



Transport Committee

Oral evidence: [Improving the rail passenger experience](#), HC 64

Monday 18 July 2016

Ordered by the House of Commons to be published on 18 July 2016.

Written evidence from witnesses:

- [Rail Delivery Group](#)
- [Virgin Trains](#)

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Members present: Mrs Louise Ellman (Chair); Mary Glendon; Karl McCartney; Mark Menzies; Huw Merriman; Iain Stewart; Graham Stringer; Martin Vickers.

Questions 211-311

Witnesses: **Jacqueline Starr**, Managing Director, Customer Experience, Rail Delivery Group, **Dave Penney**, Managing Director, Chiltern Railways, **Martin Frobisher**, Route Managing Director, London and North West, Network Rail, and **Richard Scott**, Executive Director of Corporate Affairs, Virgin Trains gave evidence.

Q211 Chair: Good afternoon and welcome to the Transport Select Committee. Could you give your name and organisation, please?

Richard Scott: I am Richard Scott from Virgin Trains.

Martin Frobisher: I am Martin Frobisher from Network Rail.

Jacqueline Starr: I am Jacqueline Starr from ATOC RDG.

Dave Penney: I am Dave Penney from Chiltern Railways.

Q212 Chair: Ms Scott, could you explain to us whether you have enough powers to make the rail companies behave properly in terms of giving passengers correct information?

Jacqueline Starr: The role of ATOC RDG is to facilitate and provide best practice across the train operating companies. I will start by explaining a piece of work that we are doing that will answer your question and give an indication of the approach we are taking to enable us to deliver that. It is a piece of work that allows us to look at the end-to-end customer experience, from the moment a passenger thinks about taking a journey with us

to the point that a passenger has taken a journey and is feeding back. We are working in conjunction with the train operating companies and the likes of Transport Focus, the DfT and the regulator, to understand, through insight, what the most important components of that journey are to the customer.

You are quite right to point out information, because currently that is clearly a pain point for customers. It is something that we recognise as an industry we can do better. It is something the train operating companies and ourselves unanimously agree on and sign up to improving. As part of that process, we will collaboratively agree what the minimum standard should be, which will then dictate the level of information we provide to customers and what that information looks like.

Q213 Chair: But what powers do you have to enforce that? During this inquiry, and indeed in previous inquiries, we have heard a great deal of dissatisfaction from passengers about either the lack of appropriate information when they need it or confusing information. We want to know what can be done about that. You are looking at it, but do you actually have the power to make a difference or to make any changes?

Jacqueline Starr: Our organisation works collaboratively with the train operating companies. We work with the Department and the regulator. The combination of those individual organisations has the power to improve passenger information.

Q214 Chair: It does not sound terribly clear who can make a difference. Mr Scott, you are from Virgin Trains. Would you respond to an instruction from Ms Starr, from RDG or ATOC, telling you that you had to do things differently when giving passenger information?

Richard Scott: The way that we would endeavour to work with the RDG is as a member organisation; we would all work together to try to come up with a solution that we believed would work for everyone. It would be an attempt to get a common understanding, a common objective and a common decision, which everyone will have endorsed and will therefore embrace.

Q215 Chair: That sounds a very convoluted procedure. We have heard from a number of witnesses during this inquiry that the usability of train company websites for passenger information varies greatly. Some are good, and some, we are told, are appalling. We want to know what can actually be done about that—not about you all having discussions to decide that is the problem. We know it is the problem, but who can actually do something about it?

Jacqueline Starr: Our role is to facilitate and co-ordinate that discussion. We lead that discussion and we bring new information to that discussion. What we do not do is dictate to the TOC community what they should do and how they should do it. That is not the function of ATOC RDG. We do that collaboratively and we all recognise that there are things we can do better and differently in terms of our online presence. There are some areas that should be consistent. However, we also recognise that there is still a need for personalisation and for customers to recognise the brand that they are dealing with, whether it be Virgin or Chiltern, in this case.

Q216 Chair: Has a Minister asked you to do something to make changes?

Jacqueline Starr: My dealings in the past have mainly been with Claire Perry with regard to ticketing, where we have had various changes and directives around what we should achieve through that programme.

Q217 Chair: Could any of you tell me what the rail sector is actually doing to improve the design of rail company websites?

Dave Penney: As Jacqueline mentioned, our contribution is through the RDG approach. There are working groups on open access information and how that is best published on websites in common format. In Chiltern, our belief is that we should always provide as much information as we can through all the various methodologies, whether it be applications, Twitter, websites and so on. We work quite hard with RDG on those approaches.

Q218 Chair: Mr Scott, what can you tell us? Have you made any improvements recently or are there any improvements that you think ought to be made with your website?

Richard Scott: Ultimately, we try to listen to passengers and use them to drive our behaviour. We have changed our website. We have introduced new websites on both the franchises. We listen to our customers. We survey about 30,000 or so of them every month, based on their experience right from booking to arriving at their end destination. We listen to what they say, and, if they tell us that the website is terrible or that there is a bit of information missing, we try to correct that. Ultimately, we believe we will get a much better result by listening to passengers and what they want and trying to be responsive to it.

Q219 Chair: Do you think the mechanism set up so that you can listen to what passengers say is effective and that you are actually hearing about people's real experiences?

Richard Scott: We have set up our own method. As I said, we email tens of thousands of our passengers every month to ask them to fill in a survey after they have travelled with us. They get it immediately after they have travelled so that we can listen to what their scores are for the whole journey at different points. We set that up so that we can listen to people.

Q220 Chair: Mr Frobisher, what can you tell us about Network Rail? What do you do to get an accurate response from passengers?

Martin Frobisher: In terms of information systems, we provide the data that go into the train operator systems. We provide the timetable. Our TRUST system provides information on where trains are, and our control centres provide information on incidents that they feed into those information systems. In terms of getting information from customers, we get lots of information through the passenger satisfaction surveys. We get lots of feedback from people on our stations. At Network Rail managed stations we have tried to provide lots of technology for our customer service people so that they can provide good information on the ground to passengers.

Q221 Chair: We are told that National Rail Enquiries is going to be improved. Can you tell us anything about that?

Jacqueline Starr: Certainly. In my opinion, National Rail Enquiries is a little outdated; I will be very transparent and open around that. Our passengers' needs and behaviours have changed over recent years, and I do not think the website has evolved in support of those needs. There are new technologies that have emerged in recent years which we do not embrace. I joined the organisation in September last year, and one of my key priorities is to look at the online presence. Also, broader than that, I want to look at the complete strategy in terms of how we are cascading information to passengers, through which channel and to what extent we are addressing their needs.

To add to the point about passenger feedback, we are looking into an additional source, which will be trialled with three TOCs in the next two months, around understanding real-time customer feedback. There will be the presence of a dynamic dashboard that tells us what our customers are thinking and feeling in real time, enabling us to react within a matter of hours.

Q222 Iain Stewart: Transport for London has done a lot to make data freely available, which has allowed all sorts of passenger experience websites to be developed. What lessons can you, as the main overground rail industry, draw from what TfL has achieved?

Jacqueline Starr: TfL has been entirely sensible in doing that. All I can say is that we have not done that. For some reason in the past, it has not been the right thing to do. We need to open our data sources, which can only benefit our customers. That is my key priority and it is something that we spoke to No. 10 about five weeks ago. We are currently in discussions about what that looks like and how quickly we can make it happen.

Martin Frobisher: It might be worth adding that we have set up a pan-London control centre working with TfL, which allows us to take greater control over incidents across modes of transport and learn from some of the systems that TfL has been using, as part of that control centre. That has been a good initiative. It is providing regular information across all modes of transport in London and is working very well for incident management.

Q223 Iain Stewart: Is there a fear among the TOCs that if they release their data it would somehow assist their competitors, whether another TOC or another mode of transport? In actual fact, evidence shows that if you release data you grow the size of the cake overall, of which you can have a good slice. If I can ask the two TOC representatives, is that a genuine fear that you have?

Richard Scott: We try to be as open as we can. In April, we started publishing right-time statistics on our website for all our routes. We are the only TOC to do that in a comprehensive fashion. You can look up the route. You can see how many of our trains were early and how many of them were on time within 59 seconds, five minutes late or 10 minutes late. We do not have an obligation to publish that data, but it is there for passengers and we try to listen to what they want and allow them to make decisions.

Dave Penney: To add to that, we support using as much information as is possible. We have worked with the developers of some of the third-party open access websites to understand how we can work together to improve the overall datasets. We were the first train operating company to adopt Twitter as a methodology of direct communication. In fact, I run “Tweet the MD” sessions, which allow people to ask me questions directly about how the train service is running and why we do what we do. We encourage very positive and open feedback on that.

Q224 Mary Glindon: The Disabled Persons Transport Advisory Committee told us that some train companies’ websites can be quite difficult to navigate, especially for people who have visual or cognitive impairments. Ms Starr, what consideration is the sector giving to improving the accessibility of its websites?

Jacqueline Starr: Overall from an industry perspective, if you take a helicopter view, that is a fair statement in terms of the attention to less able passengers for our online presence. At this point in time, there are no specific plans that I can share with you in terms of how we intend to improve, but to refer to the piece of work I highlighted at the start—looking at the end-to-end customer experience and understanding what is important—as part of that piece of work, disability and integration are now integrated into that view. In the past, from an industry perspective it is fair to say that in some instances, though not all, it was almost an add-on to some of the enhancements that were made, whereas going forward it will be very much integrated in part of that development.

Dave Penney: If I may contribute, before releases of our websites we always ask user groups to try to give us feedback—Institute for the Blind, and so on. We have done things with guide dogs, and being blindfolded and walking on trains to understand what it feels like, how it is different and how we can add to the information we provide.

Jacqueline Starr: At the Rail Delivery Group, in the next few weeks my team will be putting ourselves in the shoes of less able passengers through various modes and trialling an end-to-end journey in terms of navigating websites, accessing platforms, boarding trains and so on, so that we can live and breathe that experience and feed in the relevant enhancements.

Q225 Mary Glindon: Are you saying that disabled people are involved, other than asking them for their experience, in the design of the website?

Jacqueline Starr: Yes, absolutely. That will be the case, of course.

Q226 Chair: We have had a lot of complaints from disabled people trying to travel where more than one operator might be involved. Is anybody in charge of looking at a whole journey for somebody who is seeking assistance?

Jacqueline Starr: At the risk of sounding repetitive, I am going to come back to exactly the same piece of work, which is the overarching piece to enhance the overall customer experience across the industry. That piece will include and embrace looking at the overall experience from a disability perspective. Notwithstanding the technical detail, there are various different customer sets and what we refer to as personas, which are customer types. When we develop and evolve that piece of work, the disabled passenger will be one of those. We will be looking to understand exactly what is important to that passenger, to

what extent we are delivering against it and therefore what the gaps are and how we action-plan against that. It is all backed up by customer data, so it is customer driven and the priorities on which we act will be based on customer need.

Q227 Chair: When will that happen and when will changes be made?

Jacqueline Starr: I cannot give you any dates at the moment because I do not know, but that work is ongoing and we are looking to complete it in the next six weeks. The next stage of the work is to action-plan against it and then we will have some dates in terms of when we will define those actions and what they will look like. I am more than happy to share that with you.

Q228 Karl McCartney: Mr Frobisher, I want to take you back to an answer you gave. It is all well and good when the trains are running well and the information is there, but when things happen and things go wrong who is in charge in London? In a major incident, is it TfL or you at Network Rail that promulgates information to passengers, allowing them to make their journeys on an alternative route or telling them how long the delay is going to last?

Martin Frobisher: If there is a major incident in London on Network Rail lines, our control centre will take the lead in terms of managing the incident. We manage the rectification of the failure and we feed information through to the train operating companies for populating customer information systems. The Darwin software system, which controls the information to customers, is run by Rail Delivery Group and the train operators, but we populate it with information about the incident. One thing we are doing a lot more of at the moment is providing lots of photos on our Twitter feed so that people can understand what is going on. Through our control centres we try to provide accurate information about rectification times. The other thing we are trying to encourage the whole industry to do is co-locate into the rail operating centres so that we have combined teams in one place managing incidents.

Q229 Karl McCartney: That is all well and good but it could be quite historical. How quickly do you get information to the train operating companies for them to pass on to their passengers?

Martin Frobisher: With modern technology our fault teams have iPhones and are feeding information back in real time. We have found that when something has happened a picture speaks a thousand words. We have tried to use iPhones with fault teams as a way of quickly populating our Twitter feed to provide a real picture of what is happening.

Q230 Karl McCartney: Outside London, on the east coast line, which Virgin operates, when some of the lines come down, with some of the old train stock we have got, because it is inherent in the design, how quickly do you think you communicate currently to passengers? There are at least a couple sitting at this end of the table who do not think you communicate very quickly at all.

Martin Frobisher: As I say, we provide the information to the train operators. We try to do that as quickly as we can. In a major incident like a dewirement, we know very quickly that the wires are down, but actually to put together a rectification plan, a bar chart and a

plan for recovery takes a bit of assessment in terms of the extent of the damage and the components that are needed for repair—the people and the machines, and so on. Once we have that bar chart together and we have an accurate restoration estimate, at that point we are able to pass it on to the train operators through our control centres.

Q231 Karl McCartney: Mr Scott, do you think you get that in a timely manner?

Richard Scott: It could always be faster—that is the short of it. We would like it to be as quick as humanly possible. Obviously in the modern era people demand, rightly, to have the information back extremely quickly. They can tweet instantly to a train company to ask for that information and they expect information back as fast as they can tweet. We still have work to do. We would like it to be faster. It is not perfect internally, if I am honest. We would like systems to be better to get the information to those who interact directly with customers—the people on the frontline and the social media teams, for example. It is a clear ambition to make it as timely and accurate as it can possibly be.

There are things that are happening such as the increasing roll-out of iPads or smart devices to teams on the ground, so that they can access information quickly. We have to make sure that when the teams on the ground have those devices they can find the information on our internal systems quickly, because of course they cannot do their job if they can't. It is absolutely a priority.

Q232 Karl McCartney: Do you get together and do some pre-planning, maybe with some critical path analysis, to give your passengers different options about how they might get to their destination?

Richard Scott: We try to give them as much advice as we possibly can. Sometimes it is more official advice where we rely on our partners in the industry, and we agree that there will be ticket acceptance on other lines. For example, Chiltern and ourselves have a very good relationship on the west coast, allowing people to swap tickets and travel on the other train operator's routes. It is the same across the network. The train operators get together and come up with a plan that is as good as it can be, but there is still of course room for improvement.

Q233 Karl McCartney: My final supplementary is: could it be better than it already is?

Richard Scott: Of course. Things can always be better.

Q234 Graham Stringer: Following up on that question, I cannot remember whether it was 7 or 14 June when I was on Oxford station in the evening. Somebody had walked in front of a train and the trains were delayed for about two hours. There was no information at all. Whose responsibility should it have been to get information to passengers on Oxford station?

Martin Frobisher: The station operator at Oxford is Great Western.

Q235 Graham Stringer: I realise that none of you was directly responsible.

Martin Frobisher: The answer to that is that Network Rail and the British Transport police would respond to the incident and first of all assess the cause of the incident. If there is CCTV footage that suggests it is suicide, it makes it easier to determine that it is not a crime. The British Transport police are very much in the lead in terms of classification of the incident and understanding whether or not it is a crime. Then there is recovery of the site and dealing with the body in the right and proper way, which we do with some specialist contractors who are employed for the purpose. Once those issues are understood—whether it was a crime or a deliberate act—we are able to provide the train operators with an estimate of the recovery time.

First, the incident is observed. Then we go through that process with the police and then, once we know what the recovery plan is, we are able to provide Great Western with some real information that they can pass on to passengers. That is how that particular incident would have been handled.

Q236 Graham Stringer: That is the process. Who should I complain to about the fact that I got no information until I walked on to a train?

Martin Frobisher: I guess in that instance both us and Great Western. If I can help you with some detailed information about that incident, I would be happy to do so.

Q237 Graham Stringer: I would be grateful, because the station staff did not know what was going on. Trains were going and it was not quite clear whether they were going straight through to Southampton or into Paddington. There was no clear information available. I should complain to you or Great Western, should I?

Martin Frobisher: I will provide you with some detail about that incident and will be happy to do so.

Q238 Chair: Ms Starr, is this one of the areas that you have identified in your work—that people do not actually know who to complain to and how to do it?

Jacqueline Starr: Yes, absolutely. Thank you for the question. It is not just specifically that people do not know who to complain to; there is a very fine line between sharing information with customers and holding it back so that the quality of the information is better. I do not for a minute think that the example you highlighted is acceptable. Of course, as a customer you are entitled to know what is happening. Customers expect a level of information, and what we are trying to ascertain is to what extent we need to inform customers and what that messaging looks like. This is where good quality insight really helps us as an industry.

For example, there has been lots of debate about whether, at the point of understanding that there has been a suicide on the line, we share that information with customers, and that is the message. Do we continue with that communication and give more information on what perhaps that means for their onward journey, which would be a very fragmented message, through a series of different communications; or do we have a single communication that is strong, informative and of good quality? That is the type of thing that we engage in with our customers to understand better.

Q239 Graham Stringer: I think that most passengers would want to know how long they are going to be delayed. If you cannot give an absolute answer about that, they want to know a minimum time of delay so they can go and get a ticket somewhere else or whatever. There was no information. I suspect most passengers are less interested in whether it is a suicide or a broken track; they just want to know when they can get back.

Jacqueline Starr: I accept that and I think it is really important. I travel on the Great Western line for four hours most days a week. Obviously I get affected by some of those things too; I am no different from the regular customer. I absolutely understand and agree with your point.

Q240 Chair: Who is funding the research that you are doing on this?

Jacqueline Starr: The research work that we are doing to analyse customers' needs across the industry is jointly funded by the train operating companies.

Q241 Chair: Who do you report to, or are you the decision makers? What happens when you come to a conclusion about something?

Jacqueline Starr: We report back to our board, which is the customer experience board and is made up of a number of the MDs or commercial directors of the train operating companies. We also report to the Rail Delivery Group, which is the board represented from the industry, and also to Network Rail.

Q242 Chair: Who takes decisions about changes that are needed?

Jacqueline Starr: The customer experience board will take those decisions.

Q243 Chair: Are they taking decisions as you go along or do they wait for a final conclusion?

Jacqueline Starr: They take decisions as we go along. We meet monthly and we have a number of priority agenda items. Passenger information is one of them. We discuss that every single month and we take decisions as we go along.

Q244 Chair: Could you give us any examples of decisions that have been taken to improve the passenger's experience?

Jacqueline Starr: An example recently is that there was a piece of work undertaken to review passenger information. The approach that was taken was very much a process review of how the industry could perform better around some of the processes and improve some of the technical systems. What that did not achieve necessarily was an improvement in the customer proposition or customer experience. The latter point that I make is a symptom perhaps of how the industry overall used to work and not how we have committed to work going forward. Although we have not delivered against any of those points yet, we have committed as a board to acknowledge when things are internal improvements and when things are customer enhancements. It is those customer enhancements on which we will place priority and seek funding from the industry.

Dave Penney: On a tactical level, when an incident occurs we immediately check things such as the NRE website and make sure there is an alignment between the information

being sent out. On time taken to restore, if we have more up-to-date information we immediately update it and make sure that it is put on the website.

Q245 Chair: If there is a financial cost to changes, does that stop them going ahead?

Dave Penney: With respect to?

Chair: Any improvements that are identified as being needed.

Jacqueline Starr: Normally the funding model will be across all the TOC community, particularly if it is enhancement work that benefits from being shared across the industry, as opposed to specific TOCs.

Q246 Chair: Railfuture told us that improving the flow of information to help passengers more would require substantial investment in trackside wi-fi. Does that involve Network Rail investing more?

Martin Frobisher: This is not so much about passenger information during disruption as wi-fi being available for passengers for surfing and that sort of activity. There are a number of different ways that wi-fi on trains could be delivered to passengers, one of which is putting in a specific railway phone system that is capable with a 4G or 5G signal, which would be a massive investment. The other is to work with mobile phone companies to fill in the black spots, so that when trains go through cuttings or tunnels it is possible to pick up a signal from an existing phone company. That would involve less investment from the taxpayer than a specific dedicated railway system and it would deal with obsolescence issues, but clearly if we made a big investment in a national railway system it would be easier to get complete coverage of the rail network. Some trials are being commissioned by the Department for Transport and we are working with them to work out the best solution. Those trials are organised by the Department and any procurement will be led through the train operators. That is the plan for the industry.

Q247 Chair: Can you tell us where the trials are taking place?

Martin Frobisher: The trial sites have not yet been specified.

Dave Penney: Obviously from a train operating point of view we think that wi-fi is a key enabler for our franchise and a key enabler for satisfaction and a more productive journey. We have invested in wi-fi across all our trains and provide it to everybody free at point of use. We are in dialogue at the moment with EE to provide additional infrastructure of our own along the route, effectively, to eliminate the black spots. It takes the national policy and builds on that to provide a much better service for the Chiltern customer.

Q248 Chair: Mr Scott, what can you tell us about Virgin?

Richard Scott: Our ambition is quite clear; we want free and fast wi-fi for everyone. We have upgraded the trains, broadly, as far as they will go. It now needs infrastructure improvements, which could come from a variety of sources. As Martin says, it could be a DfT or Network Rail led initiative. If you have a long enough franchise and you have the customer demand to make a business case, the train company could invest in itself and make a business case to do it without state intervention. It depends on the route and the

customer demand. I would say it is much more important for a long-distance operator such as ourselves to have good wi-fi than it is for someone who is on a train for 15 minutes.

Martin Frobisher: We are in the process of rolling out free wi-fi to passengers at the managed stations—the major stations. For example, at London Euston, which I manage, free wi-fi for passengers will be available by the end of the summer. We are fitting that in the major stations.

Q249 Graham Stringer: What is the commercial case for producing wi-fi?

Richard Scott: We believe it is what our customers want. The faster and better we can make our wi-fi, the more people will travel on our trains and they will be happier. They will recommend us to our friends and they will travel more often. It is essentially what we have built our business model on for 20 years and we have doubled our passenger numbers. We listen to customers and we try to provide what they want.

There are things that we can do to try to alleviate the limitations of the technology. We have just introduced an on-board entertainment portal on our trains. You can watch films streaming on your device, which you bring on board, without using wi-fi. That takes the burden off the wi-fi; it is streamed directly from a content server on board. That alleviates part of the problem with wi-fi, because you are not relying on it. There is no specific business case for that beyond the fact that we believe it will be in the interests of our passengers.

Q250 Graham Stringer: Do you harvest passenger information from providing wi-fi? Do you end up with more information about your passengers?

Richard Scott: When people sign up they put in their email address, but they are free to opt out of marketing if they wish.

Q251 Graham Stringer: Is part of the commercial case that you will get a lot more information about your passengers, which has a value?

Richard Scott: We believe that the more information we have about our passengers, the more we can help them with what their needs are. We can recommend them specific trains. If we see them booking on trains that are far too busy, we can say, “Look, why don’t you travel on a different train,” but people are not under any obligation whatsoever to have contact from us.

Q252 Graham Stringer: That was not quite the point of the question. Large amounts of data have value in their own right, don’t they? You are harvesting that as part of the commercial case.

Richard Scott: Certainly data have value, but the motivation is the customer experience and not the data.

Q253 Chair: We have been told that during certain episodes of disruption, passengers sometimes know more about what is going on than train company staff. We have also had a report from one witness of train company staff locking themselves away in a room,

because they did not know much about what was happening. Does that ring true to you, and what can be done about it?

Dave Penney: We touched upon the point slightly earlier. You are quite right that with the advent of social media, iPhones and so on it is perfectly possible for a passenger involved in an incident to start communicating about that incident before the train operator has evaluated exactly what the incident is, how we are going to respond to it, the best ways of alternative travel and the duration of time. We have to keep pace with that, so we have to issue technology to our own staff to ensure that they have that available to them, whether it be through tablets for staff or GSM-R communication in the cabs. We have to do that to get ahead of the game and make sure the information is there as quickly as it can be for our staff.

Richard Scott: That is absolutely right. We need to get the information to our staff so that they can give it to passengers. Passengers can of course demand information instantly, but it takes a bit of time for us to get the information to our staff on the ground. The roll-out of smart devices to people on the ground helps that, and we are doing that on our franchises at the moment, but we still have to get that information internally to people on the ground so that they can then look it up and help customers. More can be done, absolutely, and the faster customers can demand information, the harder it is for any company to provide that information, but we are up for the challenge. The Twitter feed we have is one of the fastest responses in the industry. We usually respond in about three minutes to people. We aim to get information to people in as timely a manner as we can.

Q254 Chair: We have been told that disruption has got worse over the past couple of decades. Does that sound right to you? This is what people have said who are giving us information. They say it is all worse.

Dave Penney: From Chiltern's perspective, our performance has been getting better and better. We are currently the highest franchisee performer for right-time performance. Our cancellation and significant lateness performance is very good as well. In fact, one of our key metrics is to continue pushing the boundaries on that and improve it. That is necessarily an individual case, but obviously the network is being used by far more trains so the frequency and ability of incidents to occur probably increases as a result.

Martin Frobisher: That is the point I would make. There are two factors. First, there is frequency of incidents and, secondly, congestion—the number of trains and the number of people on the network. Those two factors work against each other. Over the course of the last two decades, since 1996, there has been a doubling of the number of people who use the network. The frequency of incidents has reduced. The reliability of the infrastructure and the trains has improved, but the impact of incidents as a result of the congestion is obviously greater. Those two factors working in parallel create the final customer impact.

Richard Scott: I echo that. The west coast main line, for example, is the busiest mixed-use rail route in Europe, as you know. One incident of a signal failing or a suicide has a huge knock-on effect. Recently on the east coast there was a line-side fire. It was no one's fault. A building burnt down and it was not safe to run trains next to it, but that caused absolutely enormous delays right along the line.

Q255 Chair: When things go wrong, do you think it is important that there are people telling passengers what is happening and what they can do, or should they have to rely on systems such as apps or whatever other system it might be?

Jacqueline Starr: I think it is a mixture. This relates to the earlier point. Our research tells us that it is a mixture, depending on customer needs. Some customers are happy to use their own technology to be provided with information. Other customer types want to speak to a person and they want to have the same timely quality information to hand. As an industry, we have to be increasingly aware that we have that mixture of needs. We need to be able to cater for them and evolve all those channels and sources.

Q256 Chair: Is that happening?

Jacqueline Starr: Yes, absolutely.

Q257 Chair: Does anybody else want to comment?

Richard Scott: I agree. It is not a one-size-fits-all approach. You have to have a different set of solutions so that the customer can choose the channel. If they want to speak to a person, they should be able to do that. If they want to look at the website and get the information that way because they think it will be faster, they should be able to do that. It should be up to the customer.

Martin Frobisher: We are the same. For us, if there is an incident at a major station, having lots of people out there to help passengers makes a big difference. That is something we do. We have equipped our customer service people with iPads so that they have up-to-date information. In fact, at London Euston where I work we have a rack of iPads that we keep for extra staff. We get managers out of the offices and on to the station concourse. We equip them with modern technology to be able to help people when there is an incident. I think that works well. A friendly face equipped with the right technology makes a difference. That was certainly one of the lessons we learned from the difficult experience at London Bridge. Having people out there who are knowledgeable and with the right technology helps. That is important.

Q258 Iain Stewart: I would like to ask the panel's views on the powers and capacity of the industry to deal with known events that are coming up. The example I will give, assuming HS2 proceeds, is that major work will start at Euston later this year or early next year and will involve significant Sunday closures. Some of the approach paths will be taken out, which means that, although the current timetable is expected to be maintained, there will be no slack in the system, so if something goes wrong major disruption will be created. Do Network Rail and the TOCs have the ability and powers at the moment to work together effectively to advise passengers in advance of this work and then to respond quickly when there is an incident that causes disruption?

Martin Frobisher: The answer is yes. I will work that through logically. First of all, HS2 is vitally important. The only way we are going to deal with capacity on west coast in the long term is by doing that. As a railway operator, the need for the project is compelling. We have to build it. As we build it, there is a need for me to hand infrastructure over to HS2. At the moment there are six approach lines into Euston. I will hand over line D and line X to the construction team at HS2. Yes, that is going to make things more difficult for

me. That is the reality. At the moment I have six lines approaching Euston, and we are going to have to run the timetable with four, and it will have an impact. It is necessary in the long run and it is really worthwhile because it is the long-term future of the industry, but we are going to have a difficult period when we have less infrastructure available. We are working very closely with HS2 and the operators. We have set up a group called the HALO group—the HS2 access and logistics group, the access being all the possession work—and we are working very closely together as an industry. We have learned a great deal from London Bridge. Are the right things happening? I can answer confidently yes. Is it going to be easy? No, it is not.

Q259 Iain Stewart: Forgive me, that was not quite my question. I completely understand the need for HS2 and the consequential works at Euston. I am trying to get a feel for this: within the powers that you and the TOCs have, given that both the west coast franchise and the London Midland franchise are coming up for reawarding in the next couple of years, do you have the ability to inform passengers properly that this is coming up so that they can make long-term planning?

Martin Frobisher: The answer is yes.

Q260 Iain Stewart: And do you have the ability to co-ordinate timetables and work efficiently together when something goes wrong, as inevitably it will, or do you need more powers? Does there have to be specification in the new franchises to give you greater powers to deal with that?

Martin Frobisher: We have the powers we need to inform passengers. Our check before you travel campaign has proved very effective. It had 61% recognition when we surveyed passengers about that campaign. We have learned how to communicate this type of work effectively with passengers. On the development of the timetable, we are working very closely with operators. On the development of the franchise, yes, we work very closely with the Department for Transport. I have met with Michael Hayes, the franchise director at the Department for the new west coast franchise to work through some of those very issues. There is lots of communication. The process is there, but we are going to have to run the service with less infrastructure while we build it. That is what we face, but it is worth it in the long run.

Q261 Iain Stewart: What do the operators think?

Richard Scott: The answers to your questions, broadly, are yes. We can communicate with passengers. We can co-ordinate over timetables effectively and we can deal with disruption. Generally, the industry is very good at coming up with an alternative plan when disruption occurs. As Martin says, you have the fundamental problem of suppliers being reduced while demand continues to rise. That is inescapable, so it is going to be very challenging.

Dave Penney: We have been involved in how we might provide alternative capacity during those times. As an industry, together with DFT, HS2 and so on, we are working towards that. As soon as we agree what the scale and frequency of the works are, plans can be put in place.

Q262 Chair: Are you satisfied that passengers get the best information on the best deal for any journey they are taking? For a long time there have been complaints that different machines give out different information and that staff might not inform people of the best deal. It is said that split ticketing could save a great deal of money. Are you satisfied that enough information is given to people?

Jacqueline Starr: As a representative of the customer, across the industry the response to that has to be no, absolutely not. We can do better. It is complex and confusing. Customers tell us that and we need to respond to it. We are starting to respond to it, certainly through fare simplification. Some of that is just simple terminology actually, but some of it is also around the complex infrastructure that exists to change fares. We need the DFT's support to make that happen.

In terms of access to the best fare, there are instances, we understand, particularly through some of the ticket vending machines where that is not clear and we are not as transparent as we need to be. We have recently conducted research into that. We are working with the ORR to understand what we need to make that change and how quickly we need to make it happen. It is definitely an area that we need to improve.

Q263 Chair: What are the areas for improvement that you have identified?

Jacqueline Starr: One of the areas is simplification, because customers do not understand some of the language we use. They do not understand some of the ticket types and therefore they cannot make an informed purchase if people are not to hand to support them. The other area we have identified is some of the ticket vending machines. Some of the optimum fares are not available for customers at the time they want to buy a ticket.

Q264 Chair: I am interested in when something is going to happen. This is not a new problem. I have looked back at previous recommendations from the Committee in previous Parliaments. The report issued by this Committee in 2009 drew attention to it. We were told at that time by ATOC that they would make sure that people always knew what the best deal was, but nothing seems to have happened. How long is it going to take?

Jacqueline Starr: I cannot talk about the commitment that was made in 2009, because it was before my time, unfortunately. All I can do is agree with you and emphasise that something needs to happen quickly. We are certainly not comfortable with the timescales in terms of delivery that have been responded to in the past.

Q265 Chair: Who is responsible for this?

Jacqueline Starr: I believe that ATOC RDG has a key role to play in terms of being the voice. We need to work with the TOCs. Again, it is a collaboration. We cannot do it without them, but we also need to work with the ORR and the DFT to make some of the changes happen.

Q266 Chair: Does anybody else want to comment? You said that the TOCs had a role to play, but I am looking for a solution—for something to be done. I do not want X years ahead someone still talking about the need to act.

Jacqueline Starr: Just to elaborate, what I mean is that they have a role to play in that they are a party to that conversation. Again going back to the model that we have, it is a collaboration between us as industry representatives.

Q267 Chair: It is a collaboration, but it is not clear if anybody has specific responsibility to make changes.

Jacqueline Starr: It is something that we own within RDG. It is very much on the agenda. It is a priority for us right now. We have people working on it. We have meetings in the diary with the DFT to discuss this very subject. It is supported by our members at the customer experience board who represent the TOCs, and the TOCs at this table.

Dave Penney: We spend a lot of time ensuring ourselves that the current methodologies on purchasing tickets are impartial and that the information given is as good as it can be. In fact, the recent Which? survey results show our good work in that area. We believe that technology is one of the key areas that can help improve the very situation you talked about—simplifying the way you buy tickets, making them contactless and pay as you go. That allows you to simplify the number of fares on offer and is really the way forward for the industry. We support RDG in that approach.

Q268 Martin Vickers: Would it be fair to say that the industry as a whole is way behind the airline industry in terms of contactless tickets, smart ticketing and so on?

Jacqueline Starr: Yes, I think that is extremely fair.

Q269 Martin Vickers: Why?

Jacqueline Starr: I cannot answer as to why, to be honest. I can make assumptions based on my personal view. There is probably no value in speculating, but what I can tell you is that certainly within the last few weeks we have gained agreement across the RDG and all our board members for a smart ticketing plan with a very clear timeline, very clear deliverables and clear sponsorship from the TOC community. We have approval and have received an allocation of the initial funding to deliver the first phase, in the form of global barcode roll-out.

Q270 Martin Vickers: In your previous answer you mentioned that you are looking for DFT support. Exactly what do you mean by that? Are they not supportive in any way?

Jacqueline Starr: They are supportive, but a lot of what we are doing is challenging ways of working. It challenges a lot of legacy behaviours and processes within the industry. They need to be changed. We need to be more agile as an industry. There are instances, particularly around fares change, where the DFT also needs to respond. It is not that they are not responding; it is that we need them to continue to recognise and respond to that.

Q271 Martin Vickers: In my experience, ticket barriers, which I presume are there for a specific purpose, are more often open than closed. It is impossible to get on to the London underground, in my experience, without going through a barrier, yet you can wander on and off trains. I quite often travel on a journey where the barriers are open at both ends and nobody looks at the ticket during the journey. Why is that?

Jacqueline Starr: I have no personal experience of that.

Dave Penney: For us, I would certainly say that they are an absolutely valuable part of the ticket journey. They ensure the validity of tickets and that we understand how many people are travelling, and so on. Our view is to make ticket barriers work as much as is humanly possible. I would not want to see that kind of situation occurring on Chiltern.

Q272 Martin Vickers: I took a journey yesterday evening on Virgin east coast. The barriers were open at both ends and nobody checked the ticket on the journey.

Richard Scott: As Dave says, the aim is to use the barriers. They are there to be used and they are clearly there for a reason. There was a point I wanted to pick up on what you said earlier about airlines, which I thought was an interesting observation. One of the things airlines have as an advantage is that effectively everyone books a specific plane. No one does a walk-up fare, as you can on the train. That allows them to know exactly where people are going and exactly where the demand is. They can make sure there is no one standing on board and that everyone has a seat. You have fewer complexities to work through from a ticketing perspective, because you do not have the total flexibility of a ticket that can be used at any point over 30 days.

Q273 Chair: Are ticket machines likely to become obsolete?

Jacqueline Starr: There is no definite yes to that. It will be driven by passenger need and passenger insight, as part of the ticketing strategy. Enhancing the current ticketing machines is very much part of that at the moment. It is not something we would rule out, but it very much depends on passenger need and what passengers tell us they want and need for the future.

Chair: It is unclear.

Dave Penney: I think this is the way it is heading: we would like to get to a point where fulfilment is on mobile phone or suchlike. We have a new approach with our stations on the Oxford line, where staff are not behind a ticket counter but on the concourse. Through an iPad, they can effectively construct the ticket you want to buy, and the only reason you go to the machine is to buy the ticket—to put the credit card in. Technologies will move away from needing banks of ticket machines.

Q274 Chair: What will happen to people who find difficulty using the new technology?

Jacqueline Starr: New technology can be a number of things. For example, a ticket office could potentially be a virtual ticket office. It can be simpler to use and offer more clarity for customers. It can offer a better level of interaction, so technology can also improve some of the prohibitivist services that we see at the moment.

Dave Penney: Retaining the human touch can guide someone through the process so that they learn and become an advocate of the process. You cannot forget the human touch in that process.

Q275 Chair: You do not envisage a situation where people who cannot use technology cannot travel any more. We are not heading that way, are we?

Richard Scott: That would absolutely not be the case. To echo what my colleagues have said, we are now offering m-tickets on mobile phones for all our routes. You buy on the app and scan it on the gates. We introduced that a few months ago. We have seen a huge demand for it, and I suspect you are right that ticket machines will disappear eventually, but we would only see the end of the orange ticket, as it were, when there was a clear, unambiguous lack of demand for the orange ticket. It is absolutely unacceptable that someone could not travel, so that will not be happening.

Q276 Mary Glindon: Do you think passengers should have to pay the full fare for replacement services that can often take a lot longer than their planned train journey and be far less convenient?

Jacqueline Starr: Let me answer across the industry. From an industry perspective, the challenge with that is that if we reduce the fares, which are used to invest and improve the infrastructure, it means we have less money to drive into the infrastructure, potentially taking longer to deliver those improvements. That is the challenge and debate we have in responding to that question.

Richard Scott: In the past we have faced criticism for having fares at the same level when there has been disruption, reduced capacity or rail replacement buses. There is a reality where you do not want to encourage a poor experience. What will happen is that if you reduce prices right down, to reflect the fact that it is a rail replacement bus service, say, you run the risk of more people wanting to travel because it is a worse service and you actually end up having a terrible experience for everyone involved.

Martin Frobisher: From Network Rail's perspective, in major enhancement works where we take significant track access and there are bus replacements occurring, the compensation regime for the big pieces of work is generally on a no net gain, no net loss basis for the train operators. If the work became more costly, that would obviously have an impact in terms of the national programme for upgrading the rail network. If we are paying no net gain, no net loss and the whole process becomes more costly, it would have an impact on the cost of schemes.

Dave Penney: I support the points made, but we will always focus on what is right for the customer during the blockade, which might be the provision of extra facilities, such as buses. There have been times when the disruption was over such a long period of time that we looked at discount elements to ensure that our passengers were not inconvenienced. There is a mix available in that approach.

Q277 Mary Glindon: If it was due to something sudden and buses had to replace a train service, which would be different from planned works, is there any difference in the way you would treat a passenger in relation to compensation for the fare?

Dave Penney: The example I just gave was as a result of an unplanned incident. We made sure that customers could either travel on alternative routes such as Virgin or that we provided high-quality bus services and then discounts to retain customers.

Martin Frobisher: I think the answer is yes. The delay repay systems kick in when there is unplanned disruption. When a passenger has had to get on a bus and it was an unplanned disruption and they took longer to get to their destination, the mechanisms are different from planned work.

Q278 Mary Glindon: This may seem a ridiculous question, but are there potentially more effective and efficient alternatives to a bus replacement service? If you cannot get a train, do you have to get a bus because there is nothing else?

Martin Frobisher: Diversionary rail routes are the best alternative—ticket acceptance on alternative train lines. We collaborate quite closely. West coast collaborates with Chiltern, and so on. If the route were closed between London and Birmingham, Chiltern and Virgin provide an alternative to one another, with us working across that. That is a better alternative than a bus.

Q279 Mary Glindon: Would that be your first choice, if possible?

Martin Frobisher: Yes.

Richard Scott: Absolutely, yes.

Q280 Mark Menzies: I am sticking to the same theme as Mrs Glindon's questioning in terms of compensation for passengers. If someone buys a ticket, particularly for a long-distance journey, the train is full, there is no seat and they are expected to stand for two and a half hours or more, what compensation would Virgin offer passengers in such a circumstance?

Richard Scott: Those sort of compensations are generally at discretion. It depends on the exact experience. We will of course try to find someone a seat. That is the first port of call. Sometimes people do not tend to move. They get on in one carriage. It is full and standing. The train manager makes an announcement saying, "If you move down the train there are plenty of seats there," but people often do not move. Sometimes they will of course declassify first class or some of the carriages in first class to provide extra seating. We have just finished converting a first-class carriage on 21 of our trains to standard class. We try to give passengers the information. We have just started putting information on the display boards at Euston showing the reservation levels of carriages. If you do not have a reservation or a seat that is booked, you can see, for example, that your best chance of getting a seat is in coach G, so you go there. Yes, of course we provide compensation in some circumstances, depending on exactly what the circumstances are.

Q281 Mark Menzies: What does a passenger have to do in order to obtain compensation?

Richard Scott: They can get in touch with us via a variety of means. We have all our customer relations channels—phone, live chat, Facebook and Twitter.

Q282 Mark Menzies: So the next time I am on a Virgin train and I cannot have a seat, and I am standing in the vestibule or hovering near the toilet, I can get in touch with you and I will get compensation.

Richard Scott: You can get in touch with us. We may give you compensation; we may not. It depends on the exact—

Q283 Mark Menzies: What do I have to do? Let's get real. Forget that it may be discretionary. What do we do to improve the passenger experience so that people feel that they have a very clear journey to take in order to obtain compensation?

Richard Scott: They get in touch with customer relations. They make a complaint or raise what has happened to them. There is no absolute guarantee of compensation in any given situation, because it is impossible to give that absolute guarantee.

Q284 Mark Menzies: You are quite happy to take cash off people and for them to stand for two hours and twenty minutes without a seat. I think that is absolutely ridiculous.

Richard Scott: I would agree. I think that is an unacceptable experience and that is not what we want to do, which is why we encourage people to travel on trains that are less busy. We try to get people off the absolutely peak trains. The key ones that are a problem for us are the first off-peak trains on a Thursday evening or Friday evening out of Euston—

Mark Menzies: Which is what I usually get.

Richard Scott: And the Sunday trains coming back to Euston. We do not have the capacity to deal with demand at those times. Because of the way ticketing works we cannot price accordingly, so you have a cliff edge at the end of the peak and the start of the off-peak when everyone wants to travel—7 o'clock on a Friday night out of Euston. If there was more discretion over the pricing and perhaps a shoulder peak, as people have suggested in the past in industry reviews, you would be able to manage demand better. We absolutely want everyone to have a good customer experience. That is what we have built our reputation on; let me make no bones about that. Of course, the problem is that you come back to the point the Chair made earlier. The more you increase the ability to manage demand and encourage people on to other trains that are less busy and discourage them from the very busy trains, the more complicated you make the ticketing.

Q285 Mark Menzies: Ms Starr, on the same theme, what conversations have you had with the train operating companies, particularly ones who go long distance, about offering compensation when people get on to trains and do not have a seat?

Jacqueline Starr: The conversation is not just around compensation; it is broader than that. It is around passenger information in terms of helping passengers to understand—

Q286 Mark Menzies: Sorry; what conversations have you had with regard to compensation? Tell me about the conversations you have had.

Jacqueline Starr: The conversations specifically around compensation have been limited to if the train is delayed. They have not been extended to the examples that you highlighted in terms of passengers not being able to find a seat on a train. What we have had is a broader conversation around understanding to what level we should be able to have the capability to provide passengers with information, so that they can make a more

informed choice as to whether they want to get on a train that is crowded and potentially stand, or whether they want to take a train with preferably a concession on the fare.

Q287 Mark Menzies: Sticking to the conversations around compensation, how have those conversations gone?

Jacqueline Starr: In terms of the compensation around delay, those conversations have gone very positively. On delay repay, we have a situation where all the TOCs, every single one of them, have agreed, signed up to and will have the capability to commit to the ORR regulation around delay repay encouraged by Which? last year.

Q288 Mark Menzies: If your conversations have gone well, what TOCs are offering compensation when a passenger cannot get a seat?

Jacqueline Starr: That was not part of the conversation.

Mark Menzies: You have not had the conversation.

Jacqueline Starr: Just to be very clear, the conversation we have had is around delay within specific timescales. It is not around passengers not having a seat.

Q289 Mark Menzies: I cannot be clearer. I am asking you what conversations you have had with train operating companies with regard to offering compensation to customers who cannot find a seat on a train.

Jacqueline Starr: I apologise; I had not understood clearly. The answer is that we have not specifically around that.

Q290 Mark Menzies: Don't you think you should?

Jacqueline Starr: Yes, absolutely, but there is also a broader conversation in terms of other things that we can do.

Mark Menzies: Chair, if they are going to have conversations, we can pick up at a later date how those conversations have gone.

Chair: We would ask you to pursue that specific issue.

Q291 Mark Menzies: I have one final point for Mr Frobisher. Based on my experiences at Euston, at peak times when a train is announced—"The train to Glasgow is on platform 13"—there is an almighty stampede because people who have not booked a ticket are terrified that they are not going to get a seat. What work have you done in order to try to evaluate accident rates at Euston station? With the number of people pulling luggage behind them and bumping into people, it is like opening the gates of a zoo. Tell me about the accident rates at Euston.

Martin Frobisher: The accident rate at Euston is comparable with our other major stations. I can send you the precise data if that is helpful.

Q292 Chair: How many people get injured in the rush, in the situation Mr Menzies describes?

Martin Frobisher: Sitting here right now, I could not quote the precise number for all my managed stations.

Q293 Mark Menzies: Is it one a month, 10 a month or 100 a month?

Martin Frobisher: It is measured as a frequency rate per number of passengers. We have a monthly station report that measures the safety performance. We have been doing a lot, working with Virgin for example, to address that. Virgin have done a great piece of development of their website so that people who have booked in advance through the Virgin website start to get advance information about which platform—

Q294 Mark Menzies: You are trying to deflect me.

Martin Frobisher: No, I am not.

Q295 Mark Menzies: You are. I am asking you to give me a rough idea of what we are looking at in terms of accident statistics.

Martin Frobisher: The answer is that I do not know the exact number.

Q296 Chair: Would you send us the information?

Martin Frobisher: I will send you the information.

Q297 Chair: Mr Scott, you suggested that one of the problems is the sharp change in fares from peak to off-peak, whether it is at 7 o'clock or whatever time it might be. Who could decide to change the way that is done? Is it the TOCs' decision or is it a ministerial decision?

Richard Scott: I think that would be a ministerial decision.

Q298 Chair: It is Ministers. Is it to do with the way the franchise is worded?

Richard Scott: The thing that would make the biggest difference is something that we have toyed with: if you were allowed—to be clear, we are not allowed—to make trains reservation only so that you avoided walk-ups, then you could say that everyone would get a seat because it would be reservation only. You are not allowed to do that under industry rules. That would be ministerial.

Q299 Chair: That would be a very major change, wouldn't it?

Richard Scott: It would. Correct. It would be a major change because you would be saying no walk-up fares, potentially. It would be a major change, but it would address the issue of lack of seating. To go back to the point about Euston, that is a very good point and it is something that we have been concerned about, which is why if you register on the website and book with us, you get a text saying, "Mr Menzies, your train is on platform 8" before the rest of the public know about it. You can start making your way. Next there will be an

announcement before it goes on the board, so you get three waves rather than one massive crush.

Q300 Chair: Who decides whether to declassify first class on the train?

Richard Scott: That is the decision of the train manager on board.

Q301 Chair: And they do that at the time.

Richard Scott: Yes.

Q302 Chair: Do you think there is a future for first class on busy commuter lines?

Richard Scott: I am the wrong person to ask about busy commuter lines. On our services—long-distance services—there absolutely is. We have a lot of people who want to travel in first class and we have to try to get the right balance for all our customers.

Q303 Chair: The Rail Delivery Group said that the industry and the Department for Transport must work together to “improve fares regulation” if the introduction of part-time season tickets is to be achieved. Why is that the case? What is there now that inhibits that development?

Jacqueline Starr: It is about the relaxation of some of the rules. I cannot talk to you specifically about the rules and the schedule off the top of my head, but it is about relaxation of those to enable us to have more flexibility around how we construct some of the fares.

Q304 Chair: What is your analysis of the likely effect on revenue of the widespread introduction of part-time season tickets? Would anybody like to comment on that?

Richard Scott: We have an easy answer. We do not think it will make too much difference. We do not have that many season ticket holders.

Q305 Chair: What if that changed? The Government have spoken about facilities for part-time season ticket holders. Would it make a big difference to revenue?

Richard Scott: I do not think it would, no. We do not have that many season ticket holders.

Jacqueline Starr: It is something we will be looking at as part of the strategic ticketing programme, to understand what the impact would be. From a customer perspective there is a demand for more flexible ticketing, and therefore it is clearly something that we need to provide.

Q306 Iain Stewart: I want to go back to Mr Scott’s comment about its not affecting Virgin. It potentially could have a big effect. Lots of people on my line from Milton Keynes to Euston have season tickets that are shared between yourselves and London Midland. I think there is a huge untapped market for people travelling off-peak with an off-peak season ticket or on certain days of the week. Given that both franchises are soon up for renewal,

what level of specification do you think there would need to be in those new franchise tenders to allow for you to work with London Midland in developing that product?

Richard Scott: We are happy to work with people on it. I am not sure whether it would need detailed specification in the franchise from the DFT or not. I would have to go away and have a look.

Iain Stewart: I would be grateful if you would, because it is quite important. Whether it is something that needs to be specified and directed by the Government, or whether you yourselves, working with other TOCs, have the flexibility to develop these products, is a critical point.

Richard Scott: Yes.

Dave Penney: To add to that point, we offer flexible ticketing solutions such as carnet tickets, which allow you to pre-book a number of journeys and get a discount for purchasing. We see the ticketing technology as a way of unlocking it for us. If you can have pay as you go, contactless, and so on, it will allow you effectively to charge on demand and know that the back office will charge you the right fare at the end. That is what we are looking to move to.

Q307 Chair: Is there any technical reason why part-time season tickets have not been introduced?

Dave Penney: At the moment, for us, with the current gated technology with the orange ticket, there is effectively a protocol about how you would be able to control those. Again, we would have to evaluate the cost of upgrading that against the benefits of doing it. That is why our belief is that if you could introduce smart ticketing arrangements it would solve that problem.

Q308 Chair: Finally, I want to ask you about measuring passenger satisfaction. A recent survey said that 69% of passengers on Southern railway were either very or fairly satisfied with the service. The irate passengers on that service are not very impressed with that. There is something wrong, isn't there?

Dave Penney: You would have to ask GTR to comment on specific figures. Chiltern is at 91%.

Q309 Chair: Would any of you like to comment? That clearly does not reflect what we are hearing from people who are travelling on Southern.

Martin Frobisher: For the two operators here, Virgin had 92% on the same survey and Chiltern had 91%. It is not a uniform experience across the nation.

Q310 Chair: But why is it so inaccurate?

Jacqueline Starr: It is perhaps the timing of that survey. If you have taken it from the latest NRPS, it might not include some of the recent challenges within Southern. That might be why that figure does not seem representative of how customers might feel right now.

Q311 Chair: Are you satisfied generally that passenger surveys as used reflect what people experience and what they think?

Jacqueline Starr: Generally yes. The NRPS, which is the core industry survey, is supplemented by TOC surveys and we reconcile them for consistency. It is also supplemented by a survey conducted by Which? and there is a lot of consistency between those, too. Yes, on the whole they seem to be accurate measures of our customers' view.

Dave Penney: We run independent surveys in between to help guide us to the correct areas. You see a correlation, where an investment in on-train cleanliness is then seen in NRPS scores.

Chair: Thank you all very much.