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CALEDONIAN SLEEPER LIMITED (CSL)

MINUTES OF BOARD MEETING

Wednesday 22 April 2026, 09.00 – 12.45
St Vincent Plaza, Glasgow / Microsoft Teams*

Present:	Hannah Ross – Chair Neil Amner – Non-Executive Director, Company Secretary and SRH General Counsel* Graham Kelly - Managing Director Graham Eastwood - Operations Director Sam Price - General Counsel Hugh Anderson – Finance Director* Carolyn Griffiths – Non-Executive Director and Chair of SHEC
In Attendance:	Jackie Robertson - SRH Rail Management Lead Stacey Fleming – Guest Experience Director (for item 9) [redacted] – Board Secretary
Apologies:	None

Agenda Item 1: Welcome

1. The Chair welcomed everyone to the meeting.

Agenda Item 2: Apologies and Quorum

2. The meeting was quorate.

Agenda Item 3: Declaration of Interest

3. There were no declarations of interest.

Agenda Item 4: Minutes of previous meeting

4. The Board approved the minutes of the meeting held on 18 March 2026.

Agenda Item 5: Actions and Matters Arising

5. The Board considered the list of actions arising from previous meetings.

Action 75/2025: Confirm with CAF any change to coach cracking interim modification design life

The Operations Director said that the track forces data modeling work, to inform the design life for the interim anti-roll bar (ARB) modification, should be undertaken by CAF next week, and the results should be notified within a few days of completion. He said that the design life for the yaw damper modification is [redacted] He confirmed that CAF is on track with the CSL delivery programme for the design of the life solution for the ARB.

Action 01/2026: Plan for completion of secondary retention

The Board noted that the secondary retention fitments still have to be fitted to three coaches and this work would be completed by 27 April 2026. The Board noted that the updated risk assessment was submitted to the Chair of SHEC on 7 April 2026. The Board noted that the independent review of CSL's risk management has not yet been received but should be received imminently.

The Operations Director said that two further sub-surface cracks at the ARB had been found through non-destructive testing, which confirmed that mitigations in place continue to be effective. He said that work is almost complete to allow for deeper non-destructive testing. The Chair of SHEC said that coach cracking risk needs to be continually assessed as developments progress with the design life solution and interim life spans etc.

Action 05/2026: Room defects data

The Board noted that this topic would be discussed under the service delivery deep dive presentation at item nine of the agenda. The Board agreed to close this action.

Action 11/2026: Boarding delays

The Board noted that the data on boarding delays had been added to the grant agreement report and agreed to close this action.

Action 12/2026: Bi-monthly progress reports on delivery programme of design life solution

The Board noted that this had been added to the Board planner, and the first report would be submitted to the next meeting of the Board on 22 May 2026 and every second month thereafter. The Board agreed to close this action.

6. In relation to paragraph 34 of the minutes of the Board meeting on 19 March 2026, the Board noted that CSL General Counsel will inform the Board, at the next meeting of the Board on 22 May 2026, of the timescale for the development of the assurance strategy plan to identify and address gaps.

7. In relation to paragraph 36 of the minutes of the Board meeting on 19 March 2026, the Managing Director said that an update on the [redacted] will be provided at the next meeting of the Board on 22 May 2026.

Agenda Item 6: Grant Agreement Report

8. The Board considered the Grant Agreement report and noted the following:

- Right time boarding and berth availability exceeded target in the period;
- Guest satisfaction exceeded target for the second consecutive period alongside a 5 score for service quality;
- Financial performance for 2025/26 was strong;
- Most 2025/26 business plan commitments have been delivered;
- 19 of 24 balanced scorecard KPIs were met or exceeded in 2025/26; and
- The number of guest accidents and work related violence incidents have seen improving trends throughout the year.

9. The Board noted that Right Time performance in the period was below target, in the main due to Network Rail related impacts. The Managing Director said that the incidents are being reviewed to ascertain if there are areas of performance improvement that CSL can take forward with Network Rail. The Operations Director said that the Rail Delivery Group hosts meetings for train operating company operations directors and this could be a useful forum to discuss infrastructure issues across the rail network relevant to CSL.

10. In relation to cost efficiencies, the Finance Director confirmed that the efficiencies noted in the report were the final position for 2025/26 although some were still work in progress and would roll into 2026/27. He also confirmed that all efficiencies were included in the 2026/27 budget with the exception of the operations fleet efficiencies. CSL General Counsel said that the timing of the [redacted]

[redacted]

11. The Board noted that the Squire failures in the period on in-room presentation related mainly to cleaning issues and these were being taken forward through the audit regime with the cleaning contractor.

12. The Board noted that the introduction of the body worn camera initiative from next week should have a positive impact on reducing the number of staff assaults, and going forward the KPI reporting for the Board will detail the split between verbal and physical assaults.

13. The Board noted that the number of any failed drugs and alcohol tests, of which there were currently none, would be included in the grant agreement report.

14. The Managing Director said that he would report back to the Board on the completion rate of the e-learning module on sexual harassment awareness training as the figures in the report may be out of date.

Agenda Item 7: Capital Business Case – Seats Refresh

15. The Board considered the outline business case for the replacement of seat coverings in CSL coaches and noted the following:

- The business case had been considered in detail by the SRH Capital Investment Panel (CIP) and the additional options and analysis requested by CIP had been added to the business case;
- The procurement should ensure a balance between quality and the whole life cost of the new seat coverings;
- Consideration should be given to second level supplier engagement to consider all available choices;
- The requirement for fire standards testing will be included in the procurement proposals;
- Information on whether the materials have been used in other industries should be requested as part of the procurement;
- While option 2 has a lower initial capital outlay than option 3 the annualised costs are comparable due to option 3 having a longer life span; and
- Option 3 will have lower operational costs due to the reduced need for heavy cleans.

16. After discussion the Board agreed that the business case should proceed to SRH Board for the next stage of the approvals process.

Agenda Item 8 : Financial Approvals

17. There were no financial approvals for the Board to consider.

Agenda Item 9: Service Delivery Board Update Presentation

The Guest Experience Director joined the meeting at 10.20

18. The Guest Experience Director and the Operations Director presented a paper to the Board covering service delivery, including:

- Voice of the Guest survey
- Fleet quality management
- Water quality management
- HVAC update
- Locomotive update
- Disruption management
- Lounge enhancements
- Summer menu
- 2026/27 service delivery business plan commitments

19. The following points were noted:

- CSL's performance is strong in relation to Rail Ombudsman complaints, the statistics on this should be provided for the Board;
- The next voice of the guest update for the Board should include data on why passengers are travelling and whether they would use the CSL service again;
- Using a workshop approach with Alstom is having a positive impact on fleet quality;
- The airline industry and European sleeper services should be looked at for similarities with CSL water issues and how these are addressed;
- The toilet overhaul work will take around 5 to 6 months to complete for the full fleet, this should be expedited if possible;
- A bike shelter has been installed at Euston platform one, this initiative was driven by the voice of the guest survey;
- The bin area at Euston platform one has had coverage installed to make less unsightly;
- The Board should see information on comparators for service excellence;
- Premium service level should also be marketed for classic and seated travel;
- Start of service communications for passengers should be clearly documented to ensure passengers know the procedure for access to the lounge car etc; and
- Any urgent issues relating to fleet quality management etc will be notified to the Board through the grant agreement report.

The Guest Experience Director left the meeting at 11.55

Agenda Item 10: Secondary Retention Delays – Scope for Lessons Learned Review

20. The Board considered the paper setting out the scope for the lessons learned review, as requested by the Board at its meeting on 1 October 2025, and the timescales for the main activities to be undertaken during the review. The Board noted that the review report will be available mid-May 2026.

21. Carolyn Griffiths said that as there was an industry wide lack of scientific technical analysis on aluminum rolling stock construction and cracking, she had asked the Operations Director to speak to the RSSB for research to be commissioned in this regard. The Board noted that the aviation industry may already have relevant research in this area and that it should be suggested to RSSB that they pursue that line of enquiry. The Operations Director will take this work forward when capacity allows.

Agenda Item 11: ToC on ToC Delays

22. The Board noted that the issues from periods 9 and 10 where CSL shunter problems were negatively impacting ScotRail services had been resolved. CSL is working with SRH and Network Rail on data reporting and analysis for continuous improvement in CSL causing delays to other train operators and vice versa.

[redacted]

[redacted]

Agenda Item 13: Finance Report

24. The Board considered the finance report.

25. The Board noted that period 13 receipts were below forecast due to lower than expected advance bookings and there had been a decline in advance bookings from the North American market. The Finance Director said that dynamic pricing work is ongoing and weekly reviews are being undertaken to monitor whether advance bookings will return to forecast levels or whether pricing adjustment is needed. The Chair said that a secondee from Visit Scotland is working with SRH and she would put her in contact with CSL for discussion on the North American tourism market.

Agenda Item 14: Approvals Tracker

26. There were no outstanding approvals for the Board to note.

Agenda Item 15: Committee Updates

27. The Board noted the draft minutes of the meeting of SHEC on 12 March 2026.

[redacted]

Agenda Item 16: Any Other Business

29. The Chair of SHEC asked if staff accidents that were as a result of lack of situational awareness also looked at fatigue. The Managing Director said that fatigue management is undertaken in relation to all incidents involving safety critical staff and consideration will be given to build this in as a normal factor in all accident investigations. The Chair of SHEC said that this should be discussed further at the next SHEC meeting.

30. The Chair of SHEC asked for an update on the issue discussed at SHEC on the absence of overpressure detection on auxiliary power supply capacitors. The Operations Director said that CAF was dealing with this and an update was awaited on sealing the conduits.

31. CSL General Counsel said that feedback was awaited from SRH on the coach buy-out proposals. The Board noted that the SRH Rail Management Lead would progress this.

Agenda Item 17: Date of next meeting

32. The next meeting of the Board will be held on Friday 22 May 2026 (09.00 to 13.00).