



Transport Committee

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

Wednesday 20 July 2016

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Written evidence from witnesses:

- [Department for Transport](#)

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Members present: Mrs Louise Ellman (Chair); Robert Flello; Huw Merriman; Will Quince; Graham Stringer; Martin Vickers.

Questions 312-413

Witnesses: **Paul Maynard MP**, Parliamentary Under-Secretary of State for Transport, **Bernadette Kelly CB**, Director General, Rail Group, and **Peter Wilkinson**, Managing Director, Passenger Services, Department for Transport, gave evidence.

Q312 Chair: Good afternoon. Welcome to the Transport Select Committee. I welcome the Minister, who was previously a very active member of the Committee. He will see that members have maintained their standards.

Paul Maynard: I am pleased to hear it.

Q313 Chair: Minister, would you like to say who you are, for the record, and to introduce your team?

Paul Maynard: I am Paul Maynard. I am the Minister for Rail and the Parliamentary Under-Secretary of State at the Department for Transport. With me is Bernadette Kelly, who is the director of rail, and Peter Wilkinson, who is also from the rail group in the Department.

Q314 Chair: Thank you very much. At the moment, there is virtual chaos on Southern railway, with very angry passengers, and it appears that nobody can do very much about it. Who is responsible for this mess? Is it the Minister and the Department, or is it Southern—GTR—the company responsible for running the franchise?

Paul Maynard: It is entirely the case that the current level of service is unacceptable for passengers. I recognise that immediately and wholeheartedly. Since I was appointed on

Monday, I have been looking at this in very great detail. Along with the Secretary of State, I have met Charles Horton, from GTR, and David Brown, from the Go-Ahead Group. With the Secretary of State, I have twice met Mark Carne, from Network Rail, both on Monday and on Tuesday.

It is clear that we are discussing one of the most stressed parts of the rail network. We have what is almost a perfect storm of circumstances. We have the issues caused by the upgrade of London Bridge. On top of that, we have the added consequences of the current unofficial industrial action that is occurring on the network. Trying to cope with all of that is a great challenge for GTR and for Network Rail, both of whom I am exhorting to put the passenger first, to look at what is going on and to improve performance. However, we still have issues, such as the collapsed sewer/sinkhole that we saw at Forest Hill on Monday afternoon. We thought that that would take four days to clear, and I congratulate Thames Water on sorting it out within two, but we still have line speed restrictions. We still have a 20-minute delay as far as East Croydon. Then we had the issues at Brighton yesterday, caused by a signalling failure. It is very clear that the entire stretch of line has serious resilience issues.

Q315 Chair: Who is responsible for putting things right? The major works that are taking place on the line were known about before the contract was ever let. When we spoke to GTR at one of our earlier sessions, they admitted that, way before there was any kind of industrial action, the company simply did not have enough drivers. When we look at what has happened since the remedial plan, so-called, was put into effect, it is still pathetic. On Southern main line, only 26% of trains arrived within five minutes of the time when they were meant to be there, with 12% on time. That is when the so-called remedial plan had been put into effect. Who is responsible for this sorry state of affairs?

Paul Maynard: At the moment, responsibility lies with the franchise holder to improve performance. DfT is monitoring closely what GTR is doing. We are in contact with them on a daily basis, to make sure that they are trying as hard as they can to improve performance.

Q316 Chair: When the remedial plan was put in place, was the Department involved with GTR in agreeing exactly what would be in it?

Paul Maynard: The remedial plan was essentially triggered by GTR being in breach of some of its performance measures relating to short-running trains, a lack of drivers and so on. The remedial plan was a key part of the Department's co-operation with GTR to work to build performance and improve the outcomes for passengers.

Q317 Chair: The revised timetable involved massive cuts in services, which we were told would make things more reliable, but does it just mean that more cuts, more regularly, will be better known to passengers? What did it mean? It does not seem to have made anything reliable. On these figures, 12% of Southern main line trains arrived on time after the revised timetable had been put into effect.

Paul Maynard: To my mind, the purpose of the revised timetable is first and foremost to ensure a degree of predictability for passengers. Before the revised timetable was introduced, passengers could not be certain whether trains would be cancelled or not. By

moving to the revised timetable, which runs 85% of services, at least passengers can be certain that the scheduled trains will arrive on time, according to the revised timetable. Of course, passengers will still be compensated in accordance with the original timetable, so they will still get what they are entitled to.

By ensuring that we have the revised timetable, we are giving Network Rail an opportunity to have more route access to improve the reliability of the network. It also gives GTR time to improve driver training and to bring more drivers back on to the trains. From Monday this week, we have seen more services running to Lewes, more services running to Seaford and more services running through the Mole Valley and elsewhere in Surrey. I am urging GTR to work as hard and as fast as they can to restore the full timetable, but they will have to take a judgment with every passing week as to what further services they can put on, as they build more resilience back into the service. I am quite clear that the revised timetable is a temporary measure. It is not acceptable on behalf of passengers. I look to GTR to continue to improve performance and to resolve the industrial dispute that may be ongoing with RMT.

Q318 Chair: Is it correct that the revised timetable was agreed with the Department so that GTR could avoid having the franchise removed from it? Putting in the revised timetable, invoking force majeure, meant that the company did not breach the very specific conditions that were laid down that could result in their franchise being removed. Was it all a devious arrangement between the Department and the company to stop them losing the franchise?

Paul Maynard: I am very keen to answer as many of your questions as I can personally, but as that relates to episodes that occurred before I took on the brief, I will hand over to Bernadette, if I may, who has greater knowledge of the matter.

Q319 Chair: Certainly. Ms Kelly, can you tell us that? Did the Department collude with the company in working out this revised timetable so that the company was then not technically in breach of its franchise, although it incurred the wrath of the passengers, who really ought to matter the most in this?

Bernadette Kelly: The company was responsible for determining the revised timetable. We were informed of the plan to introduce the revised timetable. We believe that the company's motivation in doing that was to provide a more resilient passenger service, not to avoid triggering a breach of their franchise agreement.

Q320 Chair: Did you have discussions with the company that you knew very well would result in them avoiding triggering the clause that would make the contract be removed from them?

Bernadette Kelly: I will ask Peter to talk about the detailed conversations we have been having with the company, but I would say that the motivation that you are suggesting was not part of the conversations that we had.

Q321 Chair: Mr Wilkinson, what can you tell us about this? Was there virtual collusion between the Department and the company in setting out and agreeing this revised

timetable, with the knowledge of the Department that it would mean that the company could avoid triggering the clauses that would lead it to lose its franchise?

Peter Wilkinson: It is an understandable question. There was no collusion in that sense. Certainly the operator shared—

Q322 Chair: In that sense? In what sense could there have been?

Peter Wilkinson: There was no collusion to produce a timetable that would effectively prevent them from breaching their obligations under the franchise agreement. That was not the purpose of the timetable. It is a matter for the train operating company. They have a remedial plan in place with us that has clear cancellations targets and short formations targets in it. The purpose of the remedial timetable was to do two things. It was to enable the train operator to restore more predictability of services for customers—

Q323 Chair: I am aware of that. We have been informed of that. I am looking at other issues. Isn't it the case that the Department has invoked a clause that has enabled the company to avoid losing its franchise because it has not met its service conditions?

Peter Wilkinson: No, that is not—

Q324 Chair: The Department has not done anything at all.

Peter Wilkinson: All the Department needed to do was to be cognisant of the changes. It is a matter for the company to introduce the timetable changes. They made us aware of the changes they wanted to bring about. There was no collusion with them, to that extent. There was no collusion, full stop. It was not about avoiding benchmarks or targets, or causing them to avoid losing their franchise.

Q325 Chair: But it is true, isn't it, that the Department has invoked force majeure, which has enabled it to avoid looking at the company's specific breaches in relation to timetables? Why has that been done?

Peter Wilkinson: There are clauses within the franchise contract that, under certain conditions, force majeure can be invoked. That is a matter of template contract in our franchise agreements. For example, if there are circumstances far beyond the control of the operator or certain circumstances prevail on the railway, they can invoke force majeure. That is a permissible action under their agreement.

Q326 Chair: Who assesses whether it is reasonable? Is it entirely a decision of the Department, or is it something that the franchise holder does and the Department has to agree with?

Peter Wilkinson: It is for the operator to make the application and for the Department to consider that application.

Q327 Chair: And the Department agreed it.

Peter Wilkinson: I do not think that we have invoked force majeure at this point in time.

Q328 Chair: Could somebody clarify that for me?

Peter Wilkinson: We will have to come back to you on that, but I am not aware that we have invoked force majeure.

Bernadette Kelly: No.

Q329 Chair: Could your officials come back to us on that, Minister?

Paul Maynard: Yes.

Q330 Huw Merriman: Minister, welcome to your place. I am a daily commuter on Southern. Indeed, I missed today's deferred Division because I was stuck on a train. Luckily, I had been speaking at a conference with the Labour MP Peter Kyle, so we were paired off.

Could I ask about the industrial relations issue? In this inquiry, we have heard from the leader of the RMT, your predecessor as Rail Minister and the managing director of Southern. It seemed to us from what we heard that the seeds of some form of agreement—certainly, of talks—were in place. Has the Department been involved in talks with the RMT and Southern to try to reach fruition with this dispute?

Paul Maynard: We certainly urge GTR and the RMT to keep talking to resolve their division. I noted that Mr Cash did not seek confrontation with the Government; he was very clear about that in the evidence that he gave you. I have a good working relationship with the RMT. I do not seek confrontation either. I have worked with them closely in my constituency on safety issues at Blackpool North. It is in the best interests of both the RMT and GTR to put the passengers' needs first and to reach a resolution of their concerns. I am moderately perplexed as to what the RMT's genuine concerns are, but I believe that they can be resolved and I urge both to keep talking.

Q331 Huw Merriman: We heard from the RMT that, ultimately, they were looking for some form of guarantee that there would be a second crew member on the train. Southern was able to give the Committee reassurance, and, indeed, a guarantee to the RMT, that it would employ a second member on the train for the duration of the franchise, but that was not enough for the RMT. The Rail Minister—your predecessor—indicated that she was willing to look beyond the current franchise, which is obviously out of Southern's control. That is why it felt to us that the Department for Transport had to get involved in the talks, because the RMT was looking beyond what Southern could give. Hence I repeat the question: since we heard that good news, what has the Department for Transport done about putting it into action?

Paul Maynard: We have been very clear that, in future franchises, we expect franchise holders to invest in their workforce. We put great importance on issues of quality with regard to new franchises. That will need to be delivered by on-board, well-trained staff. Franchise holders will need to invest in the quality of their staff. There should be no dumbing down.

We can give assurances to the RMT about the future employability of the workforce in on-board customer roles. They will be safety trained, but they will not be safety critical. It is very important that if, for whatever reason, a train does not have the full complement of two safety-critical staff, that train can still depart the station, as you have pointed out in

previous evidence sessions. We have given as many guarantees as we can to the RMT about how we view the future of on-board staff.

Q332 Huw Merriman: My difficulty is that the Department for Transport just seems to have sat back on this. It says that it is down to Southern and the RMT to sort out. The RMT has told us that it is looking for something that Southern, ultimately, cannot give; it is looking beyond the franchise end. Southern themselves have said they cannot put anything in place beyond the franchise ending. It therefore has to be for the Department for Transport to get involved. The reason why I ask this is that passengers—I include myself—have absolutely had enough. In Brighton station yesterday, there seemed to be civil disorder; it has got that bad. I find it quite gobsmacking that, effectively, the Department for Transport should come back to us with no talks having taken place.

Paul Maynard: We have sought to give the reassurances that we can give to the RMT.

Q333 Huw Merriman: Would the Department be willing to sit down, as the former Rail Minister said she was, when we asked her last week—I wish it had happened this week—with the RMT and Southern to bang heads together, if nothing else, and to be part of the effort to bring a resolution to this? To me, that is what it needs.

Paul Maynard: I certainly would not rule that out.

Q334 Huw Merriman: I ask you to do more than not rule it out.

Paul Maynard: I will take advice. Where we can, we will seek to do that.

Q335 Huw Merriman: I very much hope that you will. Until you do, I cannot see any end in sight. This is going seriously wrong.

Paul Maynard: Bernadette will comment further on that.

Bernadette Kelly: Obviously, some of this predates the Minister's arrival at DFT. The previous Secretary of State indicated that he expected the RMT to reach a resolution of their dispute with GTR and that was the thing that needed to happen first and foremost. He indicated additionally that, as franchise authority, he would be willing to have a conversation about the long-term investment that train operating companies in general make in the future workforce of the railway, but very much on the basis that the first priority was for GTR and the RMT to resolve this dispute, in order to stop the disruption happening.

Q336 Huw Merriman: Can I come back on this, Ms Kelly? The whole point is that they cannot resolve it; they are stuck. All that Southern can do is guarantee a job until the end of the franchise. You have to accept that they cannot do anything beyond that. That does not seem to be enough for the RMT. Therefore, it comes back to the Department for Transport. It is not enough for the Department to say that it is a matter for two parties who, quite clearly, cannot agree. As we have already discussed, this franchise is quite different. All the moneys go back to the Department for Transport. It is not enough for the Department to say, "Take a step back. It is for them to sort it out." Ultimately, the Department is Government. Government are elected by constituents, who are passengers who have absolutely had it up to

here. I implore you to be a bit more forward thinking and bit more more involved in this dispute.

Paul Maynard: I will take that on board.

Q337 Chair: Thank you, Minister. I hope that something can come of that.

Paul Maynard: Indeed. I am working full time on this at the moment.

Q338 Chair: You mentioned the question of compensation and its being applied against the original timetable. Don't you feel that in the light of this appalling situation, compensation could be more substantial than that, particularly for season ticket holders?

Paul Maynard: Indeed. You will recall that, at PMQs, the previous Prime Minister made a commitment to Jeremy Quin that we would look at how we could seek to do that. At the moment, I am taking advice on the options that are available to me to offer an enhanced remuneration package, but my focus really has to be on resolving the problems on the network first, rather than diverting that focus to issues of compensation. I want to save the need for compensation in the first place. I am waiting for advice on what further steps I can now take.

Chair: That is very helpful.

Q339 Graham Stringer: Can you define "temporary"?

Paul Maynard: As I think I said earlier, my expectation is for GTR incrementally to improve the level of the service to get back to the original timetable. I do not wish here and now, at this stage, to put a finite date on when I think that can be achieved. My expectation from GTR is that it is to be done as speedily and effectively as possible, without compromising either passenger safety or the integrity and reliability of the network.

Q340 Graham Stringer: That is not very reassuring for passengers, is it? It could mean a week or a year. Can you be more specific?

Paul Maynard: We are reviewing continually with GTR what is occurring. Initially, there was an intention that this timetable would be in place for a specific period. Given the occurrences on the network even over the first two days I have been in post, I do not wish to offer false comfort to passengers on the speed at which this can be resolved, but I am absolutely certain that it needs to be resolved speedily, as is the Secretary of State.

Q341 Graham Stringer: I sympathise with you, Minister, as you have not been in position very long. You are quite unusual, as a new appointment in the Department, to have some knowledge of transport, so I am pleased to see you there. We will leave the definition of "temporary" on one side. What will you do, what will be the consequence, if when the undefined temporary period is over, there is no resolution of the issue?

Paul Maynard: We are working very hard to resolve the issue—

Q342 Graham Stringer: I understand that, but sometimes problems are not solved. If it is not solved, what action will you take?

Paul Maynard: A range of options will be open to the Department. We will want to judge the extent to which GTR is either in breach or in default of its franchise, but I don't think we are at that stage yet. Bernadette has more expertise on the fine detail of what triggers in the franchise may occur that would allow us to take further action.

Bernadette Kelly: I will ask Peter to talk about the detailed triggers in this particular franchise, because obviously they are particular to individual franchises. I would repeat very firmly what the Minister said. The thing we are very much focused on at the moment is ensuring that GTR are improving performance and that they restore the timetable as soon as they are able to do so.

Q343 Graham Stringer: We accept that. I am just trying to find out what the consequences are if things go pear-shaped—or remain pear-shaped, as I suppose I should say.

Peter Wilkinson: Ultimately, there are conditions in their contract that would require the Department to take action.

Q344 Graham Stringer: What are those conditions?

Peter Wilkinson: There are two particular conditions that invoke intervention by the Department. One is what we call breach, which is where the contractor breaches a certain number of targets or obligations in the contract with us. At that point, as we have done with the GTR franchise, we can require a remedial plan to be put in place that restores the performance or the obligations in question. Failure to deliver that remedial plan, if deemed to be the responsibility of the operator and wilful neglect on their part, would lead to what we call a condition of default. It is at that point that we would explore our options in relation to the future of the franchise.

Q345 Graham Stringer: Can I return you to the Chair's original question about whether or not there had been an agreement to change the timetable so that the company was not in breach? You said that a breach occurs when certain targets and obligations are not met. Had the situation continued on the old timetable, would the company have been in breach?

Peter Wilkinson: I cannot answer that question.

Q346 Graham Stringer: Why not?

Peter Wilkinson: We will need to follow that up in writing. I do not have that information.

Q347 Graham Stringer: That is an extraordinary answer. One in six trains have been cancelled, so there is absolute certainty that one in six trains is not going to be there, but you do not know whether the original situation, had it continued, would have been in breach.

Peter Wilkinson: The two circumstances are not linked in the way that is being offered. The remedial timetable is about providing a timetable that is more predictable and certain for passengers.

Q348 Graham Stringer: I understand that. My question was, had they continued without the remedial timetable, would they have been in breach or not?

Peter Wilkinson: I do not have that trajectory of information sitting in front of me.

Q349 Graham Stringer: Why not? When they came to you with a timetable that cancelled one in six trains, did you not think that you should have known whether they would have been in breach? Presumably, there are eventually financial penalties, or you can bring in another operator. You did not look at that?

Peter Wilkinson: We had already served a breach notice on them and asked for a remedial plan, prior to the remedial timetable. The remedial plan was already part of the process of dealing with a remedy to address cancellations, to the extent that they are able to influence and control those. Not all the reliability problems on this railway are the direct consequence of the train operator's actions.

Q350 Graham Stringer: I am confused now, which may well be my fault. You said that you did not know whether they would have been in breach, but they were in breach, so there was a remedial planning operation. Can you explain that?

Peter Wilkinson: I misunderstood you. I thought that you were linking the timetable specifically to the trajectory of their targets and objectives.

Q351 Graham Stringer: I was asking a question that I thought was simple—maybe it wasn't. I asked whether they would have been in breach if they had continued with the same operation, without the remedial timetable. You said that you did not know. Then—maybe it is something I do not understand—you said that they had already breached and there was a remedial plan.

Peter Wilkinson: Yes. They had a remedial plan in place to restore the level—to get back on trajectory with the number of cancellations and short formations that we would have required under the original agreement. The remedial timetable that they have put in place—the timetable that is currently in place—is a related but separate issue. It is about restoring predictability and resilience in the service. It is not directly related to the original breach notice.

Paul Maynard: It may be helpful for me to add that the remedial plan led to an improvement to roughly 83.6% in the PPM. It was improving, but to nowhere near what I would consider good enough. We were seeing slow but steady improvement. Then we had the second element—the industrial relations issues—which meant that once again we had a decline.

Q352 Chair: The public performance measure—the PPM—in relation to Southern yesterday was only 26%. The figure for arrivals at the right time was 12%. Is that okay? Is it acceptable?

Peter Wilkinson: It is absolutely not okay. It is a dreadful level of performance, and one of great concern, but the incidents yesterday were related to failures in the infrastructure and not a consequence of the arrangements—

Q353 Chair: It seems to be a different reason every day. They have a list of reasons why it does not work. What is the benchmark for cancellations? What percentage of cancellations would constitute a serious breach?

Peter Wilkinson: I would need to follow that up in writing.

Q354 Chair: Mr Wilkinson, you are on record as making a number of pretty inflammatory comments to the workers in this industry, such as telling the workforce to “get...out of my industry.” You predicted “punch ups” with the trade unions over the next three years and asked for the public’s support to “break them.” You talked about the employees having “all borrowed money to buy cars” and having credit cards, and are quoted as saying, “They can’t afford to spend too long on strike and I will push them into that place. They will have to decide if they want to give a good service or get the hell out of my industry.” Those are your words. I gather that you have not challenged the accuracy of those statements; in fact, you have apologised. Could you tell us a bit more about what might have led you to make those statements?

Peter Wilkinson: I do not particularly want to be drawn into—*[Interruption.]*

Chair: Order. You are saved by the bell for the moment, but we will resume in 15 minutes.

Sitting suspended for a Division in the House.

On resuming—

Q355 Chair: Mr Wilkinson, you were quoted in February this year as making a number of inflammatory comments to do with people working on the railway in this franchise. They include a comment from you to them of “get the hell out of my industry.” It is also alleged that you predicted “punch ups” with the unions over the next three years, and that you appealed for the public’s support to “break them.” You are quoted as saying that the workforce “have all borrowed money to buy cars and got credit cards. They can’t afford to spend too long on strike and I will push them into that place. They will have to decide if they want to give a good service or get the hell out of my industry”—your industry. I understand that you have not questioned the accuracy of those comments and I think you may have apologised. Would you like to explain to us how you came to make such statements?

Peter Wilkinson: I do not wish to discuss further what has been reported. I have gone on record as apologising for offence caused in association with those events. I stand by that apology. I regret very much any offence that has been taken. I am absolutely committed to this industry, and to a humanist industry that creates skilful and valuable employment opportunities within it. I also respect highly the role of the trade unions in this industry, as somebody who has had a career in the industry and has observed up close and personal the value that the trade unions bring to it.

Q356 Chair: That is not suggested by those comments, but is that your current position?

Peter Wilkinson: That is absolutely my position.

Q357 Chair: Is it correct to say that a decision was taken by the Department to test out the Department's policy on driver-only operation on this particular franchise and that the long-suffering people of the south, who use the franchise and those services, were to be the people who would have to be at the bad end of testing out whether the Department could impose that sort of change of conditions on people? Would that be correct?

Peter Wilkinson: That is not correct.

Q358 Chair: It is not correct?

Peter Wilkinson: It is not correct.

Q359 Chair: Are you sure that it is not correct?

Peter Wilkinson: I am sure that it is not correct. Driver-only operation already exists on the route. In fact, it has been a practice used in the rail industry in this country for some 30 years. It is used extensively on the GTR network already. The decision to pursue further increment of driver-only operation is consistent with the substantial investment that is being made in badly needed new rolling stock for the route, to provide better performance and far more capacity than we are able to carry at the moment. That rolling stock is made in such a way that it is built and designed for driver-only operation.

Q360 Chair: Can you give an assurance that at the end of this franchise, whenever that may be, a second fully safety-trained member of staff will be maintained on all trains on this very busy part of the network, including on new rolling stock? Can you give an assurance of that nature?

Peter Wilkinson: At the moment, there are many services on the route that do not have a second person on the train, so that is not a commitment that we could give, other than to the extent that commitments have already been made by the previous Minister about the security of employment on trains and on this railway. It is a growing and successful railway. Even today, we are seeing a 3% or 4% volume increase in demand for services on the route. A growing and successful railway needs more personnel and more skilled people to operate it. Therefore, it is entirely right that we are able to provide continued and sustained employment on this railway for people who want a career.

Q361 Chair: Will there be a second, fully safety-trained member of staff on the train?

Peter Wilkinson: As I have said, there are many services on this network that do not have a second person on board now. They are driver-only-operated services. I forget the exact percentage of the network that is driver-only operation, but it is a reasonable proportion of the services. What we are doing is introducing new rolling stock that is designed for driver-only operation.

Q362 Chair: Mr Stringer asked you a very important question about benchmarking of cancellations and other breaches. I am amazed that you have come to this session not

knowing the answer to that. You have come to this session knowing the seriousness of the situation. Your Ministers—the past Minister and the present Minister—have made very clear to us, and I am sure have said the same to you, how concerned they are; the Minister is clearly very concerned about the position and wants to see if anything can be done about it. How can it be that you have come to a session of this Committee without basic information about what has to be a key point? Could you explain that?

Peter Wilkinson: I can only reiterate that I do not have in front of me the exact benchmark data. We will follow that up.

Q363 Chair: Didn't you think that was a question that was going to be asked of you?

Peter Wilkinson: I apologise to the Committee. I do not have those benchmark data in front of me right now.

Q364 Chair: Did you anticipate a question about that?

Peter Wilkinson: I did not anticipate your asking for those benchmark data at the meeting.

Q365 Chair: How quickly can we have them?

Peter Wilkinson: We can follow up pretty much straightaway.

Paul Maynard: Indeed.

Q366 Chair: Are there lessons that you would take from the current franchise on your approach to protecting passenger services in the future? I do not know whether you or your officials want to answer that, Minister. It is a particular type of franchise, isn't it? The disruption was known about. Clearly, even despite knowing about that, it simply has not worked.

Paul Maynard: I will let Bernadette answer in a minute. As someone approaching this with a fresh pair of eyes, I want to look particularly at franchise handover procedures. What was and was not foreseen? How could it be done better? As we progress with franchising, there may well be more handovers between franchise operators. I want to make sure that I fully understand whether everything was done that could have been done at the time of handover to make it as smooth as possible.

There are also some learning points to be brought out in terms of how Network Rail and the franchise operator interact. I welcome the fact that Network Rail has appointed a new route director on this section in recent weeks. Hopefully, that will see a step change in Network Rail's engagement. Southern is responsible for around half the problems they had to delay repay for, but Network Rail is to blame for the other half. They both have to step up to the plate. I want to understand how the two interact, so that when one has a problem it does not disproportionately affect the other's performance.

Bernadette Kelly: On the broader lessons, I would say that this is an exceptionally large and complex franchise, operating in probably the most stressed part of our rail network and responsible for something like 20% of passenger journeys. In truth, when we look at the shape and nature of future franchises, I do not think that we would readily create another one that had this level of challenge and complexity in it.

We will also learn the lessons from Thameslink and the necessary disruption that that huge investment programme caused. We always knew that it would cause disruption. It is in the nature of our railway that, when we make big investments on the existing infrastructure, it has a disruptive effect for passengers in the shorter term. It is probably questionable whether we had fully anticipated just how disruptive that would be. We need to think very hard and to learn the lessons, so that in all future investment programmes we take every possible step to manage and minimise that, in the interests of passengers.

The Minister has already alluded to the third point. What can we learn about ensuring that absolutely the right close working is in place on a day-to-day basis between the operator and Network Rail in these very difficult circumstances? That is also something we need to look very hard at.

Q367 Chair: Has the Department done an equality impact analysis of driver-only operations?

Peter Wilkinson: I do not know the answer to that. I do not believe so.

Q368 Chair: Could you find out, please? If you have, could we have a copy of it?

Peter Wilkinson: We will need to write to the Committee on that.

Q369 Chair: Disabled people's access to the railway is a major issue generally, not just in relation to this particular franchise. We have had representations from the Disabled Persons Transport Advisory Committee on a number of issues. Do you think that you can do more, perhaps through specification in franchise agreements, to provide a better, more even service for disabled people who wish to use the railways?

Paul Maynard: Generally, or with regard to Southern?

Chair: It is a general question. You can answer it in relation to that, if you wish, but it is a more general question as well.

Paul Maynard: Generally, there is always much more that can be done. I am looking forward to meeting DPTAC to explore what more they wish to see. We are very keen to use the franchise specifications to drive quality improvements across all aspects of passenger experience. Disability access is a particular interest of mine over many years in this place, so I am looking forward to working hard to make sure that we drive the industry much harder to see this as an opportunity, rather than a threat.

A particular concern of mine is trying to ensure that we build into the perception of disabled passengers the idea of spontaneity. Currently there is a lot of attention on their booking at least 24 hours in advance, to ensure that support is there. In the London area, TfL is doing a lot of turn up and go work at certain stations. For many young disabled people I have spoken to over recent years, that element of spontaneity really matters. Like any person, they wake up one morning, see that the sun is shining and want to go out on the train. They want to have that turn up and go ability at as many stations as possible. That will be a key part of my dialogue with both the Rail Delivery Group and the many other stakeholders in the rail sector that I will meet in the coming weeks.

Q370 Chair: Specifically on passenger assist schemes, we have had representations that when a journey goes through more than one area and more than one company, no one really seems to be responsible for making the whole journey assisted.

Paul Maynard: My understanding is that ATOC is currently in the process of revising passenger assist, precisely to address that particular point. It is not acceptable that you get one level of service at your departure station and another at the terminating station. You need to have a single point of access if you book ahead and choose to travel in that manner.

Q371 Chair: I would like to turn to the question of fares and ticketing, again more generally and across the service. From your time as a member of the Committee, Minister, you will remember that there has been very long-standing concern about complexity in ticketing, about different pricing and deals being available to different people in different places and about passengers not getting proper information about the cheapest way to undertake their journey. We seem to have made very little progress on that.

Paul Maynard: Indeed.

Q372 Chair: There was a ticketing review, but very little has happened. Could you tell us what plans there are for reviewing the way ticketing is done, so that there is equal access to ticketing information for all people who wish to travel by rail?

Paul Maynard: I am very clear that this will be a very important element of what I will go on to do. We have a circle that we need to square. There is a capacity demand on the network that requires creative use of ticketing to facilitate spreading that demand to where there is capacity, but every time we seek to do that by introducing new forms of fares, such as shoulder fares, we increase the complexity of the ticketing system, which makes it harder for passengers to understand whether the ticket they are being offered is the right ticket for their particular needs.

In addition, I know that there have been endless reports, not least from Transport Focus, about the level of public trust in ticket vending machines. People need to be confident that what they are being offered by the ticket vending machine is the most suitable ticket for their needs. I note myself at Preston station that people much prefer queueing up at the kiosk, where there is a human being to interact with, to utilising the automated ticket machines, because that level of public confidence is simply not there. One of my key discussion points with the industry will be about how we can improve the measures and use innovation to improve public confidence. Earlier today, Peter told me about an example that he saw in the south-west, where real-time people were trying to interact via the ticket machines. I invite him to talk about that briefly.

Peter Wilkinson: One of the things that we are doing through the current franchising system is specifying a greater focus on this area and requiring operators to come forward with proposals that address the concerns that you have rightly highlighted. One example of that is an adjustment that we made to the South West Trains franchise recently to permit them to trial some new ticketing machines on the network that, effectively, create a virtual assistant. The purpose of those machines is to make the interaction with passengers much

easier than the sometimes very complicated interfaces that ticketing machines currently provide.

Q373 Chair: But these are long-standing issues. This is not something that has just arisen. This Committee and its predecessor Committees have raised it time and time again, but very little has been done. Why will it be any different now?

Paul Maynard: Partly because I intend to make sure that it is different. I have already spoken to Paul Plummer of the Rail Delivery Group, who is very keen to meet me to set out his plans. That will be a very challenging initial meeting, because I will want to understand why we were promised smart ticketing 10 years ago and it has not arrived. I am told that they have plans and that they are working hard towards those plans. I do not want that to be a cliché. I want to understand what the dates are, what the interim measurements are and what evidence there is that progress is being made, because I do not feel that there is sufficient progress on this.

Q374 Chair: Who is responsible for bringing about change? Is it the Department? Is it the ORR? Is it someone else? Does anybody know? What you say is absolutely correct. These issues have been around for a long time. We have had repeated assurances that something will happen. Nothing—or very little—happens, and then the complaint comes again. It has come to the fore again now. What is going to be different? Who is responsible?

Paul Maynard: I view the Department as having ultimate responsibility, but I do not believe that it is right for me to prescribe the precise way in which individual train operators respond to the need to improve the quality of ticketing. For example, on long-distance services, the needs will be different from those on short-distance commuter services. I want to ensure that I set very clearly a level of expectation for the industry. It then has to respond to that, but I recognise that I am ultimately responsible for improving all of these matters.

Q375 Chair: Split ticketing is another long-standing issue. It is possible for people to get different tickets for different phases of a journey that cost them a lot less money. Are they ever advised that that is the case? What is being done about that?

Paul Maynard: It relates back to my earlier point about having confidence that the automated vending machines are selling you the best and most suitable ticket for your journey. That will be part of my dialogue, because I have read the same stories that you have read. I am approaching this job from the same point of view as you—that that should be offered to passengers, where possible.

Q376 Graham Stringer: I do not doubt your sincerity in wanting to sort this out, Minister. Can you explain to the Committee the points of control that you have, and the difficulties in applying those points of control to improve ticketing both on individual franchises and between franchises, where some of the problems of two tickets costing less than one arise? Can you explain how you will use your controls and what those controls are?

Paul Maynard: It is a perfectly valid question, but on day three I do not have the experience of having tried to do it to answer that.

Graham Stringer: Therefore, ask the team.

Paul Maynard: Bernadette might be able to tell me what I will be able to do.

Bernadette Kelly: I can say a few things about this. First, an important point of control for us, as you describe it, is what we require in our franchise awards. We are increasingly setting higher standards for bidders, and successful bidders, to ensure that they have smart and flexible ticketing and other measures to improve the passenger experience. Peter will be able to say more about the detail of how we are doing that in individual franchises.

We have had a number of programmes. We have made a number of financial interventions to support the introduction of smart ticketing. In part, those are aimed at enabling industry to get over some of the cross-franchise and cross-operator issues. The south-east flexible ticketing programme we have invested in has now created an infrastructure. We are exhorting the five TOCs that use that infrastructure to get the best use from it. We have invested in it and now want them to drive the use of that investment on behalf of passengers. We have committed £150 million to Transport for the North so that they can introduce multimodal smart ticketing across the north. Again, we have provided direct support to enable the industry to provide leadership. Finally, there is exhortation of the industry in the broader sense. The Minister and the Secretary of State met the RDG yesterday for the first time. It is fair to say that they set out a very clear challenge to the industry to get its act together to provide a more compelling and convincing offer to passengers on smart and flexible ticketing.

Q377 Graham Stringer: I have never met a Rail Minister, either Labour or Conservative, who did not want to improve the ticketing situation. Can we draw the implication from what you are saying that the real problem has been technical, or has it just been that Ministers wanted to do it, but have not got around to it? Maybe you cannot answer the second part of that, but the first part you can.

Paul Maynard: Until I have that engagement with the RDG and understand what they consider to be their hurdles, I cannot answer the question in all honesty. I could speculate, but that would be a very dangerous thing to do in a Committee.

Q378 Graham Stringer: Could I ask the officials to comment on the first part? I realise that it would be inappropriate to ask them to comment on Ministers, but I would be grateful if they could comment on whether there have been technical barriers that have now been overcome.

Bernadette Kelly: There have been some technical barriers, which is why we have been investing in the SEFT programme, to provide some infrastructure. Probably a greater challenge has been around the industry's ability to join up across each TOC's barriers in order to provide a more integrated service for customers. It is not simply a technical issue; it is an issue about industry leadership, which is why the interface with the Rail Delivery Group on this is so important.

Paul Maynard: It is about ensuring that innovation actually occurs, and occurs in a timely fashion. I remember being on this Committee and urging that Oyster cards be rolled out across the north of England, yet we see in London that contactless is now almost supplanting Oyster cards. We need to make sure that we are setting the right parameters for the industry, without over-specifying what the actual innovation should look like. There will be no point in investing in a form of technology that then becomes outdated

more rapidly because innovation and what the rail industry can deliver are moving on. I want to be challenging on what I expect them to deliver, but I want to see the different ideas that emerge. For example, on c2c, we already see the use of carnet ticketing, with price reductions. We have seen SEFT, as you have just discussed. We will see more use of part-time season ticketing, for example, which is really important. It has been talked about for far too long. I want to see it in place and specified in franchises, so that we can start to drive innovation in that way.

Q379 Chair: Is there any penalty if a TOC—a rail operating company—or the RDG, the rail network, does not produce adequate ticketing in the view of the Minister?

Paul Maynard: I do not know; Peter might.

Peter Wilkinson: There are obligations in their franchise contracts to provide a modern ticketing approach. To the extent that those obligations are contracted, yes, we would penalise an operator if they are not delivering on those obligations.

Q380 Chair: I quoted 2009 as the last time the Committee looked at some of these matters. If seven years on, train operating companies are not providing adequate, clear and fair ticketing, either the franchise agreement is not being implemented by the Department or the Department did not draw up the right agreement. Would it be the Ministers responsible when drawing up the franchise? Can you tell me, Mr Wilkinson?

Peter Wilkinson: I cannot comment on what has gone before. What I can tell you is what we are doing today, which is, first, to set out very clear obligations in franchise specifications and, therefore, in the contracts we award both very substantially to improve the ticketing interface for users, so that people can increasingly buy tickets on whatever medium they prefer to use, and to require the industry to put in place the technology and interfaces to allow those tickets to work; and, secondly, to make absolutely transparent the fares available to people to make sure they are getting the best value for money.

Q381 Chair: To make it transparent that people will get the best value for money.

Peter Wilkinson: Yes.

Q382 Chair: Would that be in the franchise? Has it ever been in a franchise?

Peter Wilkinson: That is a general requirement placed upon the industry. Fares and ticketing—

Q383 Chair: If they do not do it, who can do something about it? Is there a penalty? Would the Minister impose a penalty? Does the Department have to alert the Minister to it? How is all this monitored? Is it monitored?

Peter Wilkinson: Ultimately, if a consumer believes they have been mis-sold they have protections in law for that, but I believe they can also appeal to the rail regulator as the ombudsman in this area.

Q384 Chair: But the so-called independent penalty fares appeal service is not really independent, is it? It is owned by Govia, isn't it?

Peter Wilkinson: It is owned in the private sector. That is correct. It is providing an independent service to the industry.

Q385 Chair: How can it be independent when it is owned by one of the companies that has a commercial benefit?

Peter Wilkinson: Because they have no ability to interfere in the management of that operation.

Q386 Chair: Are you satisfied with the way that appeal service is working?

Peter Wilkinson: I think this is an area we can look at more.

Q387 Chair: Have you any information on whether passengers are satisfied with it? Do you know that?

Peter Wilkinson: We get a lot of feedback on the penalty fare system through our relationship with Transport Focus. It is an area that generates quite a lot of feedback and an area we pay a lot of attention to. It is important that we have a penalty fares regime system, but it must be simple to understand, transparent in its presentation and fairly executed. I think that is something we are looking at.

Q388 Chair: You do not think it is fair as it operates now.

Peter Wilkinson: I did not say that; with all these things, they are a function of a lot of time and history. I think we are at a point where this is something worth looking at in the round as we begin to modernise our fares and ticketing system in this country.

Q389 Martin Vickers: Minister, you said a few minutes ago you were determined to drive forward smart ticketing and so on, which is good and fine, but don't you find it depressing that it should be you as the Minister who has to drive it forward in a supposedly privatised rail operation? Aren't there commercial pressures that would force the companies to act much quicker than we have been witnessing?

Paul Maynard: I would be delighted if I felt that the train operating companies were innovating of their own accord and responding to market pressures. Given what we have just heard from the Chair, that over seven years that has not occurred in some areas, clearly it needs to be accelerated by me as Minister. A key part of that dialogue would be the rail industry taking more responsibility for its own affairs. It should not be the Minister's job to prescribe where the socket is located on the Pendolino.

Martin Vickers: Precisely.

Paul Maynard: I want it to be working; I don't want to dictate where the socket is.

Q390 Martin Vickers: Would you share my impression that too often we have seen the Department, and Ministers in particular, appearing to defend the industry and the companies rather than being on the side of the passenger?

Paul Maynard: I am sure I am not the first Rail Minister to start off by saying I wish to be the passenger's champion. I was very clear to the Rail Delivery Group last night that I would look at any change through the prism of whether it improves services for customers and passengers. If the change proposed is merely for the administrative convenience of the industry, or has no noticeable benefit for customers, I will be very rigorous in pushing back against the industry. I would regard that as a distraction from the key task of improving the passenger experience.

Q391 Huw Merriman: Minister, to follow Mr Vickers's question, do you think it may be the case that the reason why rail operators have not been innovating on this front is that they would rather their passengers had a piece of paper that meant they were bound to travel with one company for the whole year? For example, where I am I have both Southeastern and Southern. If there was smart ticketing technology and I had had enough of Southern because it was not performing particularly well, I could use Southeastern. Admittedly, if one service has greater frequency I should pay a premium for that, but if I was paying as I went along, effectively, as a consumer I could make a choice. If I make a choice, it might force the poorly performing operator to up their game. Do you think that may be the reason why, if I am being cynical, the train operators would rather we just had our piece of paper so we are bound for a whole year?

Paul Maynard: I am sympathetic to the points you make. I do not think I have had enough engagement with the industry yet to reach a definitive conclusion one way or the other. There is certainly an issue around the power of monopoly providers, the role that open access can play and the ability of passengers to exercise meaningful choice of the services on which they travel. Part of innovation is driving that passenger choice, because that in turn will drive up the quality of the passenger experience.

Q392 Chair: How do you monitor franchises to make sure they are actually being carried out? Is any audit done?

Paul Maynard: I believe the Department has a franchise monitoring unit that is in regular contact with all the franchise holders to monitor their performance. Perhaps I could hand over to Peter to explain exactly how that works on a day-to-day basis. I know it is there, but I have yet to meet it.

Q393 Chair: Mr Wilkinson, could you explain to us how it is done? Is it done by the Department? How do you get the information? Is it independent of the train operating companies? How do you find out what is actually going on?

Peter Wilkinson: The Department monitors all franchise agreements. We have that obligation and we execute it through our contract management processes inside passenger services; it is inside my organisation. The duty of our contract management team is, effectively, to police those contracts and ensure that for the delivery of the obligations we are buying and contracting for, which you can read about yourselves because our franchise contracts are publicly available documents, train operators are held to account. We police that through a number of devices, including reporting back from the operators.

Q394 Chair: Is the assessment you make published so that the public can see it?

Peter Wilkinson: No, I do not believe it is.

Q395 Chair: Who collects the information? Does it come directly from the train operating companies or from other sources?

Peter Wilkinson: It comes directly from the train operators to us.

Q396 Chair: You are trying to monitor the franchise, presumably in the public's interests, through the Department.

Peter Wilkinson: Yes.

Q397 Chair: The information comes from the train operating companies themselves and you do not publish it. How do you know that it is independent and a fair assessment of what is going on?

Peter Wilkinson: First, I have a team of people who are highly experienced in this area and are cognisant of the way train operating companies work. For example, I have people working for me in my team who have come from that world, so they understand the way the contractual relationship works between train operators and Government. There is a degree of expertise and skill involved in managing that relationship. Secondly, ultimately we have a right to step in and audit if we feel that we are being misled or information is improper.

Q398 Chair: Have you ever done that?

Peter Wilkinson: We have not needed to do that.

Q399 Chair: You have not done it.

Peter Wilkinson: No, we have not.

Q400 Chair: Minister, are you satisfied that the current ways of measuring passenger satisfaction are adequate and relate properly to how passengers feel about journeys they undertake?

Paul Maynard: I understand that currently there is a biannual survey conducted by NRPS, which is fine as far as it goes. I think we can be more innovative over how we seek to capture the customer experience. A number of pilot projects are under way, all of which I want to evaluate. We need to look at whether we do things more frequently, to capture a broader range of measurements than is currently in the existing survey and to capture how people's perceptions change over the course of the entire journey, from departure to on board and at the station—the entire experience. Perhaps we should have fewer pass/fail and more qualitative measurements to understand the more granular aspects—I hate the word granular—of what occurs on any journey, particularly around safety and security issues to which I also want to give more attention.

Q401 Chair: What about overcrowding? That is of great concern on some journeys. The Department has some kind of measure on acceptable overcrowding, doesn't it, in terms of peak-time journeys and others? Can you tell us about that, and how you monitor it?

Peter Wilkinson: We monitor overcrowding on trains, and we know which trains are the most heavily loaded. When we reach a situation of very seriously overloaded trains, that is the point at which we discuss with the operator the capacity being provided on the network, although I must say that, generally speaking, it is usually the industry that comes to us first. The industry generally understands what the crowding limitations are on vehicles and what is an acceptable level of crowding. When we find that trains are at risk of becoming overcrowded, the industry is very good at coming forward and talking to us about how to procure additional capacity. For example, we recently intervened on c2c railway to procure additional capacity there. We are doing so similarly on Southeastern, and that is all because we are seeing across the network very serious levels of demand growth, which is putting tremendous pressure on train capacity across the network. By the end of 2019, there will be in the region of 3,800 additional vehicles coming on to the network because of the work we do to understand crowding on our services across the country.

Q402 Chair: Will that meet the projected need? On some services now the level of overcrowding is acute and passengers are extremely concerned about it. Sometimes they feel their safety is being jeopardised; they have extremely uncomfortable journeys. It is a major issue, but that does not seem to come through in some of the passenger surveys.

Peter Wilkinson: You raise very fair and pertinent questions in this area. Probably the biggest challenge that the rail industry faces today is in providing the additional capacity to match the demands of the public for rail services.

Q403 Chair: How much do you assess that we need to invest in producing that additional capacity over, say, the next 20 years?

Peter Wilkinson: We have forecast projections for 20 years. I can tell you that the current level of investment going into the fleet to provide the additional capacity I have outlined—the additional 3,800 vehicles taking us up to 2019—provides the capacity required to keep the industry within its crowding limits, but we all forecast that if demand carries on at the rate it is today we will need to continue investing in train capacity for many years to come. There is no question about that.

Q404 Chair: Minister, did you want to come in?

Paul Maynard: He stole my statistic about the new carriages, but I think your earlier inquiry regarding digital technology is key to enhancing capacity on the network, because it will reach a point where we physically cannot accommodate more train paths. Therefore, we need to look towards more innovation and digital signalling that will enable us to try to fit more trains in what is essentially a limited geographic space.

Q405 Chair: Are you satisfied that the current anticipated level of investment over future years will be enough to resolve the issue, given the increasing popularity of the railways?

Paul Maynard: I will want to review all the franchise agreements to look at that precise question, and equally to make sure that the franchises we are about to start tendering also contain more than adequate investment in new rolling stock. For example, I am acutely conscious, from a northern perspective, of the need to eradicate the out-of-date Pacers. That is a very good example of why we have to keep pushing harder when it comes to rolling stock.

Bernadette Kelly: If you take into account the investment in infrastructure that is happening in Network Rail in our major projects—the Intercity Express programme, Thameslink, Crossrail and High Speed 2—it all adds to the capacity of the network and is very much focused on that. There is an extremely significant amount of investment already happening. Of course, there will always be cries for more when growth in demand continues at the rate that it is, but it has been an enormous priority and we now have a huge investment programme under way.

Paul Maynard: I would like to place on record that it is a good thing that more people are travelling by rail. We need to make sure we can accommodate that continued increase, which shows no sign of levelling off.

Q406 Chair: Will the increases in capacity you are telling us about improve passengers' experiences, or will there be a lot more trains still as crowded as trains are today?

Paul Maynard: We also seek to use the franchise specifications to improve quality on board as well. There will be numerous ways we can improve the passenger experience while the passenger is on board, through mobile connectivity and wi-fi. Each franchise is a different beast with different requirements. We can utilise the franchise specification process to drive those improvements. That is what I would like to do, so that not only do we have new rolling stock with extra seats but there is a better experience when you are on board.

Q407 Martin Vickers: Who is actually to blame for the fact that the industry is so short of rolling stock? It is not a new problem.

Paul Maynard: I am not sure that on day three I wish to speculate as to the answer. Whether one of my two colleagues might like to do so is a matter for them, but it is a very pertinent question.

Peter Wilkinson: There are lots of compounding issues. One is that when we privatised the industry we did so on a premise that did not make it easy to vary contracts and procure new assets. That is something on which we have worked hard and are changing and improving. At the same time, the average age of the fleet in this country has been allowed to grow to a point where the trains we have had in service over the last 20 to 30 years have not provided the kind of capacity for which demand is calling. The work we are doing in franchising at the moment is to do two things: to give the industry foresight as to the Department's view of the standard of quality of rolling stock that we anticipate needing for the future, and of the kinds of train manufacturing platforms we expect the industry to be coming forward with. For example, some trains will need to be much more metro-style high-capacity vehicles; other trains on longer-distance routes will need to be longer but of a higher quality of interior fitment, finish and facility. We are setting out those requirements in a document that we produce—our rolling stock perspective—which we

update regularly. That is a new innovation the Department has come forward with, and it is beginning to get the industry to work together to think about the long-term future. We are seeing in franchising today orders for new rolling stock coming forward in a way that we have not seen over the last 20 years. The rate and change of replacement and renewal and refurbishment of trains coming through the system now is, in comparative terms, extraordinary and to be welcomed.

Paul Maynard: In many of the franchise specifications not only are we ordering new train carriages but upgrading the refitting of existing carriages to the same standard, so we are looking to level it up across the fleet as a whole.

Q408 Martin Vickers: It is encouraging to hear what you have said and the fact that there will be 3,800 new vehicles in three years' time, but to go back to my earlier question, it is rather depressing to find that the industry needs guidance from DfT, if I understood what has just been said, as to what type of vehicles it needs and to what standards. Surely, it should just be aiming for higher standards and better customer comfort.

Peter Wilkinson: That is a fair challenge, but I believe that the industry understands those challenges. The industry has its own rolling stock strategy, which in recent years has become a manifest part of the industry's forward strategy. It is a comprehensive study of the way the industry is evolving in both demand characteristics and passenger expectations, taking very great account of the kind of data that comes back through the passenger audits we do through Transport Focus, and thinking intelligently about the kinds of trains we will need in the future. I would not want you to think that the 3,800 new carriages will all come in 2019. They are on their way now and they are being delivered as we speak.

Q409 Chair: Minister, could you tell us about the plans to transfer more of the London commuter rail network to London Overground?

Paul Maynard: We are currently looking at some of what TfL is proposing. I am approaching it with an open mind, but there are some issues of democratic accountability where the service crosses over the Greater London boundary. There will also be operational issues, where occasionally trains that are operating entirely within the Greater London boundary may pull into a terminus station and go out again straightaway on a different non-London-only service. There are a number of operational issues as to how that can be made to work, as well as some issues of accountability, but we are looking closely at the recommendations.

Q410 Chair: Can you give us any dates when this might happen?

Paul Maynard: At this stage, no.

Q411 Chair: What about services such as the GTR services where there is grave dissatisfaction? Are there any plans to transfer those?

Paul Maynard: As Bernadette said earlier, when we come to relet the franchise in 2021 we will have a very open mind on how we do that and how we consider the different elements of what is a very disparate franchise at the moment.

Q412 Chair: That sounds a long time away.

Paul Maynard: The work will need to start now, I suspect, about what could and could not be done. That is partly why we have the London and south coast utilisation strategy, which will help us to look at the options to drive capacity improvements in that area. That may help guide us as to the choices we make.

Q413 Chair: When can the long-suffering passengers on Southern rail get news about a better compensation deal?

Paul Maynard: I am awaiting advice from the Department. I am very keen to take a decision as soon as I can, but the focus has to be on getting the service back up to an acceptable standard as the Department's main priority.

Chair: Minister, thank you very much. We look forward to seeing you again.