

Mike Bagshaw, the ScotRail Managing Director and Chief Operating Officer left the meeting at 12.30. The Board had a lunch break from 12.30 to 13.15.

Agenda Item 10: CSL Managing Director Update

The CSL Managing Director joined the meeting at 13.15.

38. The CSL Managing Director gave an update to the Board on rail period 12 including the following:

- Operational performance remains strong and is ahead of MAA targets;
- Guest satisfaction is strong, fluctuations in prior periods are being reviewed for causal factors;
- Revenue is ahead of forecast, in the main due to the new service from Birmingham International;
- Staff absence increased slightly but is below threshold;
- The new staff performance management approach is being implemented;
- There was one staff lost time incident in the period bringing a total of four incidents in quick succession but review has ascertained that there is no commonality and situation awareness training is being given to staff to decrease the risk of any further incidents;
- Only 13 coaches remain to be fitted with the [Redacted], these will be fitted as they come into Polmadie; and
- [Redacted]

39. The CSL Managing Director said that CAF will provide information on [Redacted] by the next CAF project board meeting on 13 April and this will be reported to the CSL Board at its meeting on 22 April.

40. Carolyn Griffiths said that the [Redacted] report on CSL's risk assessment in relation to coach cracking should have been received by end January 2026 but has still not been received, albeit that it is expected imminently. She said that [Redacted] has been commissioned to report on the lessons learned in relation to the [Redacted] delays and asked for tight management and control of the timelines for this report.

41. Roz Foyer asked about the annual number of staff assaults and if there were any trends for the Board to be aware of. The CSL Managing Director said that there have been 28 staff assaults year to date, the majority of which were

verbal assaults. He said that the body worn camera initiative will be launched by mid-April and this will help to reduce the number of assaults.

42. The CSL Managing Director said that he had been given assurance that work would be undertaken to clean up platform one at Euston station, this related to an action raised previously at the CSL Board, and he will follow up on this when he is in London on 20 April as the works had not yet commenced.

43. The Chief Executive said that to assist the SRH Board, the written report from the ScotRail and CSL Managing Directors reports to the subsidiary boards will be provided going forward.

The CSL Managing Director left the meeting at 13.40

Agenda Item 11: Alternative Finance Options New Fleet

The Head of New Fleet Procurement and Delivery joined the meeting at 13.40. Mike Bagshaw rejoined the meeting at 13.45.

44. The Board considered the paper setting out financing options with respect to the rolling stock fleet strategy.

45. After discussion the Board:

- Noted the status and nature of the various options for fleet financing;
- Noted that the business cases for fleet procurement have, and will continue to, consider potential financing arrangements for the procurement;
- [Redacted]

The Head of New Fleet Procurement and Delivery left the meeting at 14.30.

Agenda Item 13: Performance Report

46. The Board considered the SRH report on ScotRail and CSL operational performance.

47. The Rail Business Director said that ScotRail is delivering on 14 of its 18 KPIs relating to train performance and is meeting all performance standards in relation to cancellations and short formations. He said that while STPM target is not being met, ScotRail has the best performance than most other train operating companies throughout the UK. He said that the revised temporary trajectory for STPM for 2025/26 was 90.7percent and ScotRail achieved 89.8percent.

48. Mike Bagshaw said that, in discussions at the National Performance Board, ScotRail is regarded as the best train operator in relation to STPM and good practice should be taken from ScotRail. He said that strategic decisions in relation to performance and revenue will help to shape targets for the arrival of the new fleet. The Rail Business Director said that he has started work on this.

49. The Board discussed the approach to target setting and the types of data that may be looked at and noted that the STPM target for 2026/27 had not yet been set. The Board noted that the Rail Business Directorate undertakes analysis of all required data and assurance is provided for the Board through the performance report. The Board would also like to see a review of the actions being taken by ScotRail to ensure that future performance targets are likely to be met, this would consider a review of previous performance improvement initiatives and the adequacies of this. The Board noted the improved report and that there were still some further refinements to be made. It was suggested that the Board would benefit from a briefing on the principles of performance/reliability improvement work within SRT (both engineering and train planning/operations) and performance forecasts and with a commentary from the Rail Business Directorate.

The Rail Business Director said that he will consider the most appropriate way to tackle this and make proposals to the Board accordingly, likely for the meeting on 28 May 2026.

The Transport Scotland Director of Rail Delivery left the meeting at 15.20.

Agenda Item 14: SRH Group Finance Report 2025/26

50. The Board noted the finance report.

Agenda Item 15: Capital Investment Report

51. The Director, Strategy and Investment said that as part of the new capital process agreed by the Board in December 2025, a report should be submitted to each relevant forum, including SRH Board, ScotRail Board, Capital Investment Panel etc, setting out key factors on capital projects. He said that the ScotRail report had been provided but this was work in progress to get to the required report format which will be in place for 2026/27 period one reporting.

52. The Board noted the challenges ScotRail has faced in relation to capital projects but noted the improvements that have been made over the past year by the introduction of the Capital Investment Panel and the involvement of the Director, Strategy and Investment. The Board also noted that the appointment of the new ScotRail Director of Strategy and Business Planning will bring improvement. The Board noted that capital expenditure is mentioned throughout the ScotRail Business plan but the specific capital projects for 2026/27 should be detailed in the business plan. Capital reporting, not just financial profiling, should be a key part of reporting to the ScotRail Board through the business plan commitment report that is submitted to each ScotRail Board meeting.

53. The Chair said that assurance is needed that adequate planning and management arrangements are in place in relation to capital projects. The Board asked for a report to be submitted to the meeting of the Board on 30 April setting out the planning for the component parts of all capital projects for 2026/27, how these will be resourced and the strategic context, and the report should also highlight any key issues for the Board's consideration.

54. The Chair asked for capital planning and controls to be added as an agenda item for the next Audit and Risk Committee meeting.

Agenda Item 16: Committee Updates

55. There were no Committee updates.

Agenda Item 17: Updates PAG and FROG

56. The Board noted that the reports provided under this agenda item were not from PAG, they were Network Rail reports that were used under the ethos of trying to get one report for all forums. While the reports provided the information required for the Board during the procurement process these would not suffice for the delivery phase of the new fleets.

57. [Redacted]

Agenda Item 18: Communications Report

58. The Board noted the communications report.

Agenda Item 19: Any Other Business

59. The Board had no other business to discuss.

Agenda Item 20: Date of next meeting

60. The next meeting of the Board will be held on 30 April 2026.