

ScotRail

Launch Speech by Jeff Hoogesteger, CEO Abellio Group

Minister, colleagues, partners, friends.

It is a great privilege to be here with you in Stirling, in the heart of Scotland, to mark the launch of the new ScotRail franchise this morning.

Scotland has enjoyed a long and friendly relationship with the Netherlands.

That relationship was tested very briefly in the summer of 1978, by a certain Archie Gemmell.

However, we remain firm friends.

Today begins a new chapter in the long story of Scotland's railways.

As the new stewards of a vital part of Scotland's society and economy, we understand the responsibility we assume today.

We will work every day to earn the faith that has been shown in us.

Our plans to transform ScotRail reach into every part of the nation, so where better to begin than here in this fine city, at the heart of your magnificent country.

I say 'your', but I hope you will allow me now to say 'our'.

The transport brief is always amongst the most challenging in any government.

I assure you Minister that we will do all we can to minimise any headaches and maximise pride as we grow the contribution of ScotRail to social and economic objectives.

We take our responsibilities seriously.

Can I also take a moment to congratulate Serco, who started operating the new Caledonian Sleeper only yesterday.

We wish them as much success with that important business as we hope for ourselves and ScotRail.

I would also like to pay tribute to Steve Montgomery and every one of his staff at ScotRail.

We have met many of them across the country over the past six months.

Their professionalism, cooperation and diligence has been crucial to deliver the smoothest possible handover.

It is great to be working with a team that shares Abellio's commitment to putting the customer at the heart of every decision.

Steve's enormous knowledge and experience of ScotRail will be crucial to guiding the company smoothly through the handover.

We are delighted that he has agreed to lead the Day One team.

On 8th October 2014, I stood in Waverley station with the then Transport Minister Keith Brown, who is now the Cabinet Secretary for Infrastructure, Investment and Cities and who I am delighted to say is also with us today.

Together we welcomed the award of ScotRail to Abellio.

At that time, the Scottish Government told the nation to expect a transformation in rail travel across the country.

That may sound quite a task, but it is a true reflection of the Government's ambition for Scotland's railway.

The ball is now very firmly in Abellio's court, and we have no higher priority than to bring our vision for ScotRail to life.

Indeed, I prepared this speech from my new home in Edinburgh from where I will be able to work with the Scottish Government and our ScotRail team to achieve that vision.

Living in Edinburgh will also allow me to test our shared product as I travel by train to Abellio's new UK Headquarters in Glasgow every day.

Since October, we have also opened a new Shared Services Centre in Glasgow which is already employing 18 staff and is expected to be fully up and running with a total of 40 staff by summer 2015.

So the Government's decision to award Abellio the franchise is already delivering benefits for the Scottish economy.

And we mean to continue as we have begun.

But what about ScotRail.....!?

Well, today's exciting one million pound free off-peak ticket offer is an early demonstration of how Abellio likes to work.

These free tickets are a token of our appreciation to loyal customers and our invitation to new ones to try us out and experience the delights of scenic travel on a ScotRail service.

But what will change.....?

Well, as you may have noticed, I'm not Harry Potter.

He is of course a valued customer of our railways, but I have neither his magic wand nor his special powers.

I won't pretend, therefore, that you will see an overnight transformation.

Major infrastructure investments, integrated transport schemes, a new intercity service for Scotland, cycle hubs and national smartcards all take time to deliver.

I am delighted however, to deliver to you today Minister, the first of seventy five new state-of-the-art Hitachi trains for Scotland.

When we announced the new trains last year we were asked many questions about them.

When will they arrive?

How fast will they go?

How many seats will they have?

However, no one asked how big they would be.....

.....so Minister, it gives me great pleasure to hand you the first of the new trains for Scotland...!

Isn't it amazing how technology has advanced.

Don't worry, I promise you the real thing will be more substantial!

The first seven trains will be built in Hitachi's Kasado factory in Japan, with the remaining 63 being built in their flagship Newton Aycliff plant.

The full fleet will be maintained at Craightinny in Scotland.

24 of the new trains will be operating in Scotland by Dec 2017 with the remaining 46 in operation by Dec 2018.

This will ensure that the full benefits of the Edinburgh Glasgow Improvement Programme are realised for passengers - faster journey times, greater capacity and higher service quality.

Hitachi have kindly located a larger model on the platform outside this room so you can all have a closer look at the future of travel between Edinburgh and Glasgow.

But before we get there, we will deliver many other benefits.

As from today, job seekers will be able to claim two free tickets a month for travel to interviews and a free monthly season ticket when they secure work.

Smart season ticket holders will receive a discount of one third when they purchase Off Peak tickets and will be able to purchase off peak First Class upgrades for only £5.

Later in the year we will be offering Advance fares on all reservable ScotRail services between any two stations in Scotland starting from £5 for standard class and £10 for first class.

Smartcards will integrate travel on more than one mode, with the first example being the Glasgow Subway.

This will be the first step towards a Scottish nationwide smartcard, to be completed in 2016.

A new ScotRail Price Promise commits to helping you access the best value tickets through all Abellio ScotRail retail channels.

This means that if you find the same Season, Anytime or Off Peak ticket cheaper elsewhere, then we will refund you the difference.

Thinking back to the event in Waverley on 8th October, my strongest memory was the enormous interest in our plans for tourism and steam trains.

So in May we will launch ScotRail's new and significantly enhanced tourist offer, known as the Great Scenic Railway Journeys of Scotland.

This will promote tourism on Scotland's five most scenic lines to visitors from across the world, and we look forward to revealing more soon.

This increased focus on tourism will prepare the way for the launch of the Borders Railway on 4th September 2015, and the first ScotRail passenger services starting on 6th September.

We look forward with huge anticipation to welcoming the Borders Railway into the ScotRail family and will celebrate this with a programme of steam services to promote tourism on this exciting new railway.

A steam service will operate between Edinburgh and Tweedbank three times a week on a Wednesday, a Thursday and a Sunday for the first six weeks of operations.

And the magical sight of steam will be seen across the whole of Scotland with our plans for five other steam trains on scenic routes between June and September this year.

Tickets for these steam services can be booked now on ScotRail's new website.

In November 2015 we will start the distribution of new uniforms to all our staff.

I am the first to admit that asking staff to snip off and cover up the old branding is not ideal.

However, I was not prepared to order over 4000 new uniforms without full consultation with staff on design and suitability. Their views on this are critical. So I ask you to bear with us while we continue to work with ScotRail colleagues to create a uniform that is attractive, comfortable and fit for all weather conditions.

Tuning to 2016, we will launch an initiative worth up to £800 to every ScotRail employee on the achievement of performance and service targets.

A new flexible smart product will allow passengers to choose where they want to travel, how many tickets they want to buy and how long they want them to be valid.

Over 4,000 frontline staff will be given smart devices to improve information flow to them and to passengers.

In 2017, we will invest at least £3m right here in Stirling.

This is likely to include the redesign the station forecourt to improve links to the town centre and to create a public square in front of the station.

Sketches of this and plans of other major stations are displayed on the platform outside.

All of this is in addition to 3,500 new cycle parking spaces across the network, and new cycle hubs at large stations including one here at Stirling.

In 2018, the new intercity service operating between Scotland's seven cities will be introduced.

This will be delivered by fully refurbished intercity trains, or HSTs as some call them.

These will be bigger and faster than current services and have a high quality interior to encourage business travel.

Coming back to 2015, I would like to mention one of the most important developments that will contribute to the transformation of rail travel in Scotland

This is the plan to build a strategic Alliance with our partners Network Rail by the end of the year.

An Alliance will allow us to work collaboratively to plan operations, engineering and communications.

This will deliver improved reliability and service quality for passengers, and greater efficiency.

The early appointment of Phil Verster as the Managing Director of the new Alliance is positive news.

Phil is already working on the preparations for the Alliance and we expect this will help us bring forward the delivery date.

Once those careful preparations are complete we will make a further announcement about the plans for a smooth handover of management responsibility to the Alliance.

I find this spirit of collaboration one of the most exciting aspects of our future plans for ScotRail.

This is because the role of ScotRail should not simply be the movement of passengers from A-to-B.

Under Abellio, ScotRail is no longer just a train operating company, but a true passenger-focused company.

We exist not just to run trains; we are here to serve the travelling public.

This means we can and will play a truly strategic role in the long term development of the nation:

- Providing jobs and support for small businesses in towns and cities across the country;
- Supporting and boosting Scotland's leisure and tourism industries;
- Connecting businesses and people by improving journey times and the capacity of Scotland's rail services;

We will be enthusiastic participants in, and servants of, Scotland's diverse communities:

- Improving accessibility, affordability, and the health and wellness of passengers and staff;
- Delivering a £1m local engagement programme through "ScotRail in the Community";
- Helping Jobseekers travel to interviews, and paying the living wage;
- Rewarding our staff for great performance;

The combination of ScotRail and Abellio will move the business from good to great

It is our desire to become a lifestyle facilitator that generates new economic growth for Scotland.

We look forward now to working together to deliver the plans that will make ScotRail an exemplar in the rail industry:



- Brand new trains;
- A high quality intercity fleet worthy of the seven great cities of Scotland;
- The longest new domestic railway in the United Kingdom for more than 100 years;
- A Scottish nationwide smartcard;
- Exciting new fares;
- A national cycle/rail network;

We know the travelling public and their representatives will hold us to account for our performance.

That is how it should be. And that accountability will make us better.

All we ask in return is some understanding that the journey we embark upon today will end with a far better railway for all.

All of us at Abellio are proud to be serving Scotland.

Before we hear from the Minister and take questions I'd first like to thank him for joining us, and also thank you sincerely for your kind attention this morning.

END
1st April, 2015