Nestrans ScotRail Roadshow
Abellio Presentation

23rd February 2015

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Setting the scene for today's presentation

1. Why did we bid for ScotRail?
2. We set out to present our bid as a game changer for Scotland's national railway
3. Generating a vision and transforming Scotland's national railway
4. Developing integrated travel within Scotland
5. Thinking customer, customer, customer
6. Why Abellio and our commitment?
7. Questions

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Three good reasons why we bid?

1. Scotland's National railway - Inheriting a success story

- ……..which we would like to take from Good to Great
- Scotland's national railway is clearly a success where it has grown from 63 million to nearly 87 million
- Over 200 additional daily rail services
- Performance which has steadily improved over years and resulted in high levels of passenger satisfaction
- Real investment in a growing railway which will present many short term challenges for passengers with a long term gain
- A bigger and better railway is the prize in sight

2. Scotland and The Netherlands: a partnership of equals

- For us the opportunity to operate ScotRail is the most prestigious new business opportunity that Dutch Railways and Abellio have ever been given and we are extremely excited about it
- Our two countries share a long and rich heritage of business and cultural exchange. Our plans for ScotRail build on that history of mutual development

- The plans hard wire in a business programme of international best practice exchange from an operating level up to a inter-Government level where we have Ministerial support for a biennial rail summit between our countries
- We have opened many new relationships for the railway in Scotland and our plans are aimed at exceeding the objectives that Transport Scotland and the Scottish Government have set for ScotRail

If you're serious about railway Scotland is where you need to be and Abellio and our parent (NS) are immensely proud to have won

Changing the game to get closer to Scotland's economy

Scotland's national railway becoming a real contributor to the Scottish economy

Vision

Connecting Scotland, driving sustainable growth: Beyond a-to-b.

Sustainable growth and social inclusion

- realising Scottish Ministers' ambitions and the Government's National Performance Framework
- a sustainable transport network for Scotland that reduces CO_2 emissions
- supporting economic growth, including investment and development
- supporting SMEs
- growing the off-peak market and supporting the visitor economy
- promoting social and community inclusion – improving accessibility, affordability, health and wellness for everybody

A national railway for Scotland to be proud of

- promoting the international status of Scotland's railway
- building on ScotRail's brand and values
- socially responsible and innovative public transport that Scotland can be proud of
- new trains
- a true inter-city railway to drive economic growth
- a Smart-enabled Scotland
- significant investment

Integrated and connected

- a leading role in delivering a truly integrated public transport network
- thinking as a customer and meeting their needs
- delivering a seamless door-to-door journey, driving modal shift
- encouraging healthier travel
- step-change in journey information and communication

Collaborative partnership approach

- working collaboratively to improve Scotland's network through our Deep Alliance with Network Rail
- a solutions-focused partner
- truly collaborative industry approach
- driving culture change through the Abellio Way
- delivering continuous improvement and best practice sharing across Europe
- technology as an enabler

Robust management of change and cost-efficiency

- driving culture change through the Abellio Way
- better management of change and disruption
- smooth introduction of EGIP and Borders
- a focus on affordability, and spending on the right things
- an efficient, motivated workforce
- maximising efficiencies through our Deep Alliance with Network Rail

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Recognition of Scotland and The Netherlands: as a partnership of equals

- **Stakeholder consultations started in October 2012:**
  - Gathered details of over 700 stakeholders and organisations
  - Top 100 received personal invitations to consult
  - Had in excess of 200 meetings and attended 85 conferences or other events
  - Engaged with MSPs and senior stakeholders and had a fantastic attendance at the Abellio Holyrood Reception after our successful prequalification – 80 per cent who attended were not from rail
  - We explored new territory where we met with stakeholders that had never had any previous engagement on ScotRail

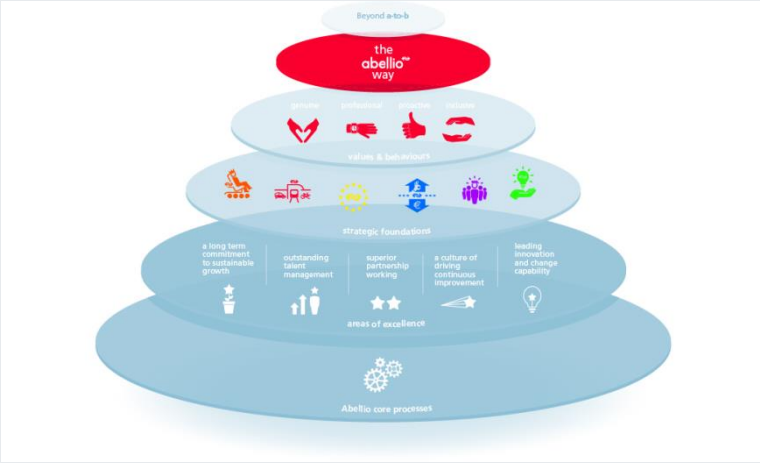
- **Our highest priorities from the outset were to understand Scotland's objectives for its national rail network, and to secure the confidence of stakeholders**
- **We have done that and reflected that insight in our successful bid plans which include letters of support from 145 stakeholders**

The heart of our bid

- **New Hitachi trains for Scotland**
  - We are the only Group who can guarantee the price, the specification and the delivery schedule in a manner that is not open to challenge. TS have option to take ownership
- **Significant savings through a Deep Alliance with Network Rail**
  - One railway; combining a nationally funded infrastructure and service provider
- **Transformation of the inter-city network**
  - Fully refurbished, wi-fi enabled fleet of HSTs to connect the seven cities by December 2018, combined with significant enhancements at Aberdeen, Inverness and Perth stations
- **Faster inter-city services**
  - Headline journey time benefits and an improvement in the overall inter-city journey time metric

Translating The Abellio Way:
A guarantee of quality from Abellio companies

- **We will introduce the Abellio Way:** our cultural and business framework that aligns business plans, performance measurement, cultural behaviours and areas of excellence in our businesses
- **It is based on EFQM which we have been using since 2006:** In 2012 Abellio won the British Quality Foundation (BQF) Gold Medal Award, having “demonstrated outstanding and sustained commitment to excellence over a number of years”
- The strategic foundations of the Abellio Way underpin our plans for ScotRail
- The Abellio Way ensures that when working with us, people are assured of a consistent integrated philosophy and way of working



What will the transformation look like?

Developing Our Vision for Scotland

- **ScotRail** has the presence and scale to exploit customers appetite to introduce and manage a “pan-Scotland” “Smart Mobility Management” solution that will transform the perception and usage of public transport
- **Our solution will**
  - support passengers’ door-to-door journeys
  - offer the passenger one payment and ticketing solution for all his public transport needs
  - integrate existing smart ticketing solutions
  - take advantage of emerging technology and changing passenger behaviour to offer an experience that will set the standard for passenger / operator interaction for decades to come.

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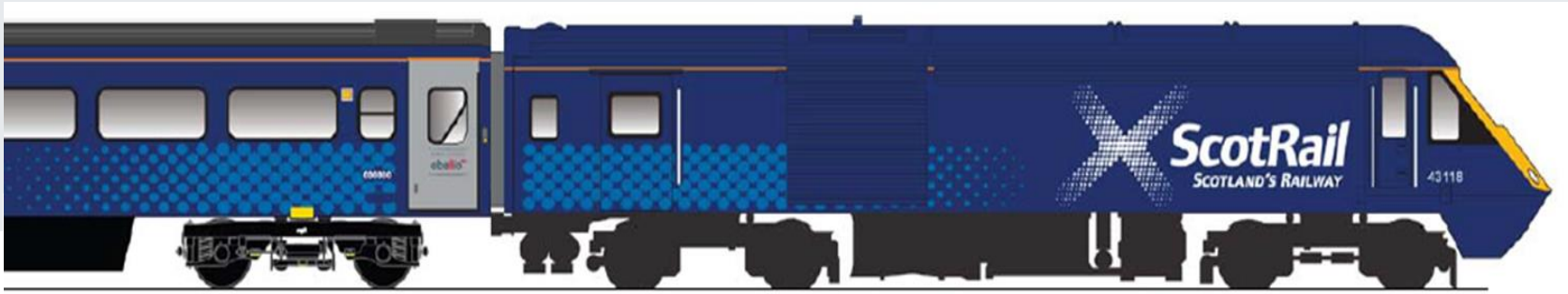
Transforming quality of Scotland's rail services

- Quality Inter-City services between Scotland's 7 cities
- Fully refurbished fleet of High Speed Trains (HST) with power doors, improved comfort, PRM compliance and on train catering
- 20% increase in capacity
- Potential for significant journey time improvements between cities



Transforming quality of Scotland's rail services

- New longer Hitachi Class 3xx (AT200) electric trains on the E&G, Dunblane/Alloa and Glasgow suburban routes
- Increasing capacity and quicker journey times
- Significant refurbishment
- 23% more carriages

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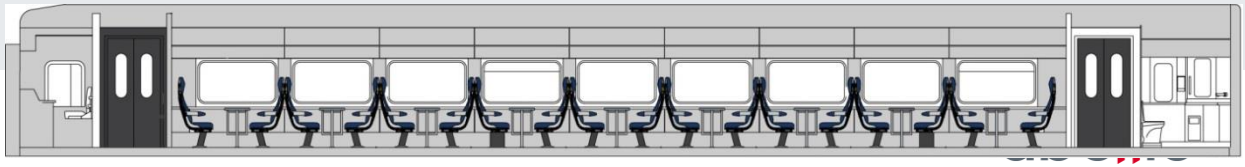
Transforming quality of Scotland's rail services

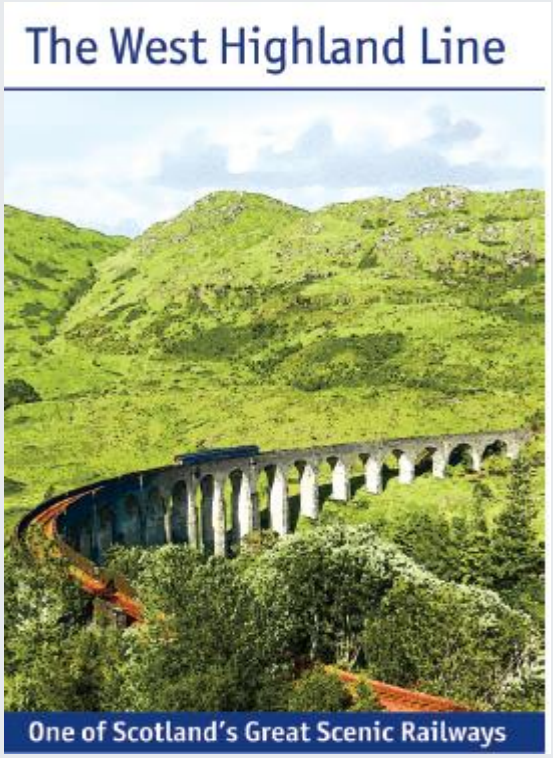
Great Scottish Scenic Railway

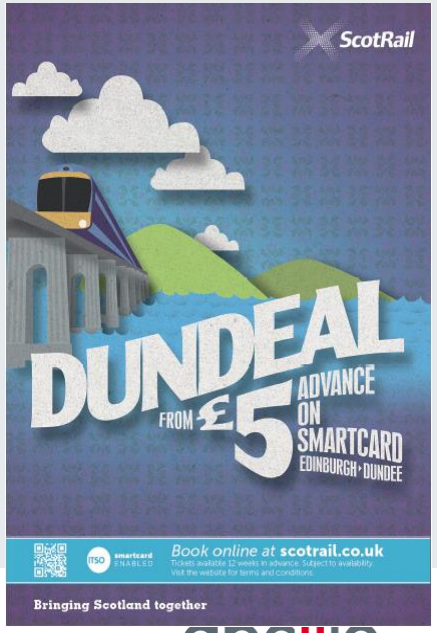
GREAT SCENIC RAILWAYS of SCOTLAND

- **Fully refurbished fleet of Class 158 DMUs with improved comfort, PRM compliance, on train catering and a Tourist Ambassador on board**
- **Refreshed Class 156 DMUs on Stranraer and Dumfries/Carlisle routes**
- **WiFi, power sockets, CET, cycle storage, PIS, CCTV**



Commitments to new technologies, station improvements, scenic trains, integration

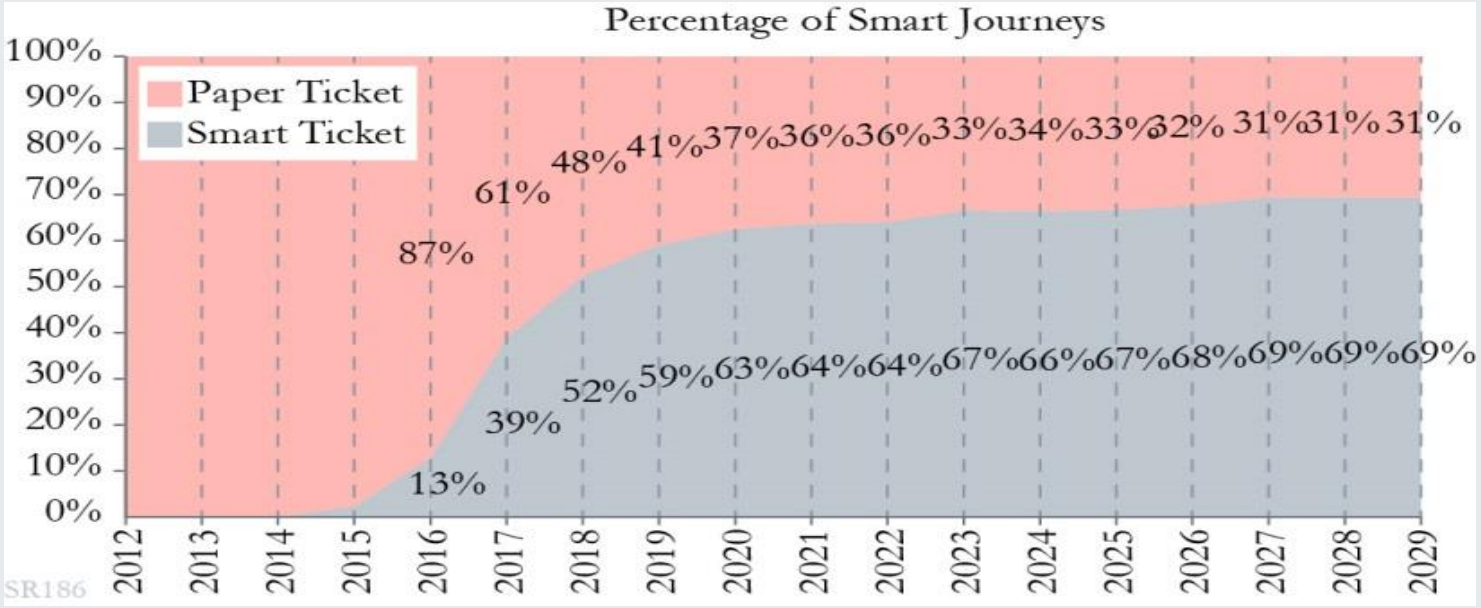




Why Now ?

Political	Social
• Smart political imperative at both regional & national level • Smart pilots already operating across Scotland sponsored by TS • Major bus operators working with TS to develop Smart proposition • ScotRail significant presence in all 7 Regional Transport partnerships to drive Smart agenda	• Customer appetite for Smart high across all age groups • 'Pay as you go' payment models popular • Growth in use of public transport • Removes ticketing confusion for tourists • Increases transparency and trust in ticketing • Offer 'best price' guarantee to increase customer satisfaction
Technology	**Commercial**
• Technological developments makes implementation of Smart vision easier now • Smartcards not only option – Increasing penetration of smartphones with/without NFC • Internet everywhere • Rail is lagging behind bus on Smart • Open data and payment systems options becoming more available • Huge change in the way things are done, compared to when ITSO originally conceived.	• Seamless travel will drive increased journeys on rail and other modes • Widespread Smart adoption will reduce retail cost of sale in long term • Smart data will enable development of more targeted and popular customer propositions • Reduced fraud and fare evasion • Enables better demand management and utilisation of rolling stock

Our ScotRail Smart Ticketing commitment



- **60% of ASR customers travelling on Smart tickets by Apr-19. Achieved through:**
  - Replacement of existing TVMs for customer-friendly Smart-enabled machines
  - New smart enabled WebTIS to enable seasons, anytime and off peak tickets to be retailed on Smart
  - Launch of a Smart Centre of Excellence by October 2015 to train and inspire employees
  - New Smart media products to promote better demand management and customer benefits
  - Interoperability of ASR's Smart scheme with Glasgow subway and the National Entitlement Card
  - Introduction of ITSO ticket fulfilment beyond the station, at home, work, retail shops
  - Account-based ticketing capability to reduce the need for customers to pay for travel upfront
  - Smart integration with Lothian Buses and Edinburgh Tram.

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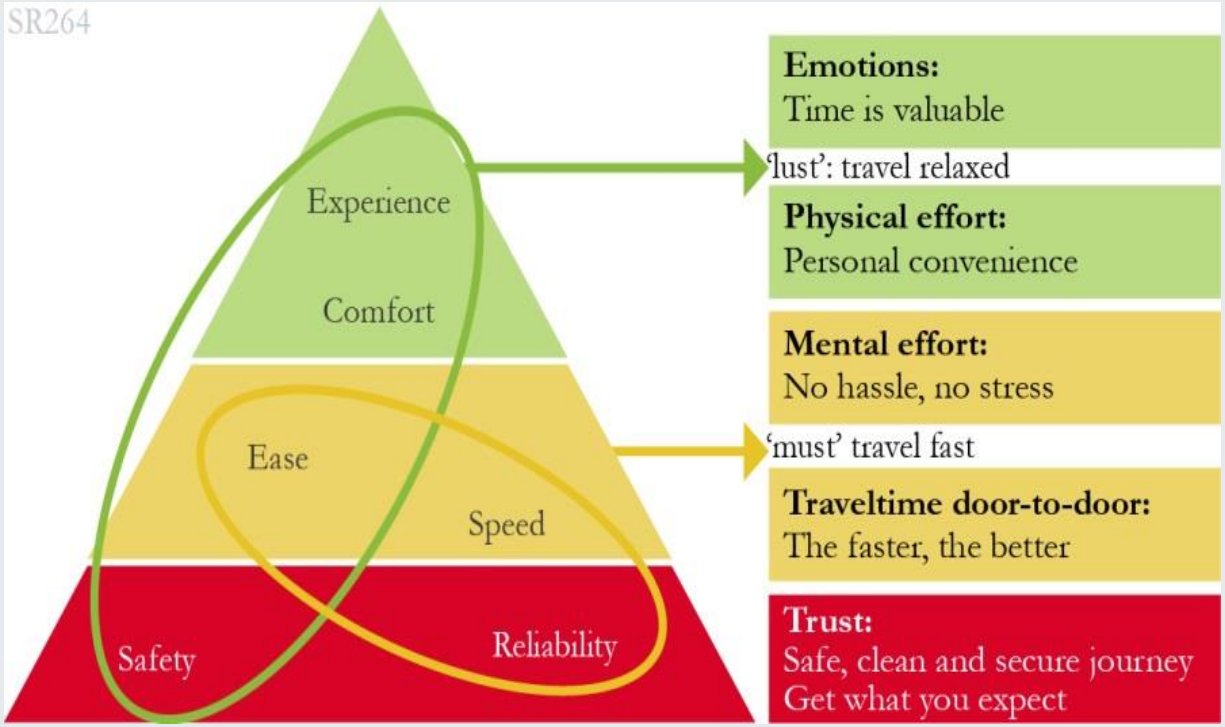
Our commitment to transforming the customer experience

What do customers truly value



- **Making travel easier and seamless satisfies all aspects of our 'hierarchy of customer needs'**
- **We see the development of Smart Ticketing in Scotland as the key enabler**

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Changing the customer experience through real integration with other modes

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So, why Abellio and our commitment?

- Through our parent company NS, we operate and understand the true role of a national railway. For the Dutch economy the rail network has become an intrinsic feature of its growth over many decades and has helped to give it a competitive edge over other economies with less well-developed transport
- We will achieve similar gains for Scotland by better aligning the railways to support the national performance framework and making the most of knowledge sharing opportunities for both NS and Abellio ScotRail
- We have a track record of being a trusted partner, easy to do business with, and transparent in negotiations. We have never sought to renegotiate our financial commitments

Our Commitment to Aberdeen

- Development of a Strategic Rail Delivery Group
- Wi-Fi availability throughout the entire fleet
- At least five severe weather roadshows per year
- Improved waiting facilities at 41 stations to include Dyce
- ToGo Kiosk at Aberdeen station
- Feasibility study into the redevelopment of Aberdeen Station with a business case no later than the end of the first franchise year
- ScotRail Price Promise
- Club 50 Smartcard
- Staffed information desk at Aberdeen Station
- Improved wayfinding at Aberdeen Station
- Cycling spaces: Dyce x 50 (16), Stonehaven x 24 (14)
- Bike and Go in at least 10 stations with Aberdeen and Dyce in the mix

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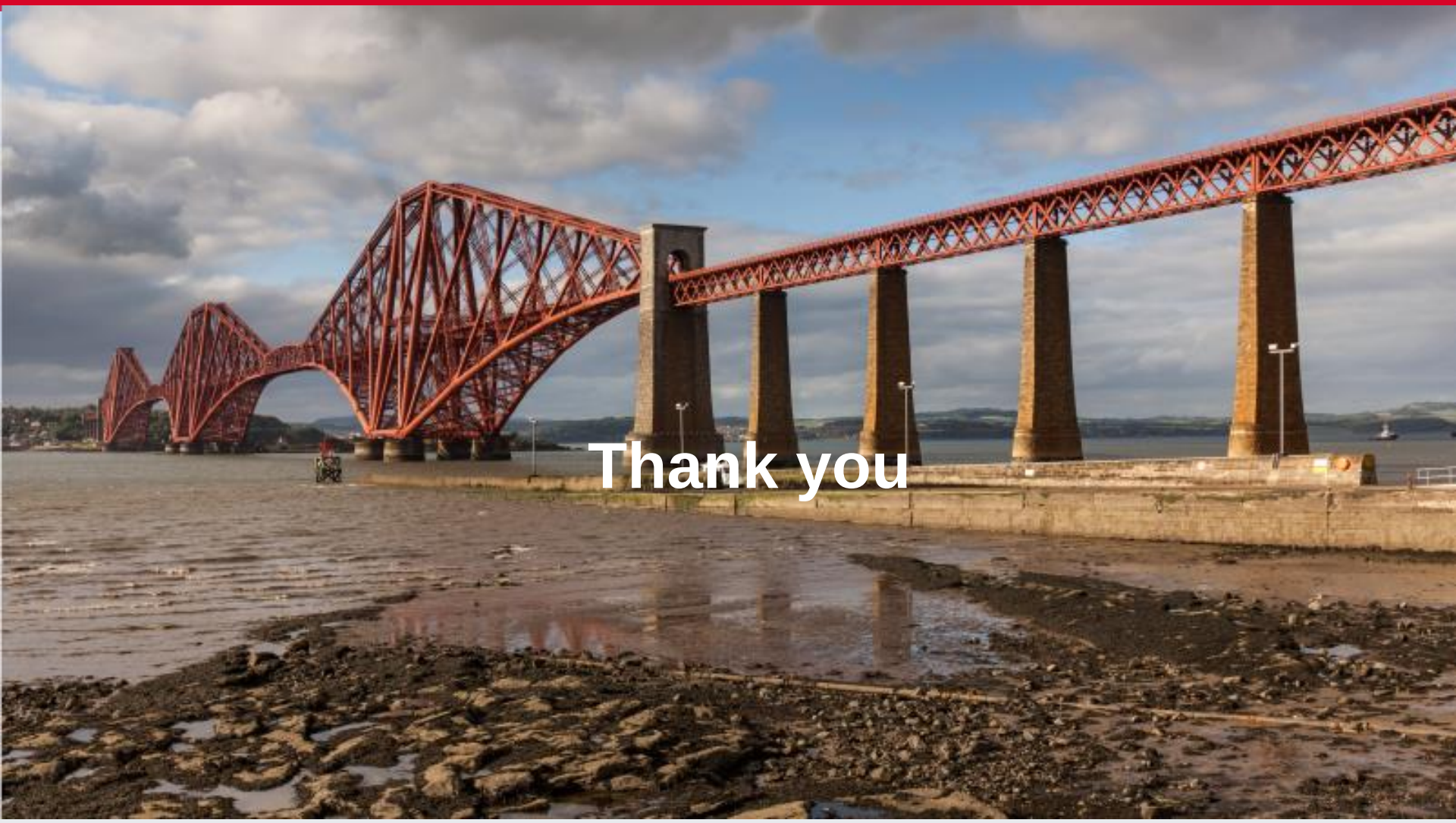
Thank you