



MINUTES OF SCOTTISH RAIL HOLDINGS LIMITED BOARD (SRH) MEETING

Date 24th August 2023
Time 13.00-15.00 UK time
Location Queen Street Management Suite / Microsoft Teams*

Present: Richard Cairns (RC) – Chair
Brian Baverstock (BB) – Non-Executive Director
Emma Dixon (ED) – General Counsel and Company Secretary
Roz Foyer (RF) – Non-Executive Director
Carolyn Griffiths (CG) – Non-Executive Director *
David Lowrie (DL) – Chief Executive
John MacQuarrie (JM) – Rail Business Director

In attendance Bill Reeve (BR) – Transport Scotland
Sophie Berry (Minute taker)

Apologies: Campbell Davidson (CD), SRH Financial Controller

Agenda No:	Subject	Action For
1.	<u>Welcome – Notice, Apologies & Quorum</u> Noted and Quorate.	
2.	<u>Board appointments</u> The Chair welcomed BB to the Board and noted Lee Shedden's resignation.	
3.	<u>Declarations of interests and conflicts</u> No new interests or conflicts noted.	
4.	[REDACTED]	RC/ED JM

	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>ED</p> <p>ED/BR</p> <p>JM</p> <p>JM</p> <p>ED/BR</p> <p>JM</p>
<p>5.</p>	<p>Gateway Review update</p> <p>The Sponsor spoke to the paper, which noted the high-level recommendations from Transport Scotland’s Gateway Review, explaining that he is not in a position to circulate the final Gateway Review document.</p> <p>Attention was drawn to recommendation two of the Review, highlighting the need for SRH to be adequately resourced to action other further recommendations, together with a recognition that we must get to a point where roles are clearly defined and understood so can be followed. Role clarity is not possible at present until capabilities are highlighted.</p>	

	<p>The Board requested for clarification why the full report cannot be shared with SRH and the Sponsor explained that he had also asked this and was given the answer that it was not usual practice to provide the report.</p> <p>It was noted that work on a periodic sponsorship review between SRH and TS to increase visibility of what each other is doing has begun and movement on the recommendations had commenced.</p> <p>The Board discussed the sequencing of events including the requirement to bring more resource and the Framework Agreement review.</p> <p>It was noted SRH was set up on a different basis than what has now transpired is required, including the addition of another subsidiary company, the scale of business transformation needed in ScotRail Trains Limited and the volume of requests for information received by SRH from the Scottish Government.</p> <p>The Chair summarised that the immediate priority from the Board point of view is staff resourcing requirement for SRH and the Board mandated the SRH CEO to start this process.</p> <p>The Board agreed that timing for completion of the review of the Framework Agreement should be based on the resources available to SRH.</p> <p>The Chair thanked the Sponsor team for their contribution to the Gateway Review.</p>	
<p>6.</p>	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>ED</p> <p>RC/ED</p>

	<p>[REDACTED]</p> <p>[REDACTED]</p>	DL
7.	<p>Caledonian Sleeper Limited Delegated Authority Matrix update</p> <p>The Rail Business Director explained that the paper had previously been discussed by the Caledonian Sleeper Limited (CSL) board and concerned requested amendments to the delegated authority matrix, including authority to the CSL Managing Director and Finance Director to backfill roles up to value of £100k and all new roles up to value of £50k. The request was approved by the CSL Board for submission to the SRH Board for approval, noting that there had been discussions regarding taking into account approved headcount [REDACTED]</p> <p>[REDACTED]</p> <p>It was noted that appropriate level of delegation to subsidiary companies is generally to be encouraged, on the understanding that it does not contradict the requirements of the Grant Agreement.</p> <p>[REDACTED]</p> <p>The Board approved the recommendation to amend the delegated authority matrix for CSL, with the exception of a change to request two that the approval of new roles is subject to budget and headcount having been approved by the CSL Board, and request three (changes to current pay up to £10k), where it was agreed that the Board need to better understand what controls are in place and consistency with the SRT position. It was noted that if CSL wants to revisit this, it will need to explain how this relates to Public Sector Pay Policy.</p> <p>The Rail Business Director was requested to communicate the Board's decision to CSL.</p>	JM
8.	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	

	<p>[REDACTED]</p> <p>[REDACTED]</p>	JM
9.	<p><u>Chief Executive's Executive Summary</u></p> <p>The CEO noted particular highlights from his report. The Chair requested that any particular comments on the report be put in writing to the CEO, noting that there was not time to explore these more fully at this meeting.</p> <p>The Board noted particular concerns around specific aspects of the service provided by SRT. The Rail Business Director confirmed that discussions would shortly take place with SRT regarding fleet performance with SRT, with an update to be given at the next Board meeting. The Board requested that SRT be invited to attend a future Board meeting to discuss fleet performance.</p> <p>The Board agreed that going forward, the SRH Board should be 3 hours long with an agenda to be no longer than this the one for this meeting.</p>	JM ED
10.	<p><u>ScotRail Holdings Limited, ScotRail Trains Limited and Caledonian Sleeper Limited Operational & Performance Update</u></p> <p>The Board noted the paper.</p>	
11.	<p><u>ScotRail Holdings Limited, ScotRail Trains Limited and Caledonian Sleeper Limited Finance Update</u></p> <p>The Board noted the paper.</p>	
12.	<p><u>Matters Arising</u></p> <p>The Board discussed matters in respect of the SRT's future fleet strategy, noting that key actions include a plan for better availability of the current HST fleet. The Board requested a report on the issues in respect of future fleet strategy for new Board members.</p> <p>It was noted that the Rail Business Director would discuss the use of quality gate reviews for major decisions with Carolyn Griffiths.</p> <p>The outstanding requirement for the CSL Grant Agreement to be reviewed, as agreed at completion of the mobilisation in June was highlighted by the Board. It was noted that work on this has commenced.</p>	JM JM

13.	<p><u>Minutes from previous meetings (25th May, 20th June and 22nd June 2023)</u></p> <p>It was noted that comments on the previous minutes had been received from Board members and the minutes were approved subject to those minor amendments being made.</p>	ED
14.	<p><u>Actions and matters arising from previous meeting (22nd June 2023)</u></p> <p>Updates were noted in the action tracker.</p>	ED
15.	<p><u>Any other business</u></p> <p>It was noted that a Remuneration Committee meeting was required, and a suitable date should be agreed. The Chair and the Rail Business Director will meet in advance of the meeting to discuss.</p>	RC/JM/ED
16.	<p><u>Board lookahead</u></p> <p>The Board requested that a 'lookahead' document be prepared and circulated with future board packs.</p>	ED
Date of next meeting: 21 st September 2023 at Glasgow Queen Street Station Management Suite		