

Schedule 9.1 - Variations and Financial Consequences of Change

Date	Reason	Clauses	End Date
7 October 2014	Committed Obligations	Schedule 9.1 Paragraph 1.1 Paragraph 4.1	N/A

**Franchise Variation – Committed Obligations 3:**

- 1.1 PRINCE 2 Programme and Project Management**
- 3.5 Employer of Choice**
- 5.3 Schools Programme**
- 6.2 Strategic Rail Delivery Group**
- 13.4 Publication of right time performance data**
- 16.3 SQMS Surveys**
- 17.7 Colour coded timetables**
- 23.2 Sustainability Innovation Fund**
- 23.7 Reduce Non traction energy use**
- 23.9 Environmental Awareness training**
- 24.1 Investors in Gold**
- 24.10 Graduate Placements**
- 24.12 SVQ**
- 24.13 Scottish Business in the Community Scheme**
- 24.18 Training for looked after children (formerly “training for Scottish Prisoners”)**
- 24.20 Intern Programme**
- 27.3 Vegetation clearance on Scenic Routes**
- 29.16 National Fulfilment Service Feasibility Study**
- 30.3 Station Travel Plans**
- 30.12 Electric Car Charging Bays**
- 30.14 Cyclepoints**
- 31.2 Passenger Assist**
- 31.3 Assist Mi Pilot**
- Schedule 13.1 Para 3.2 – Quality Management System**
- Schedule 13.1 Para 4 - Crystal Mark**
- Schedule 3 – Priced Options**
- Definitions Agreement - Suburban West, Suburban West (Off Peak) and Suburban West (Peak) Sectors**

This letter is a notice under the terms of Schedule 9.1, Variations and Financial Consequences of Change, paragraph 1.1 (a) of the Franchise Agreement between the Scottish Ministers and Abellio ScotRail Ltd (“ScotRail”) dated 7 and 18 October 2014 (“the Franchise Agreement”) to vary the ScotRail Franchise Agreement for the above noted Committed Obligations and Schedule paragraphs.

The Franchise Agreement is hereby varied in accordance with the variations set out in the Appendix to this notice.

Both Scottish Ministers and ScotRail have agreed to the variations.

None of the variations incur any additional sums to the Franchise subsidy.

In accordance with the Franchise Agreement, Schedule 9.1 paragraph 4.1, the Authority notifies the Franchisee that this Change could potentially exceed the Threshold Amount (£636,018) either alone, or when taken together with any future Change, resulting in a Qualifying Change. The parties agree that no Run of the Financial Model will be required in respect of this Change alone.

**This is the Appendix referred to in the foregoing letter between Scottish Ministers and Abellio ScotRail Limited**

**Appendix**

1. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 1.1 – PRINCE 2 Programme and Project Management**

The table which currently reads as follows:

POST	TRAINING
Engineering Director	PRINCE2 Foundation
Operations Director	PRINCE2 Foundation
Commercial Director	PRINCE2 Foundation
Customer Experience Director	PRINCE2 Foundation
Client and Communications Director	PRINCE2 Foundation
Sustainability and Safety Assurance Director	PRINCE2 Foundation
Business Transformation Director	PRINCE2 Foundation
Finance Director	PRINCE2 Foundation
Regional Customer Service and Partnership Managers x 2	PRINCE2 Foundation
Change Co-ordinators x 6	PRINCE2 Foundation and Practitioners training
Business Change and Project x 9	PRINCE2 Foundation and Practitioners training

Shall be amended to the following:-

POST	TRAINING
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Engineering Director	PRINCE2 Overview
Operations Director	PRINCE2 Overview
Commercial Director	PRINCE2 Overview
Customer Experience Director	PRINCE2 Overview
Client and Communications Director	PRINCE2 Overview
Sustainability and Safety Assurance Director	PRINCE2 Overview
Business Transformation Director	PRINCE2 Overview
Finance Director	PRINCE2 Overview
Regional Customer Service and Partnership Managers x 2	PRINCE2 Foundation
Change Co-ordinators x 6	PRINCE2 Foundation and Practitioners training
Business Change and Project x 9	PRINCE2 Foundation and Practitioners training

2. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 1.1 – PRINCE 2 Programme and Project Management**

In column 2 the table which currently reads as follows:

POST	TRAINING
Engineering Director	PRINCE2 Foundation
Operations Director	PRINCE2 Foundation
Commercial Director	PRINCE2 Foundation
Customer Experience Director	PRINCE2 Foundation
Client and Communications Director	PRINCE2 Foundation
Sustainability and Safety Assurance Director	PRINCE2 Foundation
Business Transformation Director	PRINCE2 Foundation
Finance Director	PRINCE2 Foundation
Regional Customer Service and Partnership Managers x 2	PRINCE2 Foundation

Change Co-ordinators x 6	PRINCE2 Foundation and Practitioners training
Business Change and Project x 9	PRINCE2 Foundation and Practitioners training

Shall be amended to the following:-

POST	TRAINING
Engineering Director	PRINCE2 Overview
Operations Director	PRINCE2 Overview
Commercial Director	PRINCE2 Overview
Customer Experience Director	PRINCE2 Overview
Client and Communications Director	PRINCE2 Overview
Sustainability and Safety Assurance Director	PRINCE2 Overview
Business Transformation Director	PRINCE2 Overview
Finance Director	PRINCE2 Overview
Regional Customer Service and Partnership Managers x 2	PRINCE2 Foundation
Change Co-ordinators x 6	PRINCE2 Foundation and Practitioners training
Business Change and Project x 9	PRINCE2 Foundation and Practitioners training

3. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 3.5 – Employer of Choice**

In column 2, the current wording is as follows:

**“Employer of Choice**

The Franchisee shall use reasonable endeavours to achieve:

- ‘Top Employers’ accreditation on or before 31<sup>st</sup> March 2018.”

and shall be varied to read as follows:

**“Employer of Choice**

The Franchisee shall use reasonable endeavours to achieve:

- ‘Top Employers’ accreditation on or before 31<sup>st</sup> May 2019.”

4. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 3.5 – Employer of Choice**

In column 2 the current wording of:

**“Employer of Choice**

The Franchisee shall use reasonable endeavours to achieve:

- ‘Top Employers’ accreditation on or before 31<sup>st</sup> March 2018.”

shall be varied to read as follows:

**“Employer of Choice**

The Franchisee shall use reasonable endeavours to achieve:

- ‘Top Employers’ accreditation on or before 31<sup>st</sup> May 2019.”

In column 3 the current wording of:

“31<sup>st</sup> March 2018”

shall be varied to read as follows:

“31<sup>st</sup> May 2019”

5. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 5.3 – Schools Programme**

In column 2, the current wording is as follows:

**“Schools Programme**

From the 1<sup>st</sup> October 2015, the Franchisee shall participate, in co-operation with Network Rail and the British Transport Police, in a schools programme. The programme will consist of at least 40 visits per year by Franchise Employees or partner organisations to schools throughout Scotland to raise awareness of the risks inherent in the railway environment.”

and shall be varied to read as follows:

**“Schools Programme**

From the 31<sup>st</sup> October 2015, the Franchisee shall participate, in co-operation with Network Rail and the British Transport Police, in a schools programme. The programme will consist of at least 40 visits per year by Franchise Employees or partner organisations to schools throughout Scotland to raise awareness of the risks inherent in the railway environment.”

6. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 5.3 – Schools Programme**

In column 2 the current wording of:

**“Schools Programme**

From the 1<sup>st</sup> October 2015, the Franchisee shall participate, in co-operation with Network Rail and the British Transport Police, in a schools programme. The programme will consist of at least 40 visits per year by Franchise Employees or partner organisations to schools throughout Scotland to raise awareness of the risks inherent in the railway environment.”

shall be varied to read as follows:

**“Schools Programme**

From the 31<sup>st</sup> October 2015, the Franchisee shall participate, in co-operation with Network Rail and the British Transport Police, in a schools programme. The programme will consist of at least 40 visits per year by Franchise Employees or partner organisations to schools throughout Scotland to raise awareness of the risks inherent in the railway environment.”

In column 3 the current wording of:

“1<sup>st</sup> October 2015”

shall be varied to read as follows:

“31<sup>st</sup> October 2015”

7. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 6.2 - Strategic Rail Delivery Group**

In column 2, the current wording is as follows:

### **“Strategic Rail Delivery Group**

On or before 31<sup>st</sup> October 2015, the Franchisee shall establish a Strategic Rail Delivery Group (“**the Group**”) which will be a cross-industry advisory panel to the executive team of the Alliance. The Group shall meet during every Reporting Period and will comprise key stakeholders from across the industry. The Strategic Rail Delivery Group will be given the opportunity to input at an early stage into all prospective alliance initiatives.

The Group will appoint a new chairperson in April of each Franchisee Year. The Group shall be chaired by a representative of the Authority during the first Franchisee Year. The Group will work closely with existing industry groups and structures to consider schemes in Control Period 6, which could include those outlined in the table below:-

<b>PROJECT/SCHEME</b>
Rolling electrification
Aberdeen to Inverness improvements (phase 2)
Highland Mainline (phase 3)
Aberdeen to the central belt
Capacity improvements at Glasgow Central station
Capacity improvements at Edinburgh Waverley station
Capacity improvements at Edinburgh Haymarket
Train handling capacity at Glasgow Central and Edinburgh Waverley
East Kilbride station capacity
Far North Line route availability enhancements for freight”

and shall be varied to read as follows:

### **“Strategic Rail Delivery Group**

On or before the Franchise Commencement Date, the franchisee shall nominate a suitably qualified senior manager to engage with and support the Authority, Network Rail and other relevant stakeholders (anticipated as RTPs, Local Authorities and representatives of the “City Deals”) develop and appraise service enhancement projects. Schemes are anticipated to include train lengthening, service frequency increase, rolling stock changes, new stations and journey time reductions.

This support will include provision of background information to assist with option development; advice on costs, demand forecasts, delivery options, risks and opportunities to support robust appraisals; and consultation of proposed schemes within the wider rail industry and with other stakeholders.

The Authority and Network Rail will be supported in their delivery of the Control Period 6 planning process with contributions as required to publications such the Scotland Route Study, Initial Industry Advice and High Level Output Statement.

Engagement will take place with each RTP on a quarterly basis to inform them of ScotRail train services proposals currently under development and ensure alignment with RTP strategy.

A summary of participation will be provided to the Authority each period in the Franchise Performance Report.”

8. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 6.2 - Strategic Rail Delivery Group**

In column 2 the current wording of:

**“Strategic Rail Delivery Group**

On or before 31<sup>st</sup> October 2015, the Franchisee shall establish a Strategic Rail Delivery Group (“**the Group**”) which will be a cross-industry advisory panel to the executive team of the Alliance. The Group shall meet during every Reporting Period and will comprise key stakeholders from across the industry. The Strategic Rail Delivery Group will be given the opportunity to input at an early stage into all prospective alliance initiatives.

The Group will appoint a new chairperson in April of each Franchisee Year. The Group shall be chaired by a representative of the Authority during the first Franchisee Year. The Group will work closely with existing industry groups and structures to consider schemes in Control Period 6, which could include those outlined in the table below:-

<b>PROJECT/SCHEME</b>
Rolling electrification
Aberdeen to Inverness improvements (phase 2)
Highland Mainline (phase 3)
Aberdeen to the central belt
Capacity improvements at Glasgow Central station
Capacity improvements at Edinburgh Waverley station
Capacity improvements at Edinburgh Haymarket
Train handling capacity at Glasgow Central and Edinburgh Waverley
East Kilbride station capacity
Far North Line route availability enhancements for freight”

shall be varied to read as follows:

**“Strategic Rail Delivery Group**

On or before the Franchise Commencement Date, the franchisee shall nominate a suitably qualified senior manager to engage with and support the Authority, Network Rail and other relevant stakeholders (anticipated as RTPs, Local Authorities and representatives of the “City Deals”) develop and appraise service enhancement



projects. Schemes are anticipated to include train lengthening, service frequency increase, rolling stock changes, new stations and journey time reductions.

This support will include provision of background information to assist with option development; advice on costs, demand forecasts, delivery options, risks and opportunities to support robust appraisals; and consultation of proposed schemes within the wider rail industry and with other stakeholders.

The Authority and Network Rail will be supported in their delivery of the Control Period 6 planning process with contributions as required to publications such as the Scotland Route Study, Initial Industry Advice and High Level Output Statement.

Engagement will take place with each RTP on a quarterly basis to inform them of ScotRail train services proposals currently under development and ensure alignment with RTP strategy.

A summary of participation will be provided to the Authority each period in the Franchise Performance Report.”

9. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 13.4 - Publication of right time performance data**

In column 2, the current wording is as follows:

**“Publication of right time performance data**

The Franchisee will Publish, at a Route level:

- Punctuality MAA timed to one minute at arrival at the final destination within three months of the Franchise Commencement Date;
- Punctuality timed to one minute at arrival at key intermediate stations on or before the 31<sup>st</sup> December 2017.

For the purposes of this Committed Obligation key intermediate stations shall be Stirling, Perth, Dundee, Aviemore, Kilmarnock, Bathgate, Falkirk High, Shotts, Glasgow Central low-level, Glasgow Queen Street low-level, Kirkcaldy, Dumfries, Elgin, Montrose, Dumbarton Central, Paisley Gilmour Street, Kilwinning, Rutherglen, Cathcart, Dalmuir, Partick and Motherwell.

The information will be Published each Reporting Period on the Website and on posters at all final destination and key intermediate stations.”

and shall be varied to read as follows:

**“Publication of Public Performance Measure (PPM) performance data**

The Franchisee will Publish, at a Route level:

- The PPM – MAA, and
- PPM - MAA at key intermediate stations, for both arriving and terminating services, on or before the 31<sup>st</sup> December 2017.

For the purposes of this Committed Obligation key intermediate stations shall be Stirling, Perth, Dundee, Aviemore, Kilmarnock, Bathgate, Falkirk High, Shotts, Glasgow Central low-level, Glasgow Queen Street low-level, Kirkcaldy, Dumfries, Elgin, Montrose, Dumbarton Central, Paisley Gilmour Street, Kilwinning, Rutherglen, Cathcart, Dalmuir, Partick and Motherwell.

The information will be Published each Reporting Period on the Website and on posters at all final destination and key intermediate stations.”

10. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 13.4 - Publication of right time performance data**

In column 2 the current wording of:

**“Publication of right time performance data**

The Franchisee will Publish, at a Route level:

- Punctuality MAA timed to one minute at arrival at the final destination within three months of the Franchise Commencement Date;
- Punctuality timed to one minute at arrival at key intermediate stations on or before the 31<sup>st</sup> December 2017.

For the purposes of this Committed Obligation key intermediate stations shall be Stirling, Perth, Dundee, Aviemore, Kilmarnock, Bathgate, Falkirk High, Shotts, Glasgow Central low-level, Glasgow Queen Street low-level, Kirkcaldy, Dumfries, Elgin, Montrose, Dumbarton Central, Paisley Gilmour Street, Kilwinning, Rutherglen, Cathcart, Dalmuir, Partick and Motherwell.

The information will be Published each Reporting Period on the Website and on posters at all final destination and key intermediate stations.”

shall be varied to read as follows:

**“Publication of Public Performance Measure (PPM) performance data**

The Franchisee will Publish, at a Route level:

- The PPM – MAA, and

- PPM - MAA at key intermediate stations, for both arriving and terminating services, on or before the 31<sup>st</sup> December 2017.

For the purposes of this Committed Obligation key intermediate stations shall be Stirling, Perth, Dundee, Aviemore, Kilmarnock, Bathgate, Falkirk High, Shotts, Glasgow Central low-level, Glasgow Queen Street low-level, Kirkcaldy, Dumfries, Elgin, Montrose, Dumbarton Central, Paisley Gilmour Street, Kilwinning, Rutherglen, Cathcart, Dalmuir, Partick and Motherwell.

The information will be Published each Reporting Period on the Website and on posters at all final destination and key intermediate stations.”

#### 11. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

##### **Committed Obligation 16.3 - SQMS Surveys**

In column 2, the current wording is as follows:

“From the Franchise Commencement Date, the Franchisee shall introduce an independently monitored service quality management system. At least 130 mystery shopping visits will be made to stations by independent suppliers each Reporting Period under this system. The results of these visits will be made known to the Authority no later than 10 days following the end of each Reporting Period.”

and shall be varied to read as follows:

“From November 2018, the Franchisee shall introduce a customer-generated, service quality measurement regime using an experience management platform. At least 130 customers will report on service quality at stations, on-trains, with staff interactions and ScotRail’s digital channels under this system. Customer-generated service quality will identify elements of the customer journey most important to customers. The results of this service quality feedback will be made known to the Authority no later than 10 days following the end of each Reporting Period.”

#### 12. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

##### **Committed Obligation Payment Adjustment in respect of Committed Obligation 16.3 - SQMS Surveys**

In column 2 the current wording of:

“From the Franchise Commencement Date, the Franchisee shall introduce an independently monitored service quality management system. At least 130 mystery shopping visits will be made to stations by independent suppliers each Reporting Period under this system. The results of these visits will be made known to the Authority no later than 10 days following the end of each Reporting Period.”

shall be varied to read as follows:

“From November 2018, the Franchisee shall introduce a customer-generated, service quality measurement regime using an experience management platform. At least 130 customers will report on service quality at stations, on-trains, with staff interactions and ScotRail’s digital channels under this system. Customer-generated service quality will identify elements of the customer journey most important to customers. The results of this service quality feedback will be made known to the Authority no later than 10 days following the end of each Reporting Period.”

13. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 17.7 - Colour Coded Timetables**

In column 2, the current wording is as follows:

“The Franchisee shall provide colour-coded Timetables indicating the level of anticipated crowding on different Passenger Services such Timetables to be updated and reissued, as a minimum for the Passenger Change Date in May and December in each year during the Franchise Term, starting with the December 2015 Passenger Change Date. Proposed colour-coded Timetables will be shared with the Authority at least one Reporting Period prior to them being Published.”

and shall be varied to read as follows:

“The Franchisee shall provide colour-coded Timetables indicating the level of anticipated crowding on different Passenger Services such Timetables to be updated and reissued, as a minimum for the Passenger Change Date in May and December in each year during the Franchise Term, starting with the December 2015 Passenger Change Date. Proposed colour-coded Timetables will be shared with the Authority at least two weeks prior to them being Published.”

14. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 17.7 - Colour Coded Timetables**

In column 2 the current wording of:

“The Franchisee shall provide colour-coded Timetables indicating the level of anticipated crowding on different Passenger Services such Timetables to be updated and reissued, as a minimum for the Passenger Change Date in May and December in each year during the Franchise Term, starting with the December 2015 Passenger Change Date. Proposed colour-coded Timetables will be shared with the Authority at least one Reporting Period prior to them being Published.”

shall be varied to read as follows:

“The Franchisee shall provide colour-coded Timetables indicating the level of anticipated crowding on different Passenger Services such Timetables to be updated and reissued, as a minimum for the Passenger Change Date in May and December in each year during the Franchise Term, starting with the December 2015 Passenger Change Date. Proposed colour-coded Timetables will be shared with the Authority at least two weeks prior to them being Published.”

15. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 23.2 - Sustainability Innovation Fund**

In column 2, the current wording is as follows:

“From the Franchise Commencement Date, [redacted] per annum to be spent on research and development of innovative solutions to environmental issues in the railway environment which will include, but will not be limited to, research into innovative solutions to key sustainability, issues relating to carbon reduction, energy use reduction and the reduction of waste sent to landfill. All proposed research and development projects will be assessed by a panel including representatives of the Authority, Network Rail, Resource Efficient Scotland and Zero Waste Scotland.

In addition, four initial research projects shall be carried out by the Franchisee, which are (1) the feasibility of using biobutane to resolve the cold weather operation issues for biodiesel; (2) trialling new smart meters to achieve additional benefit from fitment of Automated Meter Reading system to low energy use sites; (3) finding solutions to waste issues, including behaviour change and hard to recycle waste streams; and (4) using thin film lightweight solar PV technology in areas lacking the structural strength to support traditional PV.”

and shall be varied to read as follows:

“From the Franchise Commencement Date, [redacted] per annum to be spent on research and development of innovative solutions to environmental issues in the railway environment which will include, but will not be limited to, research into innovative solutions to key sustainability, issues relating to carbon reduction, energy use reduction and the reduction of waste sent to landfill. All proposed research and development projects will be assessed by a panel including representatives of the Authority, Network Rail, Resource Efficient Scotland and Zero Waste Scotland.”

16. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 23.2 - Sustainability Innovation Fund**

In column 2 the current wording of:

“From the Franchise Commencement Date, the Franchisee [redacted] per annum to be spent on research and development of innovative solutions to environmental issues in the railway environment which will include, but will not be limited to, research into innovative solutions to key sustainability, issues relating to carbon reduction, energy use reduction and the reduction of waste sent to landfill. All proposed research and development projects will be assessed by a panel including representatives of the Authority, Network Rail, Resource Efficient Scotland and Zero Waste Scotland.

In addition, four initial research projects shall be carried out by the Franchisee, which are (1) the feasibility of using biobutane to resolve the cold weather operation issues for biodiesel; (2) trialling new smart meters to achieve additional benefit from fitment of Automated Meter Reading system to low energy use sites; (3) finding solutions to waste issues, including behaviour change and hard to recycle waste streams; and (4) using thin film lightweight solar PV technology in areas lacking the structural strength to support traditional PV.”

shall be varied to read as follows:

“From the Franchise Commencement Date, the Franchisee [redacted] per annum to be spent on research and development of innovative solutions to environmental issues in the railway environment which will include, but will not be limited to, research into innovative solutions to key sustainability, issues relating to carbon reduction, energy use reduction and the reduction of waste sent to landfill. All proposed research and development projects will be assessed by a panel including representatives of the Authority, Network Rail, Resource Efficient Scotland and Zero Waste Scotland.”

#### 17. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

##### **Committed Obligation 23.7 - Reduce non-traction energy use**

In column 2, the current wording is as follows:

##### **“Reduce non-traction energy use**

The Franchisee shall achieve the reductions in non-traction energy use (from a benchmark set on or before the Franchise Commencement Date) which are set out in the table below.

DATE	REDUCTION TO BE ACHIEVED (%)
30 <sup>th</sup> April 2018	4
30 <sup>th</sup> April 2021	7
31 <sup>st</sup> March 2025	10

For the purpose of this Committed Obligation, when comparing actual non-traction energy use to the benchmark:

- 1) the energy usage of any New Stations, and

2) the additional energy requirements associated with any Qualifying Change,  
shall be excluded from the usage which is compared to the benchmark.  
The benchmark usage shall be calculated by reducing the total energy consumption of the Franchisee (KwH) by the amount used for traction, and deducting from that figure the energy consumption of the Franchisee which is subject to re-charge by the Franchisee to third parties. All numbers will be on an annual basis, and included in the Franchisee's published annual accounts from which they will be drawn for these purposes."

and shall be varied to read as follows:

**"Reduce non-traction energy use**

The Franchisee shall achieve the reductions in non-traction energy use (from a benchmark set on or before the Franchise Commencement Date) which are set out in the table below.

Date	Reduction to be achieved (%)
30 <sup>th</sup> April 2018	4
30 <sup>th</sup> April 2021	7
31 <sup>st</sup> March 2025	10

For the purpose of this Committed Obligation, when comparing actual non-traction energy use to the benchmark:

- 1) the energy usage of any New Stations, and
- 2) the energy usage of any new Depot of which the Franchisee becomes the Facility Owner at any time during the Franchise Period; and
- 3) the additional energy requirements associated with any Change (as defined in each of the Franchise Agreement, Station Access Arrangements & Depot Access Agreements) where this can be reasonably demonstrated to have a material effect on energy usage, including without prejudice to the generality of the foregoing: -
  - a. any new station car parks at any of the Stations;
  - b. any Station development or redevelopment;
  - c. any alterations to Gatelines at Stations;
  - d. DDA and other Station enhancement projects.

shall be excluded from the usage which is compared to the benchmark. For the avoidance of doubt, none of the above exclusions shall apply in respect of any works carried out under a Committed Obligation.

The benchmark usage shall be calculated by reducing the total energy consumption of the Franchisee (KwH) by the amount used for traction, and deducting from that figure the energy consumption of the Franchisee which is subject to re-charge by the Franchisee to third parties.

All numbers will be on an annual basis, and included in the Franchisee’s published annual accounts from which they will be drawn for these purposes.”

18. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 23.7 - Reduce non-traction energy use**

In column 2 the current wording of:

**“Reduce non-traction energy use**

The Franchisee shall achieve the reductions in non-traction energy use (from a benchmark set on or before the Franchise Commencement Date) which are set out in the table below.

DATE	REDUCTION TO BE ACHIEVED (%)
30 <sup>th</sup> April 2018	4
30 <sup>th</sup> April 2021	7
31 <sup>st</sup> March 2025	10

For the purpose of this Committed Obligation, when comparing actual non-traction energy use to the benchmark:

- 1) the energy usage of any New Stations, and
- 2) the additional energy requirements associated with any Qualifying Change,

shall be excluded from the usage which is compared to the benchmark.

The benchmark usage shall be calculated by reducing the total energy consumption of the Franchisee (KwH) by the amount used for traction and deducting from that figure the energy consumption of the Franchisee which is subject to re-charge by the Franchisee to third parties. All numbers will be on an annual basis, and included in the Franchisee’s published annual accounts from which they will be drawn for these purposes.”

shall be varied to read as follows:

**“Reduce non-traction energy use**

The Franchisee shall achieve the reductions in non-traction energy use (from a benchmark set on or before the Franchise Commencement Date) which are set out in the table below.

Date	Reduction to be achieved (%)
30 <sup>th</sup> April 2018	4
30 <sup>th</sup> April 2021	7
31 <sup>st</sup> March 2025	10

For the purpose of this Committed Obligation, when comparing actual non-traction energy use to the benchmark:

- 1) the energy usage of any New Stations, and



2) the energy usage of any new Depot of which the Franchisee becomes the Facility Owner at any time during the Franchise Period; and

3) the additional energy requirements associated with any Change (as defined in each of the Franchise Agreement, Station Access Arrangements & Depot Access Agreements) where this can be reasonably demonstrated to have a material effect on energy usage, including without prejudice to the generality of the foregoing: -

- a. any new station car parks at any of the Stations;
- b. any Station development or redevelopment;
- c. any alterations to Gatelines at Stations;
- d. DDA and other Station enhancement projects.

shall be excluded from the usage which is compared to the benchmark. For the avoidance of doubt, none of the above exclusions shall apply in respect of any works carried out under a Committed Obligation.

The benchmark usage shall be calculated by reducing the total energy consumption of the Franchisee (KwH) by the amount used for traction, and deducting from that figure the energy consumption of the Franchisee which is subject to re-charge by the Franchisee to third parties.

All numbers will be on an annual basis, and included in the Franchisee's published annual accounts from which they will be drawn for these purposes."

#### 19. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

##### **Committed Obligation 23.9 - Environmental Awareness training**

In column 2, the current wording is as follows:

##### **"Environmental Awareness training**

All new Franchise Employees will receive an environment and sustainability induction within 3 months of joining. On or before 31<sup>st</sup> December 2017, the Franchisee shall ensure that all Franchise Employees, including directors, have received such environmental awareness training.

Green champions in each Business Unit will train towards National Vocational Qualification (NVQ) Environmental Principles and Practice."

and shall be varied to read as follows:

##### **"Environmental Awareness training**

All new Franchise Employees will receive an environment and sustainability induction within 3 months of joining. On or before 31<sup>st</sup> December 2017, the

Franchisee shall ensure that all Franchise Employees, including directors, have received such environmental awareness training.

Green champions in each Business Unit will train towards the IEMA Foundation Certificate in Environmental Management (leading to IEMA Associate Membership).”

20. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 23.9 - Environmental Awareness training**

In column 2 the current wording of:

**“Environmental Awareness training**

All new Franchise Employees will receive an environment and sustainability induction within 3 months of joining. On or before 31<sup>st</sup> December 2017, the Franchisee shall ensure that all Franchise Employees, including directors, have received such environmental awareness training.

Green champions in each Business Unit will train towards National Vocational Qualification (NVQ) Environmental Principles and Practice.”

shall be varied to read as follows:

**“Environmental Awareness training**

All new Franchise Employees will receive an environment and sustainability induction within 3 months of joining. On or before 31<sup>st</sup> December 2017, the Franchisee shall ensure that all Franchise Employees, including directors, have received such environmental awareness training.

Green champions in each Business Unit will train towards the IEMA Foundation Certificate in Environmental Management (leading to IEMA Associate Membership).”

21. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 24.1 - Investors in Gold**

In column 2, the current wording is as follows:

**“IIP Gold**

The Franchisee shall use reasonable endeavours to ensure that the Investors In People Gold accreditation is obtained by no later than 31<sup>st</sup> March 2017 and thereafter is maintained throughout the Franchise Term.”

and shall be varied to read as follows:

**“IIP Gold**

The Franchisee shall use all reasonable endeavours to ensure that the Investors In People Gold accreditation is obtained for the ScotRail Alliance by no later than 31<sup>st</sup> March 2019 and thereafter is maintained throughout the Franchise Term.”

22. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 24.1 - Investors in Gold**

In column 2 the current wording of:

**“IIP Gold**

The Franchisee shall use reasonable endeavours to ensure that the Investors In People Gold accreditation is obtained by no later than 31<sup>st</sup> March 2017 and thereafter is maintained throughout the Franchise Term.”

shall be varied to read as follows:

**“IIP Gold**

The Franchisee shall use all reasonable endeavours to ensure that the Investors In People Gold accreditation is obtained for the ScotRail Alliance by no later than 31<sup>st</sup> March 2019 and thereafter is maintained throughout the Franchise Term.”

In column 3 the current wording of:

“31<sup>st</sup> March 2017”

shall be varied to read as follows:

“31<sup>st</sup> March 2019”

23. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 24.10 - Graduate Placements**

In column 2, the current wording is as follows:

**“Graduate Placements**

From the 1<sup>st</sup> September 2016, the Franchisee shall offer at least two six month placements annually to graduates on the Network Rail Track and Train Graduate Trainee Scheme.”

and shall be varied to read as follows:

**“Graduate Placements**

From the 1<sup>st</sup> September 2016, the Franchisee shall offer at least two six month placements annually to graduates on the Network Rail Graduate Trainee Scheme.”

24. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 24.10 - Graduate Placements**

In column 2 the current wording of:

**“Graduate Placements**

From the 1<sup>st</sup> September 2016, the Franchisee shall offer at least two six month placements annually to graduates on the Network Rail Track and Train Graduate Trainee Scheme.”

shall be varied to read as follows:

**“Graduate Placements**

From the 1<sup>st</sup> September 2016, the Franchisee shall offer at least two six month placements annually to graduates on the Network Rail Graduate Trainee Scheme.”

25. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 24.12 - Scottish Vocational Qualifications**

In column 2, the current wording is as follows:

From 1<sup>st</sup> August 2015, the Franchisee shall offer the percentage of Franchise Employees shown in the table below, Scottish Vocational Qualifications in the relevant areas:-

SVQ SUBJECT	TARGETED FRANCHISE EMPLOYEES	%/NUMBER OF EMPLOYEES FIRST FRANCHISEE YEAR	% / NUMBER OF EMPLOYEES EACH SUBSEQUENT FRANCHISEE YEAR
Hospitality (Level 4)	On-train catering, 'To-Go' Kiosks, Tickets Plus retail outlets	5%/25	6.67%/33
Travel and tourism (HNC level 4)	Scenic trains employees	5%/8	6.67% /11
Rail Services (driving)	Train drivers	4% /46	4.8%/55
Business, admin, IT & accounting	HQ and support employees	5%/15	6.67%/20
Literacy and numeracy units	Customer-facing employees	2.5%/51	3.33%/68
Improving wellbeing (Level 3)	All employees	1%/47	1.33%/62
<b>Totals</b>		<b>22.5%/192</b>	<b>29.47%/249</b>

and shall be varied to read as follows:

From 1<sup>st</sup> August 2015, the Franchisee shall offer the percentage of Franchise Employees shown in the table below, Scottish Vocational Qualifications in the relevant areas:-

SVQ SUBJECT	TARGETED FRANCHISE EMPLOYEES	%/NUMBER OF EMPLOYEES FIRST FRANCHISEE YEAR	% / NUMBER OF EMPLOYEES EACH SUBSEQUENT FRANCHISEE YEAR
Hospitality (Level 4)	On-train catering, 'To-Go' Kiosks, Tickets Plus retail outlets	5%/25	6.67%/33
Level 1 Award in Introduction to the Travel & Tourism Industry, City & Guilds 4959-01	Scenic trains employees	5%/8	6.67% /11
Rail Services (driving)	Train drivers	4% /46	4.8%/55

Business, admin, IT & accounting	HQ and support employees	5%/15	6.67%/20
Literacy and numeracy units	Customer-facing employees	2.5%/51	3.33%/68
Improving wellbeing (Level 3)	All	1%/47	1.33%/62
<b>Totals</b>		<b>22.5%/192</b>	<b>29.47%/249</b>

26. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 24.12 - Scottish Vocational Qualifications**

In column 2 the current wording of:

From 1<sup>st</sup> August 2015, the Franchisee shall offer the percentage of Franchise Employees shown in the table below, Scottish Vocational Qualifications in the relevant areas:-

SVQ SUBJECT	TARGETED FRANCHISE EMPLOYEES	%/NUMBER OF EMPLOYEES FIRST FRANCHISEE YEAR	% / NUMBER OF EMPLOYEES EACH SUBSEQUENT FRANCHISEE YEAR
Hospitality (Level 4)	On-train catering, 'To-Go' Kiosks, Tickets Plus retail outlets	5%/25	6.67%/33
Travel and tourism (HNC level 4)	Scenic trains employees	5%/8	6.67% /11
Rail Services (driving)	Train drivers	4% /46	4.8%/55
Business, admin, IT & accounting	HQ and support employees	5%/15	6.67%/20
Literacy and numeracy units	Customer-facing employees	2.5%/51	3.33%/68
Improving wellbeing (Level 3)	All employees	1%/47	1.33%/62
<b>Totals</b>		<b>22.5%/192</b>	<b>29.47%/249</b>

shall be varied to read as follows:

From 1<sup>st</sup> August 2015, the Franchisee shall offer the percentage of Franchise Employees shown in the table below, Scottish Vocational Qualifications in the relevant areas:-

SVQ SUBJECT	TARGETED FRANCHISE EMPLOYEES	%/NUMBER OF EMPLOYEES FIRST FRANCHISEE YEAR	% / NUMBER OF EMPLOYEES EACH SUBSEQUENT FRANCHISEE YEAR
Hospitality (Level 4)	On-train catering, 'To-Go' Kiosks, Tickets Plus retail outlets	5%/25	6.67%/33
Level 1 Award in Introduction to the Travel & Tourism Industry, City & Guilds 4959-01	Scenic trains employees	5%/8	6.67% /11
Rail Services (driving)	Train drivers	4% /46	4.8%/55
Business, admin, IT & accounting	HQ and support employees	5%/15	6.67%/20
Literacy and numeracy units	Customer-facing employees	2.5%/51	3.33%/68
Improving wellbeing (Level 3)	All	1%/47	1.33%/62
<b>Totals</b>		<b>22.5%/192</b>	<b>29.47%/249</b>

27. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 24.13 – Scottish Business in the Community Scheme**

In column 2, the current wording is as follows:

**“Scottish Business in the Community Scheme**

From the Franchise Commencement Date, the Franchisee shall be a member of the Scottish Business in the Community Scheme and allow every Franchisee

Employee to be released for one day per annum to take part in a community project organised pursuant to the Scottish Business in the Community Scheme.

From the Franchise Commencement Date, the Franchisee shall place all six of its customer service apprentices with Scottish Business in the Community to volunteer as part of their 'Paired Reading' scheme which operates in local primary schools, during each Franchisee Year for a period of 6 months.

The Franchisee will work with Volunteer Scotland to achieve their Investing in Volunteers for Employees (IiVE) quality standard by the end of 2017."

and shall be varied to read as follows:

**"Scottish Business in the Community Scheme**

From the Franchise Commencement Date, the Franchisee shall be a member of the Scottish Business in the Community Scheme and allow every Franchise Employee to be released for one day per annum to take part in a community project organised pursuant to the Scottish Business in the Community Scheme.

From the Franchise Commencement Date, the Franchisee shall place four of its customer service apprentices with Scottish Business in the Community to volunteer as part of their 'Paired Reading' scheme which operates in local primary schools, during each Franchisee Year for a period of 3 months. In addition, 10 Franchisee apprentices will each attend 2 Scottish Business in the Community Enterprise days during each Franchisee Year.

The Franchisee will work with Volunteer Scotland to achieve their Investing in Volunteers for Employees (IiVE) quality standard by the end of 2019."

28. Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation  
24.13 – Scottish Business in the Community Scheme**

In column 2 the current wording of:

**"Scottish Business in the Community Scheme**

From the Franchise Commencement Date, the Franchisee shall be a member of the Scottish Business in the Community Scheme and allow every Franchise Employee to be released for one day per annum to take part in a community project organised pursuant to the Scottish Business in the Community Scheme.

From the Franchise Commencement Date, the Franchisee shall place all six of its customer service apprentices with Scottish Business in the Community to volunteer as part of their 'Paired Reading' scheme which operates in local primary schools, during each Franchisee Year for a period of 6 months.



The Franchisee will work with Volunteer Scotland to achieve their Investing in Volunteers for Employees (IiVE) quality standard by the end of 2017.”

shall be varied to read as follows:

**“Scottish Business in the Community Scheme**

From the Franchise Commencement Date, the Franchisee shall be a member of the Scottish Business in the Community Scheme and allow every Franchise Employee to be released for one day per annum to take part in a community project organised pursuant to the Scottish Business in the Community Scheme.

From the Franchise Commencement Date, the Franchisee shall place four of its customer service apprentices with Scottish Business in the Community to volunteer as part of their ‘Paired Reading’ scheme which operates in local primary schools, during each Franchisee Year for a period of 3 months. In addition, 10 Franchisee apprentices will each attend 2 Scottish Business in the Community Enterprise days during each Franchisee Year.

The Franchisee will work with Volunteer Scotland to achieve their Investing in Volunteers for Employees (IiVE) quality standard by the end of 2019.”

In column 3 the current wording of:

“From the Franchise Commencement Date

Franchise Commencement Date

31<sup>st</sup> December 2017”

shall be varied to read as follows:

“From the Franchise Commencement Date

Franchise Commencement Date

31<sup>st</sup> December 2019”

29. Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 24.18 – Training for looked after children (formerly Training for Scottish Prisoners”)**

In column 2, the current wording is as follows:

**Training for Scottish prisoners**

From 1<sup>st</sup> June 2016, the Franchisee shall:

- a) Make at least two visits per year to Scottish prisons to provide recruitment and selection workshops; and
- b) Make available at least 5 work placements for current offenders within their last year of sentence.

and shall be varied to read as follows:

**Training for looked after children**

From 1<sup>st</sup> June 2016, the Franchisee shall:

- (a) Make at least two visits per year to a youth care system environment to provide recruitment and selection workshops.
- (b) Make available at least 5 work placements per year for 'looked after children'

30 Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 24.18 – Training for looked after children (formerly Training for Scottish Prisoners”)**

In column 2, the current wording is as follows:

**Training for Scottish prisoners**

From 1<sup>st</sup> June 2016, the Franchisee shall:

- a) Make at least two visits per year to Scottish prisons to provide recruitment and selection workshops; and
- b) Make available at least 5 work placements for current offenders within their last year of sentence.

and shall be varied to read as follows:

**Training for looked after children**

From 1<sup>st</sup> June 2016, the Franchisee shall:

- (a) Make at least two visits per year to a youth care system environment to provide recruitment and selection workshops.
- (b) Make available at least 5 work placements per year for 'looked after children'

**31 Committed Obligation 24.20 - Intern Programme**

In column 2, the current wording is as follows:

**“Intern Programme**

From 1<sup>st</sup> September 2015, the Franchisee shall offer at least 2 six-month placements per Franchisee Year to graduate interns.”

and shall be varied to read as follows:

**“Intern Programme**

From 1<sup>st</sup> September 2015, the Franchisee shall appoint at least 5 interns on ten week placements per Franchisee Year through the Saltire Internship Programme.”

**32 Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement**

**Committed Obligation Payment Adjustment in respect of Committed Obligation 24.20 - Intern Programme**

In column 2 the current wording of:

**“Intern Programme**

From 1<sup>st</sup> September 2015, the Franchisee shall offer at least 2 six-month placements per Franchisee Year to graduate interns.”

shall be varied to read as follows:

**“Intern Programme**

From 1<sup>st</sup> September 2015, the Franchisee shall appoint at least 5 interns on ten week placements per Franchisee Year through the Saltire Internship Programme.”

**33 Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement**

**Committed Obligation 27.3 - Vegetation clearance on Scenic Routes**

In column 2, the current wording is as follows:

**“Vegetation clearance on Scenic Routes**

From the Franchise Commencement Date the Franchisee shall carry out a full vegetation and woodland survey along the West Highland Line and Kyle Line.

The Franchisee shall allocate at least [redacted] per Franchisee Year on procuring and, thereafter, maintaining vegetation clearance on West Highland Line and Kyle Line (and shall work in partnership, throughout the Franchise Term, with Friends of the West Highland and Kyle Lines, Network Rail and other partners including landowners (for example the Loch Lomond and Trossachs National Park) in developing a strategic approach to such vegetation clearance).

The Franchisee shall work in partnership with Network Rail, Loch Lomond and Trossachs National Park (including their relevant friends) and Community Rail Partnerships to create a priorities and project plan, on or before the Franchise Commencement Date, for clearing (and maintaining) the sections of the lines considered by all partners to be most impactful. The Franchisee shall allocate an additional [redacted] per Franchisee Year to be spent on commissioning a vegetation survey to identify such sections of lines.”

and shall be varied to read as follows:

**“Vegetation clearance on Scenic Routes**

From the Franchise Commencement Date the Franchisee shall carry out a full vegetation and woodland survey along the West Highland Line and Kyle Line.

The Franchisee shall allocate at least [redacted] per Franchisee Year on procuring and, thereafter, maintaining vegetation clearance on West Highland Line and Kyle Line (and shall work in partnership, throughout the Franchise Term, with Friends of the West Highland and Kyle Lines, Network Rail and other partners including landowners (for example the Loch Lomond and Trossachs National Park) in developing a strategic approach to such vegetation clearance).

The Franchisee shall work in partnership with Network Rail, Loch Lomond and Trossachs National Park (including their relevant friends) and Community Rail Partnerships to create a priorities and project plan, on or before the Franchise Commencement Date, for clearing (and maintaining) the sections of the lines considered by all partners to be most impactful. The Franchisee shall utilise the Network Rail ORBIS tree database to identify such sections of lines.”

- 34 Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation  
27.3 - Vegetation clearance on Scenic Routes**

In column 2 the current wording of:

**“Vegetation clearance on Scenic Routes**

From the Franchise Commencement Date the Franchisee shall carry out a full vegetation and woodland survey along the West Highland Line and Kyle Line.

The Franchisee shall allocate at least [redacted] per Franchisee Year on procuring and, thereafter, maintaining vegetation clearance on West Highland Line and Kyle Line (and shall work in partnership, throughout the Franchise Term, with Friends of the West Highland and Kyle Lines, Network Rail and other partners including landowners (for example the Loch Lomond and Trossachs National Park) in developing a strategic approach to such vegetation clearance).

The Franchisee shall work in partnership with Network Rail, Loch Lomond and Trossachs National Park (including their relevant friends) and Community Rail Partnerships to create a priorities and project plan, on or before the Franchise Commencement Date, for clearing (and maintaining) the sections of the lines considered by all partners to be most impactful. The Franchisee shall allocate an additional [redacted] per Franchisee Year to be spent on commissioning a vegetation survey to identify such sections of lines.”

shall be varied to read as follows:

**“Vegetation clearance on Scenic Routes**

From the Franchise Commencement Date the Franchisee shall carry out a full vegetation and woodland survey along the West Highland Line and Kyle Line.

The Franchisee shall allocate at least [redacted] per Franchisee Year on procuring and, thereafter, maintaining vegetation clearance on West Highland Line and Kyle Line (and shall work in partnership, throughout the Franchise Term, with Friends of the West Highland and Kyle Lines, Network Rail and other partners including landowners (for example the Loch Lomond and Trossachs National Park) in developing a strategic approach to such vegetation clearance).

The Franchisee shall work in partnership with Network Rail, Loch Lomond and Trossachs National Park (including their relevant friends) and Community Rail Partnerships to create a priorities and project plan, on or before the Franchise Commencement Date, for clearing (and maintaining) the sections of the lines considered by all partners to be most impactful. The Franchisee shall utilise the Network Rail ORBIS tree database to identify such sections of lines.”

35 Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 29.16 - National Fulfilment Service Feasibility Study**

In column 2, the current wording is as follows:

**“National Fulfilment Service Feasibility Study**

On or before the 1<sup>st</sup> December 2016 the Franchisee shall complete a study into the feasibility of setting up a national fulfilment service. The Franchisee shall make the study available to the Authority and other key stakeholders by no later than 1<sup>st</sup> December 2016.

The study will be an examination of the feasibility of introducing to Scotland a national fulfilment services based on Smartcards. The report will consist of the following key elements;

- situation analysis and description of the potential opportunity for a national fulfilment service in Scotland;
- approach to the development, design and benefits of such a system;
- a fully resourced and costed deployment plan focused on implementation timescales;
- a risk based assessment of the key issues, constrains and problems envisaged with mitigations; and
- a recommendation and next steps section.”

and shall be varied to read as follows:

**“National Fulfilment Service Feasibility Study**

On or before the 10<sup>th</sup> December 2016 the Franchisee shall complete a study into the feasibility of setting up a national fulfilment service. The Franchisee shall make the study available to the Authority and other key stakeholders by no later than 10<sup>th</sup> December 2016.

The study will be an examination of the feasibility of introducing to Scotland a national fulfilment services based on Smartcards. The report will consist of the following key elements;

- situation analysis and description of the potential opportunity for a national fulfilment service in Scotland;
- approach to the development, design and benefits of such a system;
- a fully resourced and costed deployment plan focused on implementation timescales;
- a risk based assessment of the key issues, constrains and problems envisaged with mitigations; and
- a recommendation and next steps section.”

36 Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 29.16 - National Fulfilment Service Feasibility Study**

In column 2 the current wording of:

**“National Fulfilment Service Feasibility Study**

On or before the 1<sup>st</sup> December 2016 the Franchisee shall complete a study into the feasibility of setting up a national fulfilment service. The Franchisee shall make the study available to the Authority and other key stakeholders by no later than 1<sup>st</sup> December 2016.

The study will be an examination of the feasibility of introducing to Scotland a national fulfilment services based on Smartcards. The report will consist of the following key elements;

- situation analysis and description of the potential opportunity for a national fulfilment service in Scotland;
- approach to the development, design and benefits of such a system;
- a fully resourced and costed deployment plan focused on implementation timescales;
- a risk based assessment of the key issues, constrains and problems envisaged with mitigations; and
- a recommendation and next steps section.”

shall be varied to read as follows:

### **“National Fulfilment Service Feasibility Study**

On or before the 10<sup>th</sup> December 2016 the Franchisee shall complete a study into the feasibility of setting up a national fulfilment service. The Franchisee shall make the study available to the Authority and other key stakeholders by no later than 10<sup>th</sup> December 2016.

The study will be an examination of the feasibility of introducing to Scotland a national fulfilment services based on Smartcards. The report will consist of the following key elements;

- situation analysis and description of the potential opportunity for a national fulfilment service in Scotland;
- approach to the development, design and benefits of such a system;
- a fully resourced and costed deployment plan focused on implementation timescales;
- a risk based assessment of the key issues, constrains and problems envisaged with mitigations; and
- a recommendation and next steps section.”

In column 3 the current wording of:

“1<sup>st</sup> December 2016”

shall be varied to read as follows:

“10<sup>th</sup> December 2016”

37 Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

### **Committed Obligation 30.3 - Station Travel Plans**

In column 2, the current wording is as follows:

**“Station Travel Plans**

On or before the end of the fourth Franchisee Year, the Franchisee shall work with Local Authorities to develop Station Travel Plans to deliver improved transport integration at 30 Stations.

The Station Travel Plans shall be reviewed by the Franchisee and the relevant Local Authority on an annual basis for the remainder of the Franchise Term. The Franchisee shall use all reasonable to secure the active participation of the relevant Local Authority.”

and shall be varied to read as follows:

**“Station Travel Plans**

On or before the end of the fourth Franchisee Year, the Franchisee shall work with Local Authorities to develop Station Travel Plans to develop improved transport integration at 20 Stations.

A Station Travel Plan Delivery programme shall be created to deliver the projects which address the Station Travel Plan findings and a fund shall be established by the Franchisee with a value of [redacted]. A minimum of 50% match funding shall be required for any project to be eligible for funding, whether it is initiated by ScotRail or by other partners.

The Station Travel Plans shall be reviewed by the Franchisee and the relevant Local Authority on an annual basis for the remainder of the Franchise Term. The Franchisee shall use all reasonable endeavours to secure the active participation of the relevant Local Authority.”

38 Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 30.3 - Station Travel Plans**

In column 2 the current wording of:

**“Station Travel Plans**

On or before the end of the fourth Franchisee Year, the Franchisee shall work with Local Authorities to develop Station Travel Plans to deliver improved transport integration at 30 Stations.

The Station Travel Plans shall be reviewed by the Franchisee and the relevant Local Authority on an annual basis for the remainder of the Franchise Term. The Franchisee shall use all reasonable to secure the active participation of the relevant Local Authority.”

shall be varied to read as follows:



### **“Station Travel Plans**

On or before the end of the fourth Franchisee Year, the Franchisee shall work with Local Authorities to develop Station Travel Plans to develop improved transport integration at 20 Stations.

A Station Travel Plan Delivery programme shall be created to deliver the projects which address the Station Travel Plan findings and a fund shall be established by the Franchisee with a value of [redacted]. A minimum of 50% match funding shall be required for any project to be eligible for funding, whether it is initiated by ScotRail or by other partners.

The Station Travel Plans shall be reviewed by the Franchisee and the relevant Local Authority on an annual basis for the remainder of the Franchise Term. The Franchisee shall use all reasonable endeavours to secure the active participation of the relevant Local Authority.”

39 Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

#### **Committed Obligation 30.12 - Electric Car Charging Bays**

In column 2, the current wording is as follows:

##### **“Electric Car Charging Bays**

On or before the end of November 2017, the Franchisee shall ensure there are at least two electric car charging bays in each of at least 50 Station car parks. The locations will be chosen based on evidence and feedback from the Authority and other key stakeholders and market conditions.

The Franchisee shall promote low emission car usage by offering lower parking tariffs with discounts of up to 15% to customers with Low Emission Vehicles.”

and shall be varied to read as follows:

##### **“Electric Car Charging Bays**

On or before the end of November 2017, the Franchisee shall ensure there are at least two electric car charging bays in each of at least 50 Station car parks. The locations will be chosen based on evidence and feedback from the Authority and other key stakeholders and market conditions.”

40 Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

#### **Committed Obligation Payment Adjustment in respect of Committed Obligation 30.12 - Electric Car Charging Bays**

In column 2 the current wording of:

**“Electric Car Charging Bays**

On or before the end of November 2017, the Franchisee shall ensure there are at least two electric car charging bays in each of at least 50 Station car parks. The locations will be chosen based on evidence and feedback from the Authority and other key stakeholders and market conditions.

The Franchisee shall promote low emission car usage by offering lower parking tariffs with discounts of up to 15% to customers with Low Emission Vehicles.”

shall be varied to read as follows:

**“Electric Car Charging Bays**

On or before the end of November 2017, the Franchisee shall ensure there are at least two electric car charging bays in each of at least 50 Station car parks. The locations will be chosen based on evidence and feedback from the Authority and other key stakeholders and market conditions.”

In column 3 the following wording shall be deleted:

“Franchise Commencement Date and thereafter from the date of installation”

41 Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 30.14 - Cyclepoints**

In column 2, the current wording is as follows:

**“Cyclepoints**

Subject only to the consent of Network Rail and other relevant property owners, on or before the end of the third Franchisee Year, the Franchisee shall install a cyclepoint at Glasgow Central station, Edinburgh Waverley station and Stirling Station.

For the purposes of this Committed Obligation, a cyclepoint shall be defined as a cycle parking facility with a mix of free and paid for secure storage.”

and shall be varied to read as follows:

**“Cyclepoints**

Subject only to the consent of Network Rail and other relevant property owners, the Franchisee shall install a cyclepoint at the following stations:

On or before the end of the third Franchisee Year at Edinburgh Waverley station.  
On or before the 30<sup>th</sup> June 2019 and Stirling Station.

On or before the 31<sup>st</sup> October 2020 at Glasgow Queen Street station

For the purposes of this Committed Obligation, a cyclepoint shall be defined as a cycle parking facility with a mix of free and paid for secure storage.”

42 Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 30.14 - Cyclepoints**

In column 2 the current wording of:

**“Cyclepoints**

Subject only to the consent of Network Rail and other relevant property owners, on or before the end of the third Franchisee Year, the Franchisee shall install a cyclepoint at Glasgow Central station, Edinburgh Waverley station and Stirling Station.

For the purposes of this Committed Obligation, a cyclepoint shall be defined as a cycle parking facility with a mix of free and paid for secure storage.”

shall be varied to read as follows:

**“Cyclepoints**

Subject only to the consent of Network Rail and other relevant property owners, the Franchisee shall install a cyclepoint at the following stations:

On or before the end of the third Franchisee Year at Edinburgh Waverley station.

On or before the 30<sup>th</sup> June 2019 and Stirling Station.

On or before the 31<sup>st</sup> October 2020 at Glasgow Queen Street station

For the purposes of this Committed Obligation, a cyclepoint shall be defined as a cycle parking facility with a mix of free and paid for secure storage.”

In column 3 the current wording of:

“End of the third Franchisee Year.”

shall be varied to read as follows:

“At Edinburgh Waverley station by the end of the third Franchisee Year.

At Stirling Station by 30<sup>th</sup> June 2019.

At Glasgow Queen Street station by 31<sup>st</sup> October 2020.”

43 Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 31.2 - Passenger Assist**

In column 2, the current wording is as follows:

**“Passenger Assist**

On or before the 31<sup>st</sup> December 2017, the Franchisee shall reduce the notice period for passengers booking the Passenger Assist Service (covering all stations across the ScotRail network) to 3 hours.

The Franchisee shall before the end of fourth anniversary of the Franchise Commencement Date procure that the said notice period is reduced to 2 hours.

The Franchisee shall before the end of sixth anniversary of the Franchise Commencement Date procure that the said notice period is reduced to 1 hour.

The Franchisee shall procure that all Franchise Employees involved in delivering Passenger Assist are fully trained and kept up-to-date on the service.”

and shall be varied to read as follows:

**“Passenger Assist**

On or before the 31<sup>st</sup> May 2017, the Franchisee shall reduce the notice period for passengers booking the Passenger Assist Service (covering all stations across the ScotRail network) to 3 hours.

The Franchisee shall before the end of fourth anniversary of the Franchise Commencement Date procure that the said notice period is reduced to 2 hours.

The Franchisee shall before the end of sixth anniversary of the Franchise Commencement Date procure that the said notice period is reduced to 1 hour.

The Franchisee shall procure that all Franchise Employees involved in delivering Passenger Assist are fully trained and kept up-to-date on the service.”

44 Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 31.2 - Passenger Assist**

In column 2 the current wording of:

**“Passenger Assist**

On or before the 31<sup>st</sup> December 2017, the Franchisee shall reduce the notice period for passengers booking the Passenger Assist Service (covering all stations across the ScotRail network) to 3 hours.

The Franchisee shall before the end of fourth anniversary of the Franchise Commencement Date procure that the said notice period is reduced to 2 hours.

The Franchisee shall before the end of sixth anniversary of the Franchise Commencement Date procure that the said notice period is reduced to 1 hour.

The Franchisee shall procure that all Franchise Employees involved in delivering Passenger Assist are fully trained and kept up-to-date on the service.”

shall be varied to read as follows:

**“Passenger Assist**

On or before the 31<sup>st</sup> May 2017, the Franchisee shall reduce the notice period for passengers booking the Passenger Assist Service (covering all stations across the ScotRail network) to 3 hours.

The Franchisee shall before the end of fourth anniversary of the Franchise Commencement Date procure that the said notice period is reduced to 2 hours.

The Franchisee shall before the end of sixth anniversary of the Franchise Commencement Date procure that the said notice period is reduced to 1 hour.

The Franchisee shall procure that all Franchise Employees involved in delivering Passenger Assist are fully trained and kept up-to-date on the service.”

In column 3 the current wording of:

“31<sup>st</sup> December 2017 and thereafter, the fourth and sixth anniversary of Franchise Commencement Date”

shall be varied to read as follows:

“31<sup>st</sup> May 2017 and thereafter, the fourth and sixth anniversary of Franchise Commencement Date”

45 Variation to the table of Committed Obligations in Part 1 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation 31.3 - Assist Mi Pilot**

In column 2, the current wording is as follows:

**“Assist Mi Pilot**

On or before the 31<sup>st</sup> December 2017, the Franchisee shall complete a pilot scheme implementing the Assist-Mi customer assistance mobile app at selected Stations. The Franchisee shall report to the Authority upon its completion, the success of the pilot scheme and shall, thereafter, subject to the approval of the authority, extend the scheme across the ScotRail network.”

and shall be varied to read as follows:

**“Assist Mi Pilot**

On or before the 31<sup>st</sup> December 2018, the Franchisee shall work with RDG in the development of the Passenger Assist App linked to the new Passenger Assist System. The Franchisee shall implement the new industry approved App across the ScotRail network and report to the Authority upon its completion.”

46 Variation to the table of Committed Obligation Payment Adjustments in Part 3 of Schedule 1.6 of the Franchise Agreement

**Committed Obligation Payment Adjustment in respect of Committed Obligation 31.3 - Assist Mi Pilot**

In column 2 the current wording of:

**“Assist-Mi Pilot**

On or before the 31<sup>st</sup> December 2017, the Franchisee shall complete a pilot scheme implementing the Assist-Mi customer assistance mobile app at selected Stations. The Franchisee shall report to the Authority upon its completion, the success of the pilot scheme and shall, thereafter, subject to the approval of the authority, extend the scheme across the ScotRail network.”

shall be varied to read as follows:

**“Assist Mi Pilot**

On or before the 31<sup>st</sup> December 2018, the Franchisee shall work with RDG in the development of the Passenger Assist App linked to the new Passenger Assist System. The Franchisee shall implement the new industry approved App across the ScotRail network and report to the Authority upon its completion.”

In column 3 the current wording of:

“31<sup>st</sup> December 2017”

shall be varied to read as follows:

“31<sup>st</sup> December 2018”

47 Variation to Schedule 13.1, paragraph 3.2 of the Franchise Agreement

### **Schedule 13.1 Para 3.2 – Quality Management System**

The current wording of:

“The Franchisee shall work diligently towards operating a quality management system, the standard of which shall comply with the ISO 9000:2005, ISO 9001:2008 and ISO 9004:2009 upgraded status by December 2017 and thereafter take all steps necessary to maintain such standards during the Franchise Term.”

shall be varied to read as follows:

“The Franchisee shall work diligently towards operating a quality management system, the standard of which shall comply with the EFQM Committed to Excellence One Star (C2E) scheme by December 2017 and (for the Property Services and Engineering departments) ISO 9001:2015, certification by September 2018 and thereafter take all steps necessary to maintain such standards during the Franchise Term.”

48 Variation to Schedule 13.1, paragraph 4 of the Franchise Agreement

### **Schedule 13.1 Para 4 – Crystal Mark**

The current wording of:

“The Franchisee shall ensure that by no later than the third anniversary of the Franchise Commencement Date all of its Published passenger facing documents including without prejudice to the foregoing generality its Passenger’s Charter, Customer Complaints Handling Procedure and Disabled Persons Protection Policy are drafted to a standard which shall comply with the Crystal Mark standard (or equivalent).”

shall be varied to read as follows:

“The Franchisee shall ensure that by no later than the third anniversary of the Franchise Commencement Date all of its Published passenger facing documents are drafted to a standard which shall comply with the Crystal Mark standard (or equivalent). This includes the Disabled People Protection Document and Passenger Information during Disruption. A derogation is granted until July 2018 for the drafting of, without prejudice to the foregoing generality, its Passenger’s Charter and Customer Complaints Handling Procedure.”

49 Variation to the numbering of Priced Options under the Franchise Agreement

### **Schedule 3, Priced Options**

The numbering of Priced Option variations has gone out of sequence and some have been duplicated over time. For clarity, a reconciliation exercise has been conducted to correct the numbering of the agreed Priced Options as follows:

The current numbering of the Priced Option is as follows:

- PO 1 - Improved services between Edinburgh and Berwick-upon-Tweed/Newcastle
- PO 2 - Improved Services between Stranraer and Glasgow
- PO 3 - New Station at Winchburgh
- PO 4 - Operating Dunbar Station as the SFO
- PO 5 - Access for All Small Schemes Fund 2015/16
- PO 5 - Staffing of Edinburgh Gateway
- PO - Shovel Ready funding for station and rolling stock projects
- PO 6 - Glasgow North and Southern Electrics Capacity Improvements
- PO 6 - Short term hire of 10 Class 365 units and utilisation of 13 Class 170 units (due to delay of c385s)
- PO 7 – Robroyston Station
- PO 8 – Fares Initiative 2017
- PO 9 – RiR, Sub-lease of 5 class 170 Diesel Multiple Units
- PO 10 – RiR, Retention of 5 Class 156 DMUs for additional capacity on East Kilbride, Kilmarnock and Barrhead services

It is agreed that the numbering be amended to be as follows:

- PO 1 - Improved services between Edinburgh and Berwick-upon-Tweed/Newcastle
- PO 2 - Improved Services between Stranraer and Glasgow
- PO 3 - New Station at Winchburgh
- PO 4 - Operating Dunbar Station as the SFO
- PO 5 - Access for All Small Schemes Fund 2015/16
- PO 6 - Staffing of Edinburgh Gateway
- PO 7 - Shovel Ready funding for station and rolling stock projects
- PO 8 - Glasgow North and Southern Electrics Capacity Improvements
- PO 9 - Short term hire of 10 Class 365 units and utilisation of 13 Class 170 units (due to delay of c385s)
- PO 10 – Robroyston Station
- PO 11 – Fares Initiative 2017
- PO 12 – RiR, Sub-lease of 5 class 170 Diesel Multiple Units
- PO 13 – RiR, Retention of 5 Class 156 DMUs for additional capacity on East Kilbride, Kilmarnock and Barrhead services

## 50 Variation to the Definitions Agreement

### **Definitions Agreement – definitions of Suburban West, Suburban West (Off Peak) and Suburban West (peak) Sector**

The following definitions in the Definitions Agreement (as defined in the Franchise Agreement) shall be amended as follows:-

Current definitions:-



**Suburban West Sector** means together the Suburban West (Off Peak) Sector and the Suburban West (Peak) Sector;

**Suburban West (Off Peak) Sector** means all Off Peak Passenger Services operating under the HA06 and HA07 Service Group;

**Suburban West (Peak) Sector** means all Passenger Services operating under the HA06 and HA07 Service Group excepting those operating under the Suburban (West) (Off Peak) Sector;

Revised defintions:-

**Suburban West Sector** means together the Suburban West (Off Peak) Sector and the Suburban West (Peak) Sector;

**Suburban West (Off Peak) Sector** means all Off Peak Passenger Services operating under the HA05, HA06 , HA07 and HA08 Service Group;

**Suburban West (Peak) Sector** means all Passenger Services operating under the HA05, HA06, HA07 and HA08 Service Groups excepting those operating under the Suburban (West) (Off Peak) Sector;