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| <b>Board Meeting Paper</b>                       |  |
| <b>Mar 10 BM 10.0</b>                            |  |
| Report for                                       | Decision <input type="checkbox"/><br>Information <input checked="" type="checkbox"/> |
| Restricted or confidential Information?          | Yes <input type="checkbox"/><br>No <input checked="" type="checkbox"/>               |
| If confidential, protective marking <sup>1</sup> |  |
| Date of Meeting                                  | 17 <sup>th</sup> March 2010  |
| Agenda Item                                      | 10   |
| Report Title                                     | Right Time Railway: Passenger Experience of Delay                                    |
| Sponsor  | Anthony Smith  |
| Author(s)  | Mike Hewitson  |



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| <b>1. Summary</b>   |
| Members will be aware that Passenger Focus has been exploring the extent to which the industry measure of punctuality reflects the actual delay experienced by passengers. This paper provides a brief update for members.  |
| <b>2. Recommendations</b>   |
| Members are invited to note/discuss the report.   |
| <b>3. Further details</b>   |
| <p>The current measure of railway punctuality is the Public Performance Measure (PPM). This measures the performance of individual trains against their planned timetable (i.e. the percentage of trains 'on time' compared to the total number of trains planned). A train is defined as on time if it arrives within five minutes of the planned destination arrival time for shorter-distance operators; or within ten minutes for long-distance (i.e. InterCity) operators. Punctuality is measured at the train's final destination and is generally automatically recorded using signalling equipment.</p> <p>DfT uses PPM as one of the targets and measures in the High Level Output Statement (HLOS) – with the aim being to secure a reduction in delays experienced by passengers. Clearly, though, this will only work if PPM accurately reflects the delay experienced by passengers. As a cross-check that improvements in PPM were delivering a commensurate improvement for passengers, in 2006/7 DfT and ourselves worked on a sample-survey of the 'passenger experience of delay'.</p> <p>To this end additional questions were inserted into the Spring 2007 National Passenger Survey (NPS) which asked passengers to record whether they were delayed, by how long and for what reason. The results were compared to PPM results for the corresponding period. We found that the results from NPS typically recorded a worse level of punctuality than PPM – thus implying that PPM might be overstating the level of punctuality experienced by passengers. The NPS based figures also reflected a potential problem at intermediate stations: as PPM measures performance at the final station it is possible for passengers en-route to be late arriving at their station only for the 'empty' train to arrive on time.</p> <p>This work was quoted in the 2007 White Paper, 'Delivering a Sustainable Railway' where DfT gave a commitment to "monitor this passenger perspective over the next control period,</p> |

<sup>1</sup> ie RESTRICTED plus COMMERCIAL / POLICY / STAFF / PERSONAL PROTECT

alongside PPM, to ensure that the understanding of the passenger experience of delay is as comprehensive as possible.”

In 2009 a much more detailed piece of work was commissioned (under the leadership of Guy Dangerfield) with National Express East Anglia (NXEA). This work examined in detail the correlation between passenger satisfaction with train punctuality and actual train performance over a 3½ year period.

The research has just been published and a summary is attached. The main findings were:

- That among commuters, who make up 60% of National Express East Anglia’s passengers, whether their train is on time is a strong determinant of whether they are satisfied. For every minute that a train is late passenger satisfaction will drop two points. Commuters appear to notice lateness from the first minute, not just after five minutes or 10 minutes allowed by PPM.
- That commuters appear to take into account their experiences over the past three months in determining satisfaction with their journey “today”.
- That average passenger lateness in the evening peak on National Express East Anglia is worse than average train lateness. This is because of the effect of cancellations and because many trains that are on time at their destination are late at intermediate stations. 62% of National Express East Anglia passengers in this study arrived in London on time, whilst only 48% travelling from London arrived on time.

In many ways this confirms suspicions that PPM does not adequately reflect passengers’ own experience of delays. There is much in the report that is specific to NXEA but there are two broad strategic issues that we have raised that are relevant to the industry as a whole:

- Monitoring performance at key intermediate points rather than just at the destination  
This is an issue that is acknowledged by the industry. The main issues surround technical questions of how to present such information and whether there needs to be some weighting to reflect how many passengers were on the train at each reporting point (i.e. a sense of how many people were delayed as well as the length of the delay).
- Adequacy/fairness of the 5 or 10 minute ‘allowance’ when determining delay.  
The research shows that passengers view on-time as the scheduled arrival time (i.e. known in railway-speak as ‘right-time’) and that commuter satisfaction starts to drop as soon as the train is one minute late. As punctuality is the main driver of overall passenger satisfaction it follows that greater adherence to a right-time railway could help drive up overall satisfaction.

However, a right-time railway has implications. TOCs may look to ‘pad’ timetables to ensure a train is never late, which could result in increased dwell times at stations and possibly reduce the number of trains it is possible to run on given track capacity. There is also a presentational risk to the industry as a right-time measure would show a dramatic reduction in ‘official’ punctuality statistics. PPM is also very entrenched within the industry – it forms the basis for some franchise commitments and the regulatory process (Control Period targets on Network Rail) and there is little realistic chance of ‘unpicking’ any of these.

For these reasons we have advocated that the industry *move towards* a right-time railway – one of the aims being to start a debate about performance for future Control Periods and HLOS outputs. In the shorter-term this involves the industry publishing right-time punctuality figures alongside its current raft of measurements.

### **Next steps**

We intend/hope to repeat the NXEA research on two other TOCs. These will be non-London commuter TOCs in order to see if there is the same relationship between satisfaction and performance elsewhere in the country.

We will also use the results as part of our work on influencing HLOS2 (the high level output statement for 2014-19) on which DfT is currently working. In part this will help counter the Network Rail/TOC argument that punctuality has 'peaked' and that attention should shift to other areas. It also complements our campaign to improve transparency with rail information – for example disaggregation of performance information, greater access to statistics on overcrowding.

We will also use the findings in our franchise submissions.

#### **4. Implications – Financial, Risk, Legal, Staffing, Equalities**

New research has financial implications - but this work has been programmed into the business plan so would not create any unexpected risks.

There is also potential for the industry to incur costs – both in terms of implementing any new measure and, longer-term, in the investment needed to improve right-time performance.

#### **5. Background information**