



Transport Committee

Oral evidence: Improving the rail passenger experience, HC 64

Monday 6 June 2016

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Written evidence from witnesses:

- [APTU \(Association of Public Transport Users\)](#)
- [Campaign for Better Transport](#)
- [Railfuture](#)
- [London TravelWatch](#)
- [Office of Rail and Road](#)

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Members present: Mrs Louise Ellman (Chair); Robert Ffello; Mary Glendon; Karl McCartney; Stewart Malcolm McDonald; Mark Menzies; Huw Merriman; Will Quince; Iain Stewart; Martin Vickers

Questions 1-83

Witnesses: **Neil Middleton**, Chairman, Association of Public Transport Users, **Stephen Joseph OBE**, Executive Director, Campaign for Better Transport, and **Chris Fribbins**, Head of Passenger Group Railfuture; **Tim Bellenger**, Director, Policy and Investigation, London TravelWatch, **Joanna Whittington**, Chief Executive, Office of Rail and Road, **Anthony Smith**, Chief Executive, Transport Focus, and **Alex Neill**, Director of Policy, Campaigns and Communications, Which?, gave evidence.

Q1 Chair: Welcome to the Transport Select Committee. Could you give us your name and organisation, please?

Neil Middleton: I am Neil Middleton from the Association of Public Transport Users. We are a user group on Thameslink.

Stephen Joseph: I am Stephen Joseph. I am the chief executive of the Campaign for Better Transport.

Chris Fribbins: I am Chris Fribbins, head of the passenger group for Railfuture.

Q2 Chair: I am sure you will not be surprised to hear that most of the submissions we have received are to do with complaints and things that are wrong on the railways. Is there anything good you can tell us, not overall but any improvements that have been made recently that you would welcome and like to see extended?

Neil Middleton: Certainly. Although the rail industry still has some way to go, it has got better at disruption management, in particular with things like Twitter, and general understanding. It has got better at telling us what is going on. As a passenger, the things I want to know are what the problem is and how long the service is going to be out for. Therefore, I can work out what I am going to do. Am I going to stay at work, find a friend to go to the pub with or decide to persevere to get home; or do I want to go an alternative way? It has got better compared with travelling five or 10 years ago. It is now easier to find out what is going on. They have got better; it is not perfect by any stretch of the imagination, but it has got better.

Q3 Chair: Is this to do with planned disruption?

Neil Middleton: No; this is unplanned disruption. In my world it is unplanned disruption that causes the main problem. We have a four-track railway, so there is relatively little planned disruption. It is unplanned disruption.

Stephen Joseph: We would draw attention to the performance of what one might call the devolved railway—London Overground, Merseyrail and increasingly ScotRail—where the impression we have is that local management by people who are democratically accountable in some way seems to make a difference. If you compare, say, the performance of London Overground with some of the other London rail commuter lines, which are not run in the same way—by Transport for London—you find that some of the basics that London Overground seems to get right are not got right by the mainline railway. That suggests to us that there is some learning that can be done.

Q4 Chair: Thank you. Mr Fribbins, are there any improvements you would like to tell us about?

Chris Fribbins: Certainly there have been improvements, and there are some very good examples of best practice around the country, particularly with things like disruption. Again, it shines a light sometimes on areas where it is not so good, and passengers are almost left to their own devices at stations when there is a rail replacement service. Yes, there is good practice and it needs to be disseminated around the rail industry much more, so that we see people aim for the top, not the bottom. Obviously costs can always be an issue with an operator, but I have seen many examples of good practice and very poor practice. Certainly we need to strive for the best practice.

Some of it is historical. We can go back almost to Victorian times when operators were competing with each other. It is still there even in the franchise model. There was competition between what used to be London Midland and LNER and things like that. There is still that element in the rail industry, believe it or not, even now. Good practice is the thing that really needs to be spread.

Q5 Chair: On the information we have about what passengers feel about the service and their experiences, the top priority seems to be increasing the frequency of services and improving punctuality. Would you agree with those things? Do you think those things are in some kind of hierarchy of improvements and should be addressed first, with things like on-board services addressed second, or do you not see it like that and that we need to look at all things?

Neil Middleton: Those two things, punctuality and frequency, are very important. It obviously varies between lines. For instance, on my line there is typically a 15-minute service, so that tends to mean that frequency appears less of an issue to us, except perhaps late in the evening when there is a service reduction, whereas on other lines with an hourly or half-hourly service I can certainly imagine that it is a big issue. Punctuality and lack of capacity, particularly when scheduled trains do not run, is definitely a big issue. I do not think they are mutually exclusive though. You can work on improving punctuality and at the same time make other changes to things like on-board services.

Q6 Chair: Mr Joseph, what is your view? Do you go for those things first, or are they not mutually exclusive and we should be looking at something else?

Stephen Joseph: I do not think they are mutually exclusive, and, in any case, if you look at the national passenger survey, you find that punctuality and frequency are part of a basket of views that passengers have about value for money, which, in many cases, is poor. That is down to comments, which we may come to, about the lack of transparency over fares and ticketing and the complexity of that. I think that plays out in the way that passengers see the railway. People feel that they mind less if they have paid rather little for standing or having a poor service, compared with paying a very large amount of money for a season ticket every year and then getting very poor service.

Mr Middleton referred to the point about dealing with people with issues of disruption. It is not just about punctuality. It is about whether people feel that they are dealt with well when there is disruption. Trains can quite often be punctual, but if they are regularly delayed, as they are on Mr Middleton's line, people feel very let down. If they are not told what is going on, they get very cross.

Q7 Chair: Mr Fribbins, do you want to comment? Do you see these two things, frequency and punctuality, as being somehow more important than other issues that get raised?

Chris Fribbins: Reliability is probably No. 1, even above both of those. People are becoming more reliant on rail services. Passenger numbers are continuing to increase. There are a lot of good stories to tell about the railway, but when there is a resilience issue and suddenly your service is not running, it can cause a lot of stress for people, who basically want to get to work or visit people across the country. If the railway is not running and there is a bus replacement, or even if there has been a significant infrastructure failure somewhere, people are going to feel stressed about that. They need to know what the alternatives are and to receive support during the alternative, knowing what they should do, how they should travel and what alternatives are available to them. It may not just be a coach but other rail operators. Resilience is our No. 1 issue. That has obviously been under a lot of pressure in the last few months with some significant infrastructure failures.

Stephen Joseph: Overcrowding is another really important factor for many passengers in the surveys that Transport Focus do. It is becoming an increasing issue for the likes of Mr Stewart's constituency and the ones represented by Mr Middleton. It seems to us that this is an issue where the railway is not very good at communicating what is coming down the line, in relation to new trains and works being done. It does not tell people enough about what is going on and what their expectations might be.

Q8 Martin Vickers: Yesterday, Southern left me stranded for over an hour. There was no alternative provision of a taxi or bus replacement. I experienced this quite a lot in my constituency in autumn last year when TransPennine were having crew shortage problems, but to be fair to them there was always a bus or taxi replacement, even though there might have been a bit of a wait. That did not apply yesterday. Do you think it should be mandatory on companies to provide an alternative if there is not another service in, say, 15 or 20 minutes?

Neil Middleton: The challenge with that is that, if you are going to make it mandatory for them to provide a service that quickly, they would have to pay bus companies to stand around waiting to be called upon. The rail industry can undoubtedly do more to get alternative transport, whether it is buses, trains from alternative routes or taxis, in place quicker; but I suspect that to make it very quick is just too expensive. The other thing to bear in mind about frequency and punctuality is that there is a trade-off. The more frequently you run the trains, typically the less punctual they are. There is that trade-off to be made, but it also comes back to the point that Mr Joseph made about capacity.

Q9 Chair: Mr Middleton, you said it might be too expensive, but surely if that is a requirement of the franchise, the operator would have to do it?

Neil Middleton: Yes, and then they will end up paying a smaller premium to the Government or receiving a larger subsidy. Yes, they should do it, but as to whether it should be 15 or 20 minutes, I suspect it probably should not, because if it is going to be 15 or 20 minutes, you would need to have the bus sitting in the station, engine going and waiting to deliver the service. Yes, there should be an increase in demand on them, but as to whether you want to make it that short a period, I suspect not.

Q10 Martin Vickers: When there is an unexpected delay such as an accident or a fatality on the line, or something like that, people are more accepting. But when a company is going through a period when it knows it is experiencing crew shortages or some industrial dispute, surely it is reasonable to expect that there should be a coach or whatever on standby.

Neil Middleton: Yes, for those sorts of circumstances it is. They can predict that and they do not have to have the coach there 24/7. They can get it in on contract.

Stephen Joseph: There ought to be some cases where it should be mandatory. If the last train on a rural branch line is cancelled for some reason, or the last train out of a city at night, you really want to make sure that there is alternative provision. Sometimes the lack of it just leaves people completely stranded. I think that would be worth taking a look at, not making a blanket requirement but having some connections and services that are hard-wired into franchises so that people know they can rely on not being stranded in certain cases.

Chris Fribbins: Rail replacement is something I have some experience with. There is an issue with getting services covered by buses, which are generally there to do school runs and commuter runs. In fact, it would be a huge challenge to the bus industry to be able to come up with that sort of solution and cover all the planned disruptions that happen in the country all the year round. If you look at some of the dates that people choose for rail replacement, it is sometimes driven by the availability of coaches and buses, as well as many other issues such as holidays. It is not something that can be blanket covered across the whole industry.

Q11 Martin Vickers: I accept the argument about cost and having a bus on standby in all circumstances, but where it is due to crew shortages and the company knows that it has crew shortage problems, I would have thought that there should be some sort of provision. Okay, crews need to be trained and so on, but there should be some penalty against the operator if they are not regularly providing services. I can give numerous examples from my own constituency. There should be relief or reserve drivers, guards or whatever. That is surely a cheaper option to having buses on standby.

Neil Middleton: Absolutely. Certainly on my line—not quite so much now but over the last 12 months—we have suffered very severely from shortages of drivers, which have led to service cancellations. That is a combination of the fact that the current franchisee inherited fewer drivers than expected and the very long time it takes to train drivers. Certainly one of the things that I think needs to be contemplated is whether drivers can be trained a bit quicker. If you realise today that you are 10 drivers short, unless you can recruit an experienced driver from somewhere else, which perhaps just shifts the problem to your constituency, it is going to be a year or thereabouts before you have those drivers.

Q12 Chair: Is the shortage of drivers a general problem overall?

Chris Fribbins: We have had that experience with franchises like London Midland in the past, and currently we are talking particularly about Southern who have had problems. On disruption and coach replacement, passengers quite often feel a bit aggrieved about paying the full rail fare for a replacement service that may take over an hour longer than the service they expect. To pay the full rail fare does rub a little bit of salt into the wound when you have turned up at the station and there is no train.

Stephen Joseph: When we did our report in 2013, called “Going Local”, about the experience of London Overground and Merseyrail, the reason we were interested in them was that they had both had terrible performances in railway terms until they were locally franchised and run locally. One of the things we found was that the new types of concession that Transport for London and Merseytravel had introduced in both cases incentivised the operators to overcome staff shortages. One of the things they were paid for was getting the trains out of the depot and staffing them properly. ASLEF told us that whereas Silverlink, the predecessor to London Overground, had relied on poaching drivers from other companies—then their drivers would be poached by others—because of the incentives in the London Overground contract, London Overground was incentivised to pay drivers properly and to have proper engagement, in terms of development of staff and so on, and, therefore, drivers stayed with them. Their argument was that that contrasted with the predecessors and with other operators who rely on rest-day working and various

other historical practices, which mean that they are very vulnerable to cancellations and staff shortages.

We felt there was something about the way in which the contracts were being drawn up by the Department for Transport versus by the devolved bodies that would make a difference. We have certainly seen that on the Govia Thameslink franchise, which I would observe has all the incentives in entirely the wrong place. It is a management contract, so the operator has almost no control or incentives over revenue. They have very little control over Network Rail, which in my observation, also as a user of Mr Middleton's railway, seems to be responsible for quite a lot of the problems. The people who are actually paying the bills—the Department for Transport—are several moves from the passenger. That kind of contract seems to us to give very little priority to the passenger, whereas, as I said, the concessions that are being used and increasingly being brought in by Rail North and so on are about giving some priority to staff development and having staff available. There is something about the way in which contracts are drawn up that is important.

Q13 Robert Ffello: I want to come back very briefly to a point about disruption and information. I am a frequent user of the west coast Virgin train line between Stoke-on-Trent and Euston. A lot of the time when there is a slight problem, the information, whether on Virgin's own Twitter service or general Twitter, is very good, but it is almost exponential; as the problem or disruption increases, so the lack of information increases. Is that your experience? Do you find that as well, and what do you think is the answer?

Neil Middleton: I think it is. Often the rail industry is very coy. It does not want to tell people the wrong thing so it tells you nothing at all or it tells you vague stuff. Experienced passengers like yourself just want the facts. If the line is being closed for two or three hours, we want to know that, because we think, "Do I have to be there or can I make a plan B?" The rail industry needs to be more honest about trying to tell us what is going on. You often just get, "Service delayed," but when you look into it there were no trains. That is what you want to know because then you can react and deal with it yourself.

The other thing about Twitter is that it is very good for anybody on the go with a smartphone or tablet, but you have to remember everybody else. It still has the advantage that it shifts a lot of people away from the need to talk to staff members. People who have travel difficulties and are not tech savvy do not now find themselves at the back of the queue trying to talk to a staff member. I think you are right and that Virgin are not unique; they are in the pack.

Stephen Joseph: Meeting performance standards sometimes gets in the way of telling passengers what is going on. Last year I was in fact stranded in Stoke-on-Trent. As lovely as it is, it was not where I wanted to be at that moment. It turned out that somebody at Network Rail had switched off the real-time feed at Manchester Piccadilly, which was where the problem was, so that they would not be held to account in terms of what had happened to some overhead wires outside Manchester Piccadilly. This apparently does happen. I heard that, because Transport for Greater Manchester took the trouble to find out why it looked like trains at Manchester Piccadilly were performing well when they were clearly at a standstill. They discovered that and said that it made another part of their case for devolving control over aspects of the railway around Manchester and across the north, because then they would bring some control to it. Anecdotally, this morning a former

colleague of mine tweeted to Thameslink that his wife had been carried past Kentish Town on a train, and had therefore missed an appointment, without being told, and was told by Thameslink—I saw this on Twitter—“Oh, that was because we had to make up time for a previous service disruption.” Those are a couple of anecdotes, but we get more of that. It seems to us that meeting performance standards sometimes gets in the way of serving passengers.

Chris Fribbins: A key bit of the Railfuture evidence was about trying to handle information and make claims for the medium to long term, putting infrastructure in place to allow information to flow more easily. That links with wi-fi on trains and in stations, and using public methods, so that the full journey can be covered from end to end. It is not uncommon now for rail passengers to know more about what is happening with the railway in circumstances of disruption than the staff themselves. We still unfortunately have examples of staff having to hide away and lock themselves in their room because they do not have the information to give passengers. Someone waves a tablet in front of them and says, “Look, Realtime Trains tells me that the train is further down the track and will be here in 20 minutes,” but staff do not know that.

Information is key to the passenger experience in the future. It is not for everybody currently, because not everybody is tech savvy, but we are obviously moving as a society more towards that. Getting the infrastructure in place for staff and passengers will be a key thing to start thinking about now and building for the future.

Q14 Will Quince: I want to come back very briefly to the point that Mr Joseph made about rail operators not telling people enough about what they are doing or their plans for the future. I find exactly the opposite. They are constantly saying what they are going to do in the future and not what they are going to do in the present. On my line, Greater Anglia, it seems there is a constant repeat of Annie—the sun will come out tomorrow—but of course it never does. “As long as you keep paying us your £5,500 to get you to and from London, we will sort it out tomorrow, next week, next year or with the new franchise.” That is all we hear from rail operators.

The point I want to make is about seating. If I were to visit my colleague Stewart McDonald up in Glasgow, it would take about an hour to get there from Stansted, which is not far from my constituency. Ryanair or EasyJet would not be able to sell so many tickets for that plane that we would be sitting in the aisles or the toilets and on the floor. Yet rail operators are seemingly allowed to sell limitless amounts of season tickets for peak times, knowing that they are not able to service those passengers. On my line they are sitting on the floor, in the toilets, in broom cupboards and wherever they can just to get to and from work on time, and they are paying several thousands of pounds a year for the privilege. Do you think that is acceptable?

Neil Middleton: No, it is not, particularly when you are talking about very long distances. The Government have defined a journey time of round about 20 minutes as being an acceptable time to stand. You can argue over whether it should be 15, 20 or 25, but when you are paying a fortune and travelling a very long distance, and you have to sit on the floor or in a toilet, that is not what you want. You are paying a lot of money and you should be able to sit if you have a long journey. If you have a short journey, maybe life is such that we have to stand, as we do on the tube.

Stephen Joseph: Some of this is down to historical under-investment. You have to remember that, when the railways were privatised in the 1990s, they were privatised at a steady state. The expectation of the Government then was that railways would carry on roughly at the same level as they were. It has only been recently that there has been a very welcome commitment to investment.

By the way, if I can just be clear, when I said that the railway does not tell people what is going on, you are absolutely right. What they do is wave around that there will be something happening. What people want is specifics—to know that there will be new trains or longer trains by a particular date—so that it is not just jam tomorrow. They want to know that there is a proper timetable. Obviously some of the recent issues with Network Rail's enhancement programme have made that more difficult. That needs to be done, but we are facing a catch-up of historical under-investment. It is still the case, as Mr McDonald will attest, that forecasting for rail upgrades, as with the Borders reopening, seems consistently to underestimate what is happening to rail demand. It is 22% above what was forecast for Borders railway. We find that rail demand has been growing. Department for Transport forecasting, the passenger demand forecasting handbook and the other things that the railway uses have not predicted this, so that passenger demand is running ahead of where industry forecasting is. I do not think you should stop people travelling by train, but there is an issue about catching up and planning for that growth rather than just trying to pretend it is not there.

Chris Fribbins: There is also something to be said for a “walk up and go” railway. It is a huge network benefit to the country to be able to turn up at your railway station, buy a ticket and get on a train. If every time you wanted to get on a train you had to book a ticket, it would quickly grind to a halt because it would be unmanageable. Can you imagine the commuter traffic having to book their seat every morning so that they do not have to stand in the aisles? It just would not be practical. Some train operators, like Heathrow Express, try to discourage people with their fares, but even that service is not book ahead. It is still turn up and go. That is something that we welcome on the network. It would be very difficult to go to an airline model with today's railway. A lot of people would resist it.

Q15 Will Quince: Can I briefly come back on that point? I appreciate that we would not want to go to an airline model and I am not suggesting we do. I am just making a comparison about exactly the same length of journey. There is an interesting point. Are we just lining the pockets of the rail operators? They are not making improvements. They are cramming people in like sardines and charging everyone the same amount of money for doing so.

Neil Middleton: But the capacity of the trains that the train operators provide is effectively set by the Government. The Government specification for the Thameslink franchise has reams and reams of data saying, “This is the service we want you to provide.” I agree with you that you do not constantly want to travel long distances standing up, but it is a case of getting the balance right between comfort and cost. I agree with Mr Fribbins that we very much want to continue to have a turn up and go railway.

Q16 Chair: Who is responsible for getting that balance right? Is it the Department who is setting the specification or those making sure that the specifications are actually followed?

Neil Middleton: It is more the Department setting the specification.

Stephen Joseph: Mr Quince commented about lining the pockets of the train companies. Increasingly, passengers are lining the pockets of the Treasury. We published some analysis at the turn of the year, extrapolating forward what was happening with franchises and the premiums that are being taken out. This was a respected rail forecasting company called Credo. They projected that by 2020, on the current lines of franchises, the Treasury will be pocketing £2 billion a year from passengers in England and Wales overall. Obviously some of them will still get subsidy, but overall lines like yours, and South West Trains and so on, will be making a lot of contribution to the Treasury. We argued that this was a rail tax and that some of it ought to be invested back in the railway. We have talked to some franchise bidders, who said that basic things like stations and station facilities are not given weight in the franchise specifications. There was a speech by the head of rail franchising at the Department for Transport a few weeks ago that said that passengers are now going to be given 75% of the income of the railway, and increasingly we, letting franchises, are going to have to give some weight to what they want. Well, I think there should be quite a lot of weight as to what they want. It is down to the Department to make those decisions. They are fundamentally political decisions.

Q17 Chair: You see it as the Department's responsibility if this goes wrong.

Stephen Joseph: Yes.

Q18 Chair: That is where the buck stops.

Neil Middleton: In the current rail model, it is the Department.

Q19 Huw Merriman: I am a daily commuter to Parliament using Southern or Southeastern. I want to use those lines as examples because, obviously, with Thameslink they form one very large franchise. There have been delays, cancellations and overcrowding for far too long. Many of my constituents have called for the franchise to be stripped. Do you take the view that this is just the nature of the work that is being undertaken at London Bridge and that things will get better, or that the franchise is too big to be properly delivered even with a redeveloped London Bridge?

Neil Middleton: First of all, a lot of the problems are to do with the works at London Bridge. Unfortunately, the rail industry discovered after the event that the impact of the London Bridge works was going to be much bigger than they expected, particularly in terms of the impact on individual disruption. It is four or five times worse than it was historically.

It is an interesting question as to whether the franchise is too big or not. I do not have a magic answer. On the one hand, it is very important that we do not have too many competing interests trying to bid to get trains into a scarce resource—a platform at London Bridge. In our world, we have what we call the Thameslink core, which are the stations between Blackfriars and St Pancras. If there are three or four operators arguing all the time about

which of them should come first, that in itself is a nightmare, but the advantage is that, if you have a much smaller franchise, a lot of this stuff can be local and democratic. There are plusses and minuses. Unfortunately, I do not have a magic answer.

When we commented on the Thameslink franchise we said that we wanted to see one operator, at least in the short term, going through the core. We did not particularly want to see TfL running overground services through the so-called Thameslink core on day one. We felt that the biggest pain to be overcome was getting the Thameslink core to work, and that a single controlling mind to do that was the most important thing. When the franchise comes up and lessons have been learned, maybe we can split it up again and have separate franchises when you have operating experience to manage it. My feeling was that at the beginning it should be a single controlling mind, to try to get the Thameslink core working, because there is a big enough challenge already.

Chris Fribbins: The three brands are still being used and managed fairly separately. We expressed concerns as Railfuture at the size of the franchise, thinking that this one franchise would be looking after services right down to Marshlink in Kent. It did seem a little bit ambitious, but we understand the huge problems of the Thameslink core, which have dominated and will continue to dominate rail commuter traffic for a few years yet. We are not at 2018; it is coming but it has caused a lot of disruption.

Q20 Huw Merriman: Mr Joseph, you talked about the need for there to be some control over Network Rail. In your opinion, do the rail companies act as guardians to passengers, in terms of Network Rail giving a view that engineering works are needed? Perhaps I can give you an example. On the Southeastern route down to Hastings there are currently engineering works on a Monday and Tuesday starting from 9 o'clock in the evening. It causes a lot of disruption just for a short period of time. Now we are being told that it is going to last the entire year. Why did they not just do it for slightly longer, between the overnight hours, and not disrupt days and evenings? Is a company like Southeastern challenging Network Rail in terms of the best way they should deal with their engineering works to accord with passenger wishes, rather than just being run over roughshod?

Stephen Joseph: I think the answer to that is no, they are not. The structure of Network Rail makes that quite difficult. The question is whether the proposals following the Shaw review, for decentralising Network Rail and devolving it to more empowered route managers so that there is a much better dialogue between operators and Network Rail, are put in place. That is supposed to be the way in which this gets sorted out, but, as I said before, local devolution is a way into it. Fundamentally, local authorities and devolved bodies can exercise more control, and more intelligent control, over infrastructure works, and plan them better, as has been shown, for example, by Crossrail, where it appears to be done better than Thameslink in various ways. There are differences with that, but it seems to us that something—it might be “Rail South”—that brings together the south of London rail networks with local authorities might exercise a more intelligent and democratically accountable control over what happens on the railway. As I said, the concessions model appears to work better in terms of incentivising operators than the current standard franchising model.

Q21 Iain Stewart: Going back to the issue of the collation and dissemination of information, how well do you think National Rail Enquiries is fulfilling its role as the central source, both for information about disruption and for people looking to book tickets? If it is not optimal, how do you think it might be improved?

Neil Middleton: On a line like ours, where there is just one operator, people tend to look more to the operator's Twitter feed, the operator's web pages and the like. My experience of the National Rail service is that it can be a bit bland. It is very hard to interpret what the underlying cause is and what the impact is. They keep talking about delays but do not necessarily make clear whether it is a delay because there is no service at the moment or just that services are running but slower than normal.

Q22 Chair: How well are National Rail Enquiries doing? Can they do more?

Neil Middleton: I would give them five out of 10. My members tend not to use them. We tend to look directly to the Twitter feed and the like, and the web page of the train company.

Q23 Chair: But not all passengers are at ease with Twitter feeds or web pages. Surely something has to address the needs of people who do not automatically use Twitter feeds.

Neil Middleton: Absolutely. I entirely agree. But if you are talking about disruption, National Rail only communicate electronically. They do not have any other mechanisms for communicating about disruption apart from their web page and various Twitter feeds. If you are talking about planned interruptions, that tends to get pushed out by the train operating companies rather than by National Rail, in terms of posters and so on. If you go to the station, the poster will typically be from the train operator, not from National Rail.

Chris Fribbins: One of the issues in the rail industry has been trying to get to one source of the truth when something goes wrong, and trying to identify which Network Rail system is telling the right story and the consistent story. Some operators have tried to combine and use just one feed. There can sometimes be conflicting messages from National Rail Enquiries that you might not get from the train operator. Quite a few people go direct to train operator websites; they expect their operator to supply them with the information, more so nowadays than National Rail Enquiries. There are still issues with National Rail Enquiries understanding the geographical complexities of the country. They sometimes say that a station is in a completely different location from where it really is. Local information from TOCs has become more important. To go back to the GTR issue, where you have such a large TOC they may exhibit some of those problems in the future, but really people expect their operator to come up with the answers, even when it is Network Rail's responsibility or a National Rail issue.

Stephen Joseph: We made a note in our written evidence about two issues. One was open data. We gave a link to a list of things that the open data community wants the industry to release. What Transport for London found, having initially had a lot of misgivings about it, is that releasing data allows a much broader range of people to develop—problems of the truth—and to promote information to passengers. We gave a link to the wish list that the open data community wants—train describer data and so on.

The other issue that I think is still a problem with National Rail Enquiries is around aspects of the ticket price. That is not so much the fault of National Rail Enquiries as the complexity of the ticketing system, which we might come on to.

Q24 Iain Stewart: Can I ask a supplementary? You say it is five out of 10. In order to get up to 8, 9 or 10 out of 10 and be the go-to destination for rail information, do you think there should be more of an obligation on Network Rail, on the one hand, and the operators on the other to provide them with, effectively, real-time information so that it can all be collated and people can make an informed choice?

Neil Middleton: It comes back to two things that we have already talked about. One is the need for the rail industry to be as honest as it can be about what is going on, so that people, particularly experienced passengers, can plan for themselves how they are going to work round the problem. An inexperienced passenger needs more help with the default option as to what they should do, but the experienced passenger should be able to make their mind up much more and know about their alternative routes.

The other thing comes back to the point that Mr Joseph made. It is about making as much possible use of open data as we humanly can. Sites like CommuteLondon mix information coming out of all the train feed information about train performance with Twitter sentiment. If I am personally travelling, I do not use any rail industry information, as typically structured. First of all, I look at Realtime Trains, which is an open data user, because it tells me things like where the train is between stations. I use people like CommuteLondon because they mix and match. One of the key things is to make more use of open data, to allow other people to create their own ideas, create their solutions and try things out. That is the other key thing I would say they should do.

Stephen Joseph: We proposed in our written evidence an industry-wide code of conduct on information that passengers can expect, particularly during the journey but perhaps more generally, or possibly altering the conditions of carriage as a means of making best practice standard.

Chris Fribbins: As you said, Chair, the push nowadays is towards using apps and websites and things like that, but they are still not always accessible to a significant proportion of the population. A human face, or a well-informed human voice at a station from whom you can get advice is very welcome. That shows in the success of London Overground in particular. Some other operators are moving to that model of having someone at the station from start to finish of the rail service. It should be even in the information structure or architecture. In our written evidence I alluded to the fact that we should have somebody at the station for someone who does not understand the technology, so that they can press a screen and speak to somebody and be shown on the screen the answer to their query, and that that was something National Rail Enquiries could support, or maybe the train operator themselves. Human interface and human discussion about a person's personal issues are still going to be important. The computer is not going to answer all the problems.

Q25 Mark Menzies: On the issue of the ticketing and pricing interfaces of the passenger experience, if you turn up at a station you essentially have two options: peak and off-peak. Yet there are times when even in off-peak there is a considerable amount of undercapacity in the carriage. Have you done any work looking into how a more

sophisticated pricing structure can come into play, which would help to distribute passengers, through choice, more evenly throughout the network?

Stephen Joseph: We have done some work on this and we referred to it in our written evidence. Our concern, however, is that the ticketing system is already very complicated. It leads to passengers, as we said in the evidence, having to spend ages negotiating a byzantine system simply to find the cheapest way to get from A to B. You get people paying vastly different prices for the same journey. There is an expert called Barry Doe who writes in one of the rail magazines. He makes a whole career out of just knowing the rail fare structure and commenting on it. It seems to us that simplification helps and drives business, so we would not particularly want to further over-complicate the system.

Q26 Mark Menzies: I was thinking of a three-tier structure, with peak and off-peak and ultra off-peak, for example, for services towards the end of the day when trains may be running pretty empty. Would that give a financial incentive to people choosing to delay?

Chris Fribbins: We have been working with CrossCountry about concerns with their walk-up-and-go advance tickets. There is very minimal notice for booking in advance and getting a seat reservation. That brings complexities for the poor passenger sitting in a seat who then finds that they are asked to move because someone booked it 10 minutes ago at the preceding station. I am sure that those sorts of experiments are happening, and there are pros and cons related to them.

As Mr Joseph said, we now have the problem of complexity. There are still some examples of season tickets you can buy before the morning peak—very few, but there are some around. Then you have peak time. You mentioned shoulder peak, and sometimes we have had savers and supersavers to try to balance that. Now we have inconsistency in the afternoon, with some train operating companies applying a peak service in the afternoon, although many do not, so you can buy a ticket in the middle of the day but you cannot come back until after 7 o'clock because that is a peak service.

You mentioned overnight services. They are going to be an issue. Sometimes it is about having somebody around to collect the ticket and enforce it in the evening. Something needs to be done to spread the load as much as possible, because it is very expensive to service the peak-time only traffic.

Neil Middleton: On my line the late night trains, particularly going out of town, can be the busiest of all. They can be packed with people standing. You are right that more needs to be done, but there is a contradiction around simplifying the fares structure, which is horrendous. I worked out that even on my line, which is a simple fare line, I can get eight different tickets or thereabouts, depending on how many people I am going with and when I am going. The key thing on commuter lines is to try to move towards some form of Oyster pay-as-you-go type service.

Stephen Joseph: I was just about to say that one of the ways in which you get the signals you are talking about, Mr Menzies, would be through smart ticketing of various sorts. Transport for London have done that. They send very clear signals about the types of fare you can get. They do discounts for part-time workers and all sorts of things with their system because they have been able to structure it like that. We have spoken to the Committee about the failure of the south-east flexible ticketing scheme, on which it seems the Government have spent £37 million, getting almost nothing out of it except for some

of Mr Quince's commuters having some of their paper season tickets turned into plastic. That appears to be it. We think that that is wrong and we look forward to Transport for the North and Transport Scotland's co-operation in trying to make some sense out of smart ticketing across the north.

Q27 Mark Menzies: Linked to the issue of pricing and passengers, an off-peak return ticket from Preston to London, including zone 1, is £93.70 on Virgin, yet a single is only a few pounds cheaper. I have had constituents raising with me the fact that they only want a single journey but it feels as if they are paying almost double for the purpose of a single journey. What work have your groups done in looking at that?

Neil Middleton: We have asked constantly for single tickets to be half the price of a return ticket. That is a classic signal—

Q28 Chair: Mr Joseph, have you done anything on that?

Stephen Joseph: Not only have we asked for it to be looked at, but the Government in their October 2013 fares and ticketing review pledged to trial a scheme to regulate longer distance single off-peak tickets to remove this. Despite re-letting several franchises, nothing has happened. We have made this argument because it seemed to us to be nonsense. The Government have pledged to do something about it, but as with other aspects of the fares system pledges have not turned into practice.

Q29 Stewart Malcolm McDonald: I know we are pressed for time, so I will try to be quick with both these points. Picking up on the smart ticketing or e-ticket thing, my constituency contains Hampden Park, the national football stadium, which last week welcomed Bruce Springsteen to the south side of Glasgow. One of the frustrations many people have when they come to and from Mount Florida—the station beside the stadium—is that they can queue at one machine or go to the office and queue for quite some time, during which three or four trains will pass by, which they will miss, all because they have to stand there and wait for a piece of paper. I can fly around the world using an app on my mobile phone. I can buy and sell a house using my mobile phone, but I still have to queue for this piece of paper. What is your assessment of where e-ticketing is in the different parts of the UK outside London, and how does it compare with other rail systems across Europe? The second point I want to ask about is with regard to cyclists who use trains. What is your assessment of their experience in different parts of the country?

Stephen Joseph: On smart ticketing, Scotland is making some progress, because Transport Scotland has taken it seriously. I think we are getting there with that.

Q30 Stewart Malcolm McDonald: It has only taken 20 years, mind you.

Stephen Joseph: It has. This will depend on Governments taking a view. As I said before, simplification drives business, though the business models don't tell you that. It seems to us that this is something that just needs to be driven through franchising, and by Governments, to make it standard. Mr Middleton's evidence talks about a national travel account. It is about having back office accounts that you can wave a contactless card at and it will register that you are there. The bus industry has committed to delivering that by 2022, although I am not sure what the delivery plan is for that. It seems to us that

Government have made no real progress with this and have been trying to sell the south-east flexible ticketing scheme to the rest of the country without any takers. Transport for London offered to export the Oyster system and architecture to other parts of the country, starting with the south-east, and the Department for Transport turned them down. There is a question mark there about all this, but it seems to us that progress could have been made and has not been.

Stewart Malcolm McDonald: It is just bizarre that to get from Glasgow to London I need a bit of paper, but to get from London to Paris I could do it over the phone.

Q31 Chair: Are there any additional points you want to make? We are running out of time.

Neil Middleton: I would just make the point that, if I were to have a card to travel through every Member's constituency, I would be walking around with a wallet on a trolley.

Q32 Chair: What can be done to support disabled people better when travelling, in terms of stations or trains?

Chris Fribbins: The biggest issue is funding. We are seeing pressure on the rolling stock being DDA compliant by 2020. There is a lot of work being done on either replacing or upgrading rolling stock to comply with DDA, but we will be faced with a position where trains pull into a station and people cannot get off because the station has not been touched, and it does not look as if they will be touched for many years. The funding seems to be maintained at quite a low level for improvements to stations.

Q33 Chair: What should be done to assist disabled people?

Chris Fribbins: Priority funding needs to be available to improve stations.

Q34 Chair: In what specific way?

Chris Fribbins: Trying to get round stairs and platform heights. There is big inconsistency around the country with platform heights, and people being able to get on and off trains without assistance can be a challenge. Installing lifts at every station is probably going to be very impractical, but there are priority stations that cannot get funding at the moment. They need to get funding to enable them to service their disabled passengers.

Q35 Chair: Are there any other points in relation to disabled people?

Stephen Joseph: We welcome Access for All funding, but it needs to be dealt with more strategically in the way that my colleague described, by working out where the most important stations are that need to be dealt with. Our evidence also pointed out that there are some basics that could be done now, like the equivalent for national rail of Transport for London's Stations Made Easy website—a step-free tube map that tells people at a glance what is available—and also making them aware of entitlements that already exist for alternative transport where disabled people cannot use a particular station. There are some basics that can be done now, which are in our evidence.

Neil Middleton: Train operators have to be very good, so that when a passenger turns up and gets on a train they know that when they get to the far end there will be somebody there with a ramp to get them off. All too often the train operators let disabled passengers down because they do not have platform staff in the right place at the right time to get them off. It is simple stuff.

Q36 Chair: You think the key point is staffing.

Neil Middleton: Yes. They can do that, in theory, tomorrow—well, not quite tomorrow.

Chair: Thank you very much.

Examination of Witnesses

Witnesses: **Tim Bellenger**, Director, Policy and Investigation, London TravelWatch, **Joanna Whittington**, Chief Executive, Office of Rail and Road, **Anthony Smith**, Chief Executive, Transport Focus, and **Alex Neill**, Director of Policy, Campaigns and Communications, Which?, gave evidence.

Q37 Chair: Good afternoon and welcome to the Transport Select Committee. Would you give us your name and organisation, please?

Tim Bellenger: I am Tim Bellenger. I am director of policy and investigation at London TravelWatch.

Joanna Whittington: I am Joanna Whittington from the Office of Rail and Road.

Alex Neill: I am Alex Neill, Director of Policy and Campaigns at Which?

Anthony Smith: I am Anthony Smith from Transport Focus.

Q38 Chair: The national rail passenger survey is carried out twice yearly and surveys passenger satisfaction with a particular journey. The Which? passenger satisfaction survey is different. It is an annual survey and looks at views over the past 12 months. Do you think these different approaches bring out different information? What would you say are the strengths and weaknesses of each?

Anthony Smith: They are measuring slightly different things in slightly different ways. The national rail passenger survey is an official statistic. It has been running for almost 16 years. We are just approaching our millionth passenger. We ask about the journey they have just done. We do not ask about the railway or other things that are happening; we ask about that specific journey, which produces very rich information. The Which? survey produces, interestingly, roughly similar rankings for the train companies, but it is asking a different group of people about different things. I do not think they are exclusive; they are just different.

Q39 Chair: Ms Neill, what are the strengths of the Which? survey?

Alex Neill: In terms of our approach to the survey, we are looking for an overall measure. “In the past 12 months what has been your overall experience? What would be your score for that company? Would you recommend it to a friend?” It is a methodology that we use across other sectors and gives a quite rounded picture of people’s experience as a whole. For us, we feel that gives a better sense of people’s overall experiences. Clearly there are similarities that come out with both surveys. They are measuring slightly different things but they are both valid. What we see is that obviously our scores are different from Transport Focus but the groupings are broadly similar. Whoever is top in our survey is first or second in Transport Focus, so you do not really see big variations. The key themes that come through around people wanting clean trains that are on time and getting the right compensation if there is a problem are the same themes as in the Transport Focus survey.

Q40 Chair: Mr Bellenger, you have called for fuller information about the passenger experience. How do you think we should set about getting that?

Tim Bellenger: First of all, I would like to say that we use the NRPS survey in our work and we also look at the Which? survey and the latest emotional tracking things. They are all very good pieces of work and worthy of looking at, but some things fall through the net, as it were. For example, the NRPS does not have as many people from smaller stations. We have just done a piece of work on smaller stations, and 188 smaller stations are used by fewer than 1 million people a year in London. They carry 91 million passengers a year from them, yet the NRPS does not necessarily reflect those people because of the smaller sample numbers that come from those stations. Similarly, the NRPS is only published relating to the spring time and the autumn, whereas in the winter and summer times lots of people are travelling who would not normally be included in the NRPS, because they are going on holiday. We think having a wider spread of the times at which you do the surveying would give a much fuller picture of what is going on.

In addition, as well as looking at those sorts of subjective measures, you need to look at some of the more objective measures of how a railway is performing. For example, a lot of companies use a quality incentive regime in their franchises and concession arrangements. You are looking at things like whether the customer information screen is working, whether there are posters at the station and whether staff are available. You can measure that directly rather than necessarily relying fully on the subjective elements—how passengers feel on the day.

Q41 Chair: There seems to be a lot of scepticism about information about operator performance. Do you think it is adequate, or how can it be changed?

Anthony Smith: From the work we have done, there is a very clear sense among passengers that the current way railway performance is measured—the key thing that passengers want when they are buying a ticket is to get the train on time—is lacking. That is the so-called public performance measure, which measures the train’s arrival between five and 10 minutes at its destination. Clearly that is nigh on useless to passengers because it does not record their own experience. Many passengers get off at stations in between, before the final part of the journey, and, of course, some passengers may well be early. They may catch a late running train and be early themselves. The move towards just publishing the so-called right-time information, which tells you when trains really arrive at

all stations and getting that data out in the open, is a big cultural change that the industry needs to continue to embrace.

Q42 Chair: You are doing some work on tracking what is called “real-time emotional experience” for rail passengers. What is that?

Anthony Smith: To pick up the point Mr Bellenger made, the national rail passenger survey runs for about 20 weeks a year and captures about 65,000 passengers’ opinions about their last journey. We want to try to fill the gap between what the national rail passenger survey does and perhaps what social media sometimes provide in terms of more immediate feedback, so we have developed an app which we asked people to trial during the recent troubles at London Bridge, to record how they feel about a particular journey in addition to how they might rate the staff or the air-conditioning or whatever, and ranging from happy to frustrated. It paints a very interesting picture of how people feel about an individual journey. Commuting in London and the south-east is geared very much by two things, one of which—no great surprise—is punctuality. The second is crowding, the perception of crowding and the ability to get a seat and do something useful.

What is interesting is that you can see that individual passengers are not angry the whole time. Their emotions change quite frequently over a period of time, but it is punctuality and crowding that sends people into the red zone of frustration or anger. When people get angry they get very angry. That is what we find recorded on Twitter in a sense—angry people telling you how angry they are. It is a very frustrating experience when you cannot get on the train or you cannot do anything useful on the train when you are crushed in so much. The issue of passenger numbers, which are increasing very fast, and the ability of investment to catch up with that, is going to be a key one going ahead for any Government.

Q43 Chair: What happens with the information that you have? You find out that people are angry, very angry, or very very angry. What happens next?

Anthony Smith: We feed that information back to the train companies. We feed it back to Network Rail. We are working with them to try radically to improve the quality of information during disruption.

Q44 Chair: Does it happen?

Anthony Smith: It is getting slightly better. It is nowhere near good enough, but the industry has an ability to snatch victory from the jaws of defeat. When things go wrong they can just get back some good will and trust in the industry by handling the disruption well, talking to people, giving them information and not having that dreadful silence when nothing is said at all, which we have all experienced.

Q45 Chair: What about overcrowding? That is one of the causes of anger.

Anthony Smith: Overcrowding is a very interesting issue. Sometimes it is caused by poor performance because a train is cancelled. Sometimes it is caused by short trains, eight cars rather than 12. Sometimes it is caused by the design of trains. On my local line, the way the trains are laid out internally makes them feel more crowded. The fact is that we have far more people trying to use the railway than it can probably currently cope with at peak

times. How that is dealt with and how quickly that investment can be dug in is absolutely crucial.

Q46 Chair: Have you seen any changes in actual performance as a result of that work?

Anthony Smith: Yes. The rail industry is taking this much more seriously. Individual train companies and Network Rail are taking this more seriously, but the test is on the ground. The test is how staff react on the ground and what information is given out. London Underground has done that very well. It tends to give out information very quickly when something goes wrong. On the railways, in theory there is a two-minute rule. After a train has been stationary or there has been a delay for two minutes, something should be said, but I suspect we have all experienced it going quiet for a very long time. That is when passengers do not trust the industry. They are not being looked after, and if you have paid £5,500 for a season ticket somebody should tell you what is going on.

Q47 Robert Ffello: It starts even before you make a journey. I have the great misfortune of having to use Euston station, or Useless station, as I generally refer to it. They have just spent a fortune on all manner of shops, yet the screens will not tell me when the train to Manchester is departing until about five minutes before it leaves, as though it is some huge massive secret. There is then a massive crush of people battling and fighting to get down to platform 14 or wherever it generally tends to go from at a particular time of day. In terms of feedback to the industry, that suggests to me that somebody is not listening. Is that your experience? If they can spend all that money on shops, yet not get right something simple like which platform your train is leaving from, then somebody is not listening.

Anthony Smith: It is intensely frustrating if you cannot be told the day before which platform your train is going to use. Passengers are rightly very unforgiving about that and the industry should do better. I remember going round Euston recently with somebody from Swiss Railways, who was absolutely mystified that passengers were treated in that way. He said, “How can you possibly do that? You have to tell people.”

Q48 Robert Ffello: Is somebody not listening?

Anthony Smith: They are listening, but the complicating factor is the fact that the Government are specifying a lot of what is happening. The train companies are specifying some of what is happening. Network Rail is specifying other things. They are all working to different timescales. It seems to take an astonishingly long time to bring about change in the railways, and that is deeply frustrating.

Alex Neill: There are a lot of barriers in the way of the consumer and passenger voice in the railways. Overall, satisfaction is fairly low. Trust in the railways is pretty low. In fact, the railways sit down there with energy companies and car dealers. It is not a place you really want to be, so there is a long way up. In terms of getting the passenger voice in there, there are a number of issues—the whole arrangement of who is responsible, whether it is the regulator or the role of the Government. The fact that they operate many of the functions that you would normally see an economic regulator being in charge of is an issue. The complaints process is not backed by statute, so it is fairly difficult for people to make a complaint, and while Anthony and Consumer Focus will take on some things, the

decisions are not binding. That does not help. The Consumer Rights Act does not apply at the moment. That is looking to be further delayed by the Government. Super-complaints cannot be brought by Passenger Focus, and in general there are other ways that consumers should be engaged. It should not just be through the survey work but around how you also get more qualitative views in, and how you can get the consumer voice further upstream and not just at the end. You need to get them into bigger decisions about franchising and other areas.

The last point would be around enforcement action. The regulator should hold the train operating companies to account. Something is not getting through to those firms, so I think we need an approach that makes them think there are going to be consequences for failing to deliver for customers, as you would see in any other economic regulated market.

Q49 Chair: Ms Whittington, what is the role of the regulator?

Joanna Whittington: We have a number of roles in relation to the passenger experience. We are responsible for making sure that train operating companies provide passenger information, for complaints handling and for the provision of assistance. We are also the consumer law enforcer in relation to the retailing of tickets. In addition, perhaps what you know us best for is our role in relation to holding Network Rail to account for delivery of performance. Network Rail and all the train operating companies hold licences. If they breach those licences it is obviously open to us to take enforcement action when we think that is in the interests of passengers.

Q50 Chair: Who decides whether the licences have been breached? Is it you or the Department?

Joanna Whittington: It is us. We do that on the basis of a strategy towards passengers. The first thing we do when we put in place a licence condition is to be absolutely clear what our expectations are from the train operating company, usually through discussions with Transport Focus and other groups. That usually results in something like a code of practice and guidance—a document that sets out very clearly what we expect.

The next thing we do is to put in place arrangements for monitoring against that framework. That might lead to audits, surveys and core data submissions to ourselves. Finally, we publish that information. The transparency piece is really important for two reasons. First, it will provide the evidence base for enforcement action, if that is what we think we should do. The other reason, which is important, is that it provides an incentive straight away on train operating companies to try to improve their behaviour. You will notice that, in the document we published last week in relation to measuring up, you are able to make those comparisons between train operating companies. It is not just about poor performance. We have also identified areas of best practice that we would like to see shared among train operating companies, for the benefit of passengers.

Tim Bellenger: One of the issues is the fact that the industry sees the DFT, and the ORR to an extent, as the proxy for passengers. Therefore, they gear themselves around performing to those organisations as a customer rather than actually looking at the customers themselves. They will do lots of things to make sure that they abide by their franchise, but a lot of those things may not necessarily be in the passenger interest. Whenever I meet train operators and I ask them to do a particular thing on behalf of

passengers, quite often the response I get is, “Well, it is not in our franchise; sorry, we can’t do it.” If it is not in their franchise, of course the operators are not really going to be willing to do things, even though it might be in the interests of passengers and ultimately in their own interests.

Q51 Iain Stewart: Just to follow on from that, I would be interested in the comments of the panel about the mechanism for passengers being able to complain about a sudden change in service pattern and how that might then be acted on. To give you an example, in the last two or three weeks, Virgin West Coast have stopped Milton Keynes passengers using two evening peak services on a Thursday and Friday, because they want that space for longer distance passengers. London Midland services, although they have done their best to put on extra coaches, are absolutely rammed full. These are people who are paying well above £5,000 a year. There was no notification of this and no consultation; it just happened. I have not been able to identify a suitable mechanism for them as a body to complain and see if that can be acted upon. Is there one or, if there is not, what should there be?

Anthony Smith: I remember the original battle for Milton Keynes when Virgin stopped calling there in the morning when they were coming down to Euston and the anger that caused among passengers. The service pattern apparently changed and their voices could not really be heard. How the trade-offs are made between different passenger groups has to be much clearer. In Virgin’s case, they are a money-making operation. They are contributing to the Treasury. This is not a loss-making subsidy operation. It is a consumer experience and I think it should be much clearer how those decisions are being made, who the winners are, who the losers are and why it is happening. The railway is slowly moving into profit in places, and therefore it should become much more transparent about what is happening.

Alex Neill: This is where the rail sector could look at another sector—the water sector—in terms of how they have effectively been able to get the consumer voice into some of the decisions. They have done that by setting up what they call consumer challenge groups who challenge the decisions both of the regulator and of individual water companies. That can be around prices, or decisions they are making upstream. That has been really effective and it has shown in the water industry that companies have had to make decisions and change their decisions based on what their customers want. It is a model that could effectively be used in rail. Typically, it is a sector where the forces of competition are fairly weak and you need the regulator to step in to provide some incentives and, in some cases, penalties to put pressure on providers to do the right thing.

Joanna Whittington: One of the changes that has started to happen is in relation to the way that Network Rail structures itself. One of the things that we have seen and that we welcome is the move towards route-based score cards. Emphatically, the regulator is not the customer. One of the things the route-based score cards do is to reinforce the relationship between the route managing director and his customers, the train operating companies. In that process they have moved away from the traditional public performance measure as the main or only metric for incentivising improvements to performance. We have seen very specific things come in that work for a particular train operating company. CrossCountry in Birmingham wants a right-time measure, because it is no good being nine or 10 minutes late when the vast majority of your passengers depend on a connection. Nine minutes late is far too late, although it would not show up as that in the PPM. It is

really important to try to find mechanisms that reinforce the relationship between the network provider and the train operating company as a proxy for the customer in the short term, and in the longer term look at some of the things that Ms Neill suggested in relation to consumer challenge and stakeholder engagement at route level.

Q52 Chair: You have suggested that engagement is better than enforcement. What is the evidence for that?

Joanna Whittington: We have already seen a number of things happen straight away as a result of our involvement. For example, on passenger information, website banners are clearly making a difference, informing passengers of disruption so that they do not accidentally book a ticket unaware of the fact that there is a temporary timetable the next day. On complaint handling, we have made sure that all websites are only two clicks away from the home page in order to make a complaint. In terms of provision of assistance, there is now a 24-hour booking period; you do not need to give more than 24 hours' notice for booking. Straight away things are happening. I am not saying that we would not seek to enforce, but the important thing is to make sure that you do it from a clear evidence base, which is why the process I have described, of agreeing with the industry what our expectations are, monitoring against that and then using that evidence both to incentivise better performance today and to give us the ability to take action in future if we want to, is there. We do take action. With respect to Network Rail, we found them in breach of their licence condition last autumn and put in place a reparations fund to support improvements on the Southeastern route, and in particular to have additional station staff around at Network Rail managed stations.

Q53 Chair: You are not saying you will not enforce.

Joanna Whittington: Absolutely not.

Q54 Chair: Are you engaging on the basis that there will be enforcement if that is not reciprocated?

Joanna Whittington: Absolutely. That is why we are putting in place the evidence base, which facilitates enforcement if that is the route we have to go down but also has the advantage that it is driving improvement in behaviour straight away. That is the best way, as far as we are concerned.

Anthony Smith: On the point about the so-called route-based score cards, it is a step in the right direction. I worry though that a kind of cosy chat between Network Rail and the train companies is then accepted as the basis of passenger expectations for that route. Those systems have to be opened up to greater scrutiny so that passengers can see what is being done on their behalf. A train company may have six months of a franchise left. To a degree, why should they have any say about what happens on the route? It should be the passenger voice.

Q55 Huw Merriman: I will carry on with that strand, and perhaps this is a question for Ms Whittington. You talked about Network Rail and the enforcement action on the Southeastern line. The concern I have is that Network Rail can just decide that it wants to implement engineering works. There seems to be no check or balance on whether that is right

or not. I have an example on the Hastings line. On Mondays and Tuesdays the line is shut for engineering works at 9 o'clock in the evening, and that's it. If it was just for a limited period of time, it would make sense, because maybe they would need from nine all the way through the night, but in fact, they have just extended it for the rest of the year. As a regulator, are you able to say, "No, don't do it that way. Do it for a little longer and do it all night"?

Joanna Whittington: One of the complicated things is balancing the interests of passengers today with the interests of future passengers. In order to protect the interests of future passengers, maintaining, renewing and enhancing the capacity of the railway is an important part of that. Inevitably, that means there will be disruptions, and they are extremely frustrating. There is an industry planning process that should allow good notice to be given and advance warning, so that people can make alternative arrangements, and indeed so that operators can make alternative arrangements. If that is not happening, in the first instance I need to speak to Network Rail and understand what the specifics are. It is possible that we could then take enforcement action, but my preference would be to take up your concern particularly with Network Rail to see whether there is an issue.

Q56 Huw Merriman: Perhaps I could dig a little deeper. In a way, that cannot have occurred there, because originally the plan was for this to just take place up to May. I could understand if it was so essential because you had a window and therefore you needed from nine all the way through the night, but it was done by May. Now they have just announced—I found out from a conductor—that this will occur for the rest of the year. They should have thought a little more laterally and said, "Hey, let's take the rest of the year and just do it overnight." Instead of that, they are doing it for the whole year at nine. That is the kind of thing that is maddening for passengers because, first, the communication is dire and, secondly, it does not make any logical sense whatsoever as to why their evenings should be disrupted because there is no end date for it anyway. I would like to know that the regulator has teeth to stop this before it occurs.

Joanna Whittington: Absolutely, which is why I am very happy to take away the particular concern you have and find out what the issues were that resulted in a significant change to the amount of time when they were taking possession to maintain and renew the network without the sort of advance warning that you would expect. As I say, I am happy to follow it up.

In the specific, we would only take enforcement action if we felt, as a result of our intervention, that Network Rail was not then doing the right things. Where we tend to find enforcement action most effective is where there have not been plans in place to accommodate the sorts of things that passengers care about. Obviously there has been quite a lot of sensitivity, and the Committee has previously considered the issue, around the benefits or not of fining Network Rail. That is why our current view is that there is some role in relation to reparations, but our preference is to focus on making sure that they are doing the right things and to use the incentives through comparison at route level, which is what we will be able to do after the next periodic review of Network Rail, to provide a mechanism through which route managing directors are incentivised to improve their performance.

Q57 Huw Merriman: I want to ask a question in terms of your powers on franchising. As a daily commuter to this place, I use both Southeastern and Southern. As you will be aware, Southern has come in for a lot of criticism. Again, are you comfortable that

you have sufficient powers in terms of the ultimate decision on the franchise? It has come into question as to whether that franchise needs to be changed.

Joanna Whittington: We have no powers in relation to the franchisee. We have responsibility for the regulation of Network Rail. Obviously some of the faults are Network Rail's faults, so we will look very carefully at whether or not that should lead to enforcement action, but with respect to the franchisee that is not our responsibility.

Q58 Huw Merriman: In an ideal situation would you have those powers? The network only operates when Network Rail and the rail companies are all nicely interlinked. Surely a regulator should be interlinked in the same way.

Joanna Whittington: It is a matter for Government policy as to whether or not you want our role to change. I would say that the Department obviously plays a critical role as the franchising authority, in terms both of the letting of the franchise and of holding the franchisee to account for the delivery of the outputs in that agreement.

Q59 Chair: Does that mean that you have no control at all over the train operating companies?

Joanna Whittington: We license the train operators, but the large element of the passenger experience and the service quality that we are discussing today is codified in a franchise agreement and it is the responsibility of Government both to let that franchise and then to enforce it.

Q60 Chair: That means that you as the regulator have no involvement at all in the actual operation of the train services—

Joanna Whittington: No involvement at all. With respect to some of the areas that I have described previously in relation to passenger information, the provision of assistance and complaint handling, we have responsibilities there and we license the train operators, but where the franchise agreement already specifies what needs to be delivered in relation to, say, crowding, quality of service, frequency of service, timetabling provision and all that sort of thing, it is the responsibility of the franchising authority both to set the terms that they want to pay for and then to monitor delivery against that agreement.

Q61 Chair: You have no role at all when people are complaining about the way their train service is operating.

Joanna Whittington: I have a role in relation to making sure that the complaints handling policy is in place, but in terms of answering individual complaints in the first instance we would expect them to go to the train operating company and then to Transport Focus. It is the responsibility of Government as the franchising authority to hold the franchisees to account for delivery of what is in the agreement.

Q62 Chair: There has been long-running concern about the way ticket machines operate. There are numerous complaints and Passenger Focus did a study in 2010, but the problem is ongoing. There is confusion, with people not being able to get the cheapest tickets. People do not know what is available. There are different machines available with different

facilities in different places. Who is responsible for doing something about that? Is it the regulator? No, I presume.

Joanna Whittington: We have some responsibility there as the consumer law enforcer.

Q63 Chair: What is your responsibility exactly in relation to that?

Joanna Whittington: Our responsibility is to ensure that passengers are not misled in the retailing of tickets.

Q64 Chair: What have you been able to do to ensure that?

Joanna Whittington: That is a good question. Ticket vending machines are clearly not as good as a ticket office. None the less they provide a good service for certain very specific things. For example, if you have ordered a ticket online and you want to collect it from a station, a ticket vending machine is a very good option from that point of view. Some progress is being made by train operating companies in terms of removing jargon from those machines so that people understand what they are buying.

Q65 Chair: But who is responsible for making sure that something happens? This is a long-running issue. There are numerous complaints all the time about confusion and misrepresentation and people not being given adequate information and proper choice. Everyone knows about it but nothing has happened. Do you as a regulator have the ability to do anything about it?

Joanna Whittington: We have seen some improvements as a result of the code of practice.

Q66 Chair: But do you have the ability to do anything about it? Who is responsible?

Joanna Whittington: The law that could potentially apply is consumer law.

Q67 Chair: Therefore who is responsible?

Joanna Whittington: In order for us to decide that enforcement action is the right thing to do, there are two things we need to look at. The first is the level of detriment being experienced by passengers, and the second is the work that the train operating companies are doing to address those concerns. We wrote to the train operating companies last year setting out our concerns in relation to the ticket vending machines. Our next step is to carry out audits in relation to ticket vending machines, and possibly some mystery shopping, which we would like to scope together with Transport Focus, to determine whether the detriment that passengers are experiencing and the progress that train operating companies are making in addressing those issues is sufficient. There is clearly—

Q68 Chair: But how long does it take to do that? The study that Passenger Focus did was in 2010. We are now in 2016 and the complaints are still there. How long will it take before you can decide whether something needs to be done?

Joanna Whittington: This is also linked to the franchise agreement, because some of the infrastructure changes that are necessary—for example, the purchase of new ticket machines that would have the more sophisticated systems that allow accurate information—need to be included in the franchise, and that is not our responsibility. As I say, our next step

is to carry out audits and mystery shopping around the ticket vending machines to try to quantify the detriment. Research done by ATOC suggests that 19 out of 20 passengers are being provided with the right ticket as a result of purchasing from the vending machine. That survey was done on only a relatively small sample, and indeed 5% of passengers being mis-sold is potentially an issue in its own right.

Q69 Chair: How many people is 5% of passengers? It is a lot of people.

Joanna Whittington: It is a lot of people. The survey itself was only about 190 people. That is why I am expressing some scepticism. I would like to do our own research before we decide whether or not enforcement action against individual operators—it would not be against the industry—is the most effective way forward.

Q70 Chair: It is still entirely unclear to me when something is going to be done. You are talking about making assessments and weighing up what the detriment is, but this issue has been around for a long time. Mr Smith, when is something actually going to be done from the work that you and others have done?

Anthony Smith: I hope it will be soon, Chair, because I pity the poor passenger.

Q71 Chair: Having produced the information, what then happens to it?

Anthony Smith: We have produced the information. We have taken information to the train companies and to their trade organisations. We have taken information to the Government, who are responsible for the franchises. We have taken information to the regulator. The passenger buys their ticket from the train company, so ultimately the train company and their agents such as the Trainline and others have the responsibility to make sure that passengers can make an informed decision. Choice is a great thing. We are a consumer organisation and we like choice. Choice can make sure that people get the right ticket, but it has to be an informed choice. At the moment, with things like ticket vending machines, the quality of the information printed on the ticket is totally substandard. What does “Any route permitted” mean, or “Not HS1”? What does all this gobbledegook mean? It is just dumped on the passenger, who is left to sort it out.

Q72 Chair: Who do you think is responsible?

Anthony Smith: The Government have to take a lead. There has to be a political lead so that it can be sorted out. The train companies and their trade associations have to get together to make an investment case and get the investment done. Ticket vending machines are yesterday’s technology. We are all wandering round with phones. That is where the investment should be made, which will provide the answers for a lot of passengers, particularly outside metropolitan areas. To a degree, London has cracked it with Oyster and contactless. It is pretty impressive and it is simple. People like the system and they trust the system. They trust the people behind it. We do not have that with rail ticketing at the moment. Passengers may be getting the right ticket, but do they feel they are getting the right ticket? I am not sure.

Q73 Chair: You are saying that London has the answer but the rest of the system hasn’t.

Anthony Smith: For metropolitan areas where you have a zonal system and a set ticket price and you know you are going to get the best price, the Oyster and contactless system is outstanding and gives passengers a tremendous amount of confidence.

Q74 Chair: You are saying that the structure in London provides the means to deal with issues like this.

Anthony Smith: For big metropolitan areas, yes. When you are travelling between London and Manchester, the cheapest advance ticket is £21.50. The open single is £166. I got my family to Manchester and back the other day for £60 for four of us by buying it from Virgin themselves. If you know what you are doing, it is great; if you don't, you are in a jungle.

Tim Bellenger: The key is simplification of the fare structure. Ticket vending machines would not be complicated if you had a very simple fare structure. For example, Gatwick to London is one of the most complicated sets of fares you can imagine; there are probably about 40 different paper tickets you can buy. Since Oyster and contactless were introduced in January, they have gone from 11,000 transactions a week to 42,000 in just a number of weeks. A large number of those people are transferring directly from the vast plethora of paper tickets, even though the paper tickets are actually cheaper in a number of cases than the Oyster contactless version. It is the simplicity that really does it for people. What we would say is, yes, the Department needs to take responsibility for this. It needs to grasp the nettle of simplification, and it needs to look at all the different things there, and the experience of London. When London simplified the fares structure some people paid more, but a similar number paid less, and overall the market for travel grew much faster than was expected.

In our evidence we said that a number of train operators, when the Oyster system was being extended into London, were very reluctant to do it because they thought there was a risk to their revenue. They insisted on lots of very complicated legal agreements to make sure that they did not lose out when Oyster was introduced on their networks. In fact, those agreements and the extra funding were never used because the amount of extra travel that was generated because people had confidence in the Oyster contactless system was so great that they actually gained from the system. My message is: let's have some simplification please.

Q75 Chair: And that goes back to the Department.

Tim Bellenger: Yes.

Q76 Iain Stewart: I want to briefly put a similar question to you that I put to the previous panel on the role of National Rail Enquiries as a central point of information about all the different fares currently available. I agree that simplification is the way forward, but before we get there can National Rail Enquiries be a more useful one-stop shop to give people information about the whole variety of tickets available?

Tim Bellenger: I think the answer is yes because NRES is limited by the data it has. For example, if you are travelling within London, one of the issues we have with NRES is the fact that the Oyster or contactless fare is shown in very small print at the top of the web page. You are not really encouraged to go to look at that thing because what the operators

want through NRES is that you click on the button at the right-hand side that says “Buy your ticket now,” whereas in fact you could have a better deal if you looked at the tiny little blue button at the top left and went with your contactless and Oyster card to the station.

Anthony Smith: Given the complexity of what they are trying to describe, I think the National Rail Enquiries Service does a reasonable job. There has been significant investment in it by the train industry over the years. The quality of the information is better and more reliable. It is better during disruption, but they are trying to do quite a complex job. Don’t forget of course that NRES is only one place where people get their information. The Trainline deals with a huge number of transactions each year. It is a private hedge fund company, and it is crucial that wherever passengers go they are getting the same advice.

Q77 Robert Ffello: To pick up the point that my colleague Mr Merriman raised about a train that would normally be running late in the evening being suspended, a number of constituents have contacted me about the fact that the last train out of Useless station north to Stoke-on-Trent is at 9.40 or you can have a train at 11 o’clock that takes an extra hour. If you miss that and you are on the 11.30 train, you will have a journey of seven and a quarter hours until a quarter to seven the next morning. It is absolute nonsense. This is linking London to the north and major conurbations up to Manchester, yet it is an appalling service.

My question is this. Is the reason why things are right—we are talking now about night-time services throughout London—because London has one overarching system, whereas, from what I have heard today, we have the ORR, the Government and various other associations and train operating companies? We have this mishmash of so many competing organisations but the one thing we do not have in all that is the consumer.

Alex Neill: To be fair to the ORR, they are operating with their hands tied behind their back in some cases. The Government are intervening in areas, and have jurisdiction for areas, that in normal economic regulation would sit with the regulator. It is a little bit muddled. There are lots of people involved. That does not help in terms of who is responsible for taking action on what. Obviously, in some cases some things are in the franchise that really ought to be a licence term. It should not be moving back 10 years to when you first did the agreement. The whole conversation about tickets nicely exemplifies that. As Anthony said when talking about ticket vending machines, that has gone. The future is in different ways of buying a ticket. That piece of paper should not be a piece of paper. There are some real issues with that.

If you look at the powers and duties of the regulator, the first thing you should do is look at the fact that its primary duty is not very clearly the consumer. That is what you would see in any other economic regulator, and it should be clarified by the Government. That is something Which? has asked for. More generally, it has 23 powers and duties. That is a lot, and the first 10 are not prioritised. Again, that does not make it clear that the focus is protecting the consumer and standing up for them. It seems very odd, given that this is in some part a monopoly and there are weak forces of competition. You really need a regulator that sees itself as a consumer champion.

Q78 Martin Vickers: We have heard about the complexities of the ticketing system, both from yourselves and the previous panel. One thing that particularly annoys me is what is classed as peak and off-peak. Clearly, it is peak to get into London at seven or eight in the morning, but I often have to leave London at 6.30 or something to go to the constituency for a meeting. I get on a train that is 20% full at best, but I have to pay a premium on my off-peak return because I am travelling at peak time. I pay a supplement to travel on an empty train. Is peak time laid down somewhere in stone, or does somebody such as the regulator have the power to determine it?

Chair: Mr Smith, who decides? Are different times decided by different operators?

Anthony Smith: Don't forget that one of the big differences between the railways and the water industry, for example, is that to a degree the Government still set the prices. Regulated fares exist for London and some other major areas, and for off-peak return tickets, although not for singles, which is a bit confusing. The Government are in there and in return for that they specify which are peak and which are non-peak. The Government have a role to play in that, but the problem is that you get a very sharp cliff going from peak to off-peak. A gentler cliff, where you could pay a little bit more to travel, perhaps on two or three extra trains, and have some subtlety in the system, would really help. At the moment it is very sharp, and if you get it wrong by one train you are £150 worse off. As a consumer, that seems like a very crude signal.

Q79 Chair: When you say that the Government have a role to play, what exactly do you mean? Who decides?

Anthony Smith: Clearly the Government will always have a role in the railway while taxpayers' money is being invested in it, and that is quite proper. Somebody has to make the decisions about where that taxpayer money, especially for future investment, is being spent. Government will always want to have a role in that, but increasingly passengers are paying the running costs of the railway themselves. Therefore, as I said before, there should be a much greater passenger voice in how those decisions are made, and in how investment is made.

Q80 Chair: But when decisions are taken for specific train companies, who decides how peak times are defined?

Anthony Smith: By and large, the Department for Transport through the franchise system. That is what they are buying from the train company.

Q81 Chair: It is in the hands of the Department.

Anthony Smith: Yes.

Q82 Martin Vickers: That reflects what we have been hearing all afternoon. The heavy hand of the Department plays too key a role, and the voice of the passenger is lost. It is probably unfair to ask Ms Whittington this, but perhaps the other three witnesses would like to say whether they think the regulator should have a more powerful role and a more passenger-orientated voice, or should there be some other body?

Alex Neill: I have mentioned it a few times. Absolutely; for me, there are a number of ways that the powers and the role of the regulator should be increased. They should be

given a clear mandate to say they are there to protect the consumer and not the user of the railway, which could be all sorts of other people. That leads to lots of conflicting things. It does not mean that other considerations are not taken into account. As with any other economic regulator, they would need to have regard to the economic stability of the railways' future infrastructure, to safety and all the rest of it, but I think that change would help. At the moment, the interference from Government is set in the powers as well, so stripping that back to what is appropriate and what you see elsewhere would be clearer.

In relation to enforcement and taking action, if it was much clearer who was responsible, as opposed to a fog between various people, that would allow either the Government or ourselves and other bodies clearly to place pressure where it should go—and obviously consumers as well.

Q83 Chair: I will ask the regulator. What powers would you like to have? Here is your opportunity.

Joanna Whittington: I would start by saying that it is clearly a matter for Government to decide what our responsibilities are. I do not think I accept the point that there is a fog over enforcement. It is very clear that in relation to both consumer law on the retailing of tickets and anything to do with licence enforcement that is absolutely a matter for a regulator to decide. Regulators have very specific ways of operating. We are very keen on creating an evidence base, socialising that, trying to drive improvement and taking enforcement action only at the very end of the process, but that does not mean that we are not extremely busy trying to make things better for the consumer. I really do not like the idea that we are not consumer focused. I agree that 24 statutory duties are quite a handful, but if you look at them, broadly speaking, they are different dimensions of the public interest, or the passenger interest. I am not sure how much difference it would make to give us a primary duty to protect the interests of consumers without simultaneously changing other elements of the piece.

Tim Bellenger: London TravelWatch would support a much stronger regulator. We said so in a recent response to the ORR and DFT review of ORR. We think that there is a greater role that could be carried out, certainly in performance. To take an example from the water industry, a group of people in my local area found that Thames Water were not responding to consumer concerns about a long-standing leak. We were then able to take it up through the regulator. Because Thames Water failed so badly in dealing with consumer concerns, the regulator was able to give an instruction to Thames Water, "This is what you will do to rectify things." We certainly think that a wider and stronger role for the ORR would help to improve performance in that regard.

Chair: Are there any further questions?

Robert Flello: I would like to put on record that the Virgin Trains staff do an outstanding job. It is only a shame that some of the organisations themselves do not do a better job.

Iain Stewart: There's your free upgrade.

Chair: On that note, we will conclude. Thank you all very much.