

Rt Hon Justine Greening MP
Secretary of State for Transport
c/o Sharon Goodsell, Rail Passenger Benefits Manager
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29 February 2012

Dear Secretary of State

**PASSENGER FOCUS BOARD MEETING
WEDNESDAY 9 NOVEMBER 2011
MANCHESTER**

As required by paragraph 15 (6) of Schedule 5 of the Railways Act 2005, I am pleased to enclose minutes of the meeting of the Passenger Focus Board held on 9 November 2011 in Manchester, and confirmed at the subsequent meeting held in London on Wednesday 22 February 2012.

Yours sincerely,



MATT AYSON
Business Services Executive

Minutes

Board meeting

Date: Wednesday 9 November 2011
Location: Passenger Focus
 Piccadilly Gate
 Store Street
 Manchester
 M1 2WD
Time: 13.30 – 15.30

Present

Board Members

Colin Foxall CBE	CF	Chairman
Stella Mair Thomas	SMT	
David Burton	DB	
Nigel Walmsley	NW	
Deryk Mead CBE	DM	
Barbara Saunders OBE	BSa	
David Leibling	DL	
Prof Jim Gallacher	JG	

Board Bus Advisors

Mike Parker	MP
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Executive in attendance

Anthony Smith	AS	Chief Executive
David Sidebottom	DS	Passenger Team Director
Nigel Holden	NH	Resources Director
Jon Carter	JC	Head of Corporate Services
Ian Wright	IW	Head of Research
Guy Dangerfield	GD	Passenger Issues Manager
Katie Armstrong	KA	Passenger Team Manager
Matt Ayson	MA	Business Services Executive

Apologies

Bill Samuel	BS	Board Member
Gavin Booth	GB	Board Bus Advisor

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1 Chairman's Opening Remarks; Apologies

The Chairman welcomed all members to the meeting and accepted apologies from BS and GB.

2 Minutes of the previous meeting held on 14 September 2011

The Board **approved** the minutes and **authorised** the Chairman to sign them.

3 Board action matrix

No.	Date	Issue	Action	Owner	Due	Status
BM120	12/05/10	Equality strategy	New equality strategy to be developed	Lesley Sherwin	June 2011	Discussed at Sept 11 BM. Complete. Delete.
BM177	11/05/11	West Coast Franchise report	Develop and implement communications plan to further publicise this report	Amy Bradley	July 2011	Complete. Delete.
BM184	14/09/11	Connect access for Board members	Board members to be given access to Connect	Nigel Holden	Nov 2011	Arrangements are currently being made.
BM185	14/09/11	Finance report – 30 June 2011	Clarify variance data in costs by directorate section.	Nigel Holden	Oct 2011	Clarification sent to Board members by email. Complete. Delete.
BM186	14/09/11	Accountability to bus cuts	Set of high level guidelines to be produced	Mike Hewitson	Oct 2011	To be outlined during Nov 11 BM as part of the review of passenger and industry facing work report. Complete. Delete.
BM187	14/09/11	Timetable consultations	Develop best practice toolkit on how to best consult with passengers on timetabling changes	Mike Hewitson	April 2012	Not in work plan for 2011-12. To be considered as part of work plan 2012-13.

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BM188	14/09/11	Passenger contact review	Revisit recommendations from previous passenger contact reviews	David Sidebottom	Nov 2011	Included as part of review process. Complete. Delete.
BM189	14/09/11	Passenger contact review	Full review including both adopted and rejected recommendations to be circulated to the Board	David Sidebottom	Nov 2011	Full review circulated to Board and discussed at Oct 11 ME. Complete. Delete.
BM190	14/09/11	Passenger contact reports	Arrangements to be put in place to distribute to the Board monthly	David Sidebottom	Dec 2011	Discussion to be had on what statistics the Board would find useful. Work in progress.
BM191	14/09/11	TOC complaint stats	Annual account of individual TOCs complaint results to be sent to Managing Directors.	Anthony Smith	Mar 2012	To be completed at end of the financial year.
BM192	14/09/11	Public sector equality duty	Update be bought back for further discussion at November Board meeting.	Anthony Smith	Nov 2011	On agenda for Nov 11 BM. Complete. Delete.

AS took the Board through the information in the action matrix. The Board **noted** that there were many actions that had been completed and were to be deleted.

With reference to action **BM184**, NH reported that arrangements were being made to give the Board access to Passenger Focus's intranet site, Connect. Technical issues were currently being worked through and the Board should have access by the beginning of 2012.

DL asked for an update on progress of the DfT fares review, which was discussed at the Board meeting held on 14 September 2011. AS reported that Passenger Focus had been consulted and that the DfT were currently working on the terms of reference for the review, which would be circulated to the Board when received.

The Board further discussed action **BM187** with regard to the timing of developing a best practice toolkit on how to best consult with passengers on timetabling changes. AS reported that although it would be useful to have for the upcoming Greater Western franchise tender, there was currently a resourcing issue which the Board would need to address in the context of next year's business plan.

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4 Chairman's report

The Chairman reported that he and AS have a meeting with the new Secretary of State for Transport, Rt Hon. Justine Greening MP, scheduled for 22 November 2011. This would be an introductory meeting where Passenger Focus's past and current work streams will be discussed. The Chairman asked that a bullet point summary of achievements and work streams be developed for the meeting.

Item	Date	Issue	Action	Owner	Due
BM193	9/11/11	Passenger Focus success and work streams	Develop bullet point summary of past success and current work streams	Anthony Smith	21 Nov 2011

A meeting has also been arranged with the DfT, GLA and LTW on 10 November 2011 to discuss closer working partnerships between LTW and Passenger Focus. An overview of the meeting will be given at the December 2011 Members' event.

The Chairman also reported that Abellio had been awarded the Greater Anglia franchise. The specification of the franchise included many of Passenger Focus's recommendations, which was a great result for passengers. The Board expressed their thanks to all staff involved. It was noted that Abellio are scheduled to attend the December meeting, where a formal briefing will be given to the Board.

BSa asked about the relationship with senior civil servants at the DfT and whether they are aware of Passenger Focus's commitments post the change process. The Chairman reported that relationships are good, but are still work in progress. The impact of the new Secretary of State for Transport would be of interest. Further to this, AS added that necessary meetings have taken place, but there was still work to be done to better develop these relationships. It was also noted that the Chairman had asked AS to reinstate meetings with the DfT special advisors.

DM observed that the DfT had plans for a white paper on the future strategy of the railway; AS confirmed that this was still on the agenda and will be published in the New Year.

5 Chief Executive's work plan report for quarter two of 2011-12

AS presented the Chief Executive's work plan report to the Board and asked for any comments. The Board noted that mid-year reviews had taken place and that planning for the three year corporate plan and business plan for 2012-13 was about to begin, of which the strategic intent and high level outputs would be circulated to the Board for discussion at the December Members' event.

Item	Date	Issue	Action	Owner	Due
BM194	9/11/11	Corporate/ business plan	Circulate strategic intents and high end outputs for discussion at December 2011 Members' event	Anthony Smith	Dec 2011

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BSa commended the commitment to research, but raised concerns that there were not enough resources to use this output to deliver maximum benefit for passengers. Further to this, there are increasing pressures to take on more external funding, which if not managed properly could result in Passenger Focus becoming more of an academic institution, as opposed to achieving what is set out in the annual business plan. The Chairman noted these concerns. However, it should be regarded as an opportunity if funded research enabled Passenger Focus to further develop the themes as set out in the business plan. Any further research would need to be negotiated and resources taken into account. AS reported that at the recent staff away day, teams discussed ideas on how to 'sell' Passenger Focus's research products more efficiently and effectively, which will be trialled during the next release of the Bus Passenger Survey. The new customer relationship management system has also improved the ability to communicate and promote research output to external stakeholders.

DL asked why there was a need for a new Passenger Focus website. AS responded that the business case for revamping the website is based on the Government requirement for greater transparency. There is also a need to drastically simplify the administration of the website. The Chairman asked that the potential rebuild be discussed at the December Members' event, including ways in which traffic to the website will be monitored. If possible, an overview of the current website traffic statistics should also be included.

Item	Date	Issue	Action	Owner	Due
BM195	9/11/11	New Passenger Focus website proposal	Paper for discussion at Dec 2011 Members' event. To include past website traffic statistics and future monitoring.	Amy Bradley	Dec 2011

JG reported to the Board that Transport Scotland will be releasing a paper on the options for the new ScotRail franchise, which may well have an impact on Passenger Focus's work plan.

The research project update for quarter two of 2011-12 was presented by IW. The research team currently have a large workload with many projects starting in quarter two. There is however an opportunity for further match funding, with the capacity to accommodate another two projects with appropriate resourcing. The Board noted that the fieldwork had been completed for the joint work with Network Rail on surveying passenger priorities for released capacity that could be delivered on the West Coast Main Line by High Speed 2. The final report is due for completion at the end of November.

DL asked whether the National Rail Enquiries research requested by Norman Baker had been published. IW reported that it had been completed and would be distributed to the Board electronically.

Item	Date	Issue	Action	Owner	Due
BM196	9/11/11	NRES research	Distribute to the Board by email.	Ian Wright	Nov 2011

NH presented the finance update for quarter two of 2011-12 and reported that there was currently an under-spend due to a number of unfilled vacancies at the start of the year and an unanticipated rent free period for Piccadilly Gate. Transition costs are currently in line with forecasts and it is expected that

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operating costs will remain within budget. However, the Board noted that there are still uncertainties regarding costs for the London office, where a solution is yet to be found. NH also reported that written confirmation from the DfT for the 2011-12 budgets is still outstanding.

6 Review of national passenger issues

GD reported that the bus punctuality project steering group held their first meeting on 15 September. Since the meeting DS had written to every local transport authority in England (outside of London) seeking expressions of interest to participate in the project as a case study authority. Currently eight authorities had confirmed their interest, whilst five had declined. The authorities who had declined participation had done so because they didn't have the staff resources to commit to the project. The project steering group is to reconvene on 1 December to finalise which routes will be used.

Regarding accountability of bus service cuts, MP asked whether there was an overview of the level of cuts that had taken place. DS reported that freedom of information requests revealed that over 1000 services have been cut since May 2011.

GD reported that good progress has been made in highlighting Passenger Focus's research findings and recommendations about handling unplanned disruption to train services to individual train companies. He said that, although the coming winter will provide the test, measures taken by the industry during 2012 as a consequence of experiences last year should result in improvements for passengers. GD is currently reviewing Network Rail and South West Trains' response to the disruption at Woking on 9 June following attempted cable theft and his findings will be circulated to the Board. AS said that it is intended to invite South West Trains and Network Rail to a future Board meeting to explain progress in implementing recommendations in the independent report by retired railwayman John Curley.

Item	Date	Issue	Action	Owner	Due
BM197	9/11/11	Unplanned disruption – cable theft	Review of SWT and Network Rail's actions following 9 June to be circulated to the Board.	Mike Hewitson	Jan 2011
BM198	9/11/11	Unplanned disruption	SWT and Network Rail to be invited to future Board meeting to explain progress in implementing John Curley's recommendations.	Anthony Smith	April 2011

MP asked what arrangements have been made to gather passengers' views whilst disruption is happening. IW reported that in the coming winter Passenger Focus will capture feedback through qualitative and quantitative research, including use of past NPS respondents who have agreed to be re-contacted. This will be supplemented by desk-based auditing of the transport industry's passenger communications through websites and social media. This research will enable Passenger Focus to gather semi-immediate feedback on operator's performance during disruption. MP added that although these measures will be good at unearthing poor performance, it was also important to capture those times when operators have performed well during disruption.

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6.1 Service disruption caused by engineering work

GD presented the paper outlining Passenger Focus's involvement with the rail industry, in particularly Network Rail, in improving the management of service disruption caused by engineering work. Network Rail have agreed a process with Passenger Focus that will ensure early warning of works expected to breach the agreement that on key routes passengers will not be transferred to buses unless there is no practical alternative. This process allows Passenger Focus to make representations to the industry if particular schemes appear to be unacceptably disruptive to passengers. GD said that the process set out in Network Rail's letter to Anthony Smith dated 27 September 2011 will be reviewed during 2012.

The Board noted that Passenger Focus will participate in industry-wide discussions regarding how engineering-related disruption to services should be measured from 2014-19. GD said that emerging thinking is that the existing Possessions Disruption Index – Passenger (PDI-P) measure should be retained, but supplemented with new supporting measures to capture variations between the base timetable and actual timetable, including how many trains have been replaced with buses. BSa noted that what was wanted was a measure that passengers could actually understand. The Chairman observed he had said precisely the same thing to a previous Secretary of State and said this should be on the agenda for the meeting with the new Secretary of State. Further to this, the Chairman asked AS to consider what action Passenger Focus should take in the event that engagement with the industry over particular engineering works did not produce a satisfactory outcome for passengers.

Item	Date	Issue	Action	Owner	Due
BM199	9/11/11	Planned disruption	Develop a planned response when measures have demonstrated industry failure and discuss with Network Rail	Anthony Smith	Jan 2011

6.2 Response to the Initial Industry Plan (IIP)

At the September meeting the Board requested a discussion on Passenger Focus's response to the 'Initial Industry Plans' for 2014-19. GD provided an overview of the intended response and invited any comments. AS reported that comments Passenger Focus had made about performance targets being unambitious had been met with a luke-warm response from DfT officials, given that the industry was faced with the issue of removing £1 billion from its cost base whilst running more trains – and that is was not meeting current targets.

Regarding the potential for new licence conditions regarding passenger information, the Chairman was concerned that compliance could become a 'tick box' exercise. He believed that there should be a plan, based on principles, on which performance was evaluated as situations arose. GD said that it was his understanding that ORR was thinking along those lines.

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NW requested that a statement on fares and ticketing be included in the IIP responses, which AS confirmed.

DM reported that the APRS system was being replaced by Passenger Assist. He hoped that the 'Access for All' budget be focussed on stations well-used by those with disabilities as part of the hub and spoke system in Passenger Assist, as the two schemes were currently disjointed. If the Association of Train Operating Companies (ATOC) provided a map of the hubs, Passenger Focus could push for money to be focussed on the spokes. The Chairman thought that by focussing on certain stations, there was a danger that a large number of other stations may remain inaccessible. The Board noted that user's views had not been surveyed about this, but that feedback from disability groups was generally consistent with this concern.

6.3 *Greater Anglia Franchise*

JC requested that this item be moved to private session at the end of the meeting due to its commercially confidential nature, to which the Board agreed.

6.4 *West Coast Franchise*

AS reported that a franchise extension had been agreed between the DfT and Virgin Rail Group running from 1 April 2012 to December 2013. As part of this agreement, the newly-purchased Pendolino carriages will be put into service, lengthening the Pendolino trains. These carriages were currently in sidings but are ready to be inserted to the existing trains.

7 **Review of Passenger and Industry Facing Work**

DS reported that the Passenger Team had begun taking a more systematic approach to stakeholder management. There had been a lot of activity towards developing relationships post change and maintaining Passenger Focus's profile with operators and authorities, which ensured passenger concerns and priorities were being represented. It was noted that additional funding had been received from operators and Passenger Transport Executives (PTEs).

Passenger Focus have also maintained relationships with other passenger groups, particularly with Bus Users UK, where funding and support was provided for ten bus passenger surgery events labelled 'Your Bus Matters'. By the final feedback session in Swindon it is estimated that these surgeries would have gathered the views of about 2000 passengers over a number of themes. The results will be analysed and a summary produced and published. The Chairman asked if the number of bus surgeries had increased as a result of Passenger Focus involvement, which DS confirmed they had by approximately 50%. Further to this, a series of rail user group events are planned for quarter four of 2011/12. These events will bring rail user groups together from across England, Scotland and Wales.

DS also reported that the Passenger Team was now fully staffed and inductions completed.

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KA presented an overview of passenger contact performance and figures for quarter two of 2011-12. Passenger satisfaction remained at an average of 70%. October had seen an increase in appeal complaints. Most of the correspondence remained around pricing structure and unpaid penalty fares, whilst East Coast had formed 25% of appeals received. DS reported that East Coast was experiencing operational issues because they had changed their outsourced supplier of the customer relations function. At the October Members' event it was agreed that Passenger Focus would write to East Coast regarding their poor performance. DS added that the figures were currently being analysed to underpin this letter.

Item	Date	Issue	Action	Owner	Due
BM200	09/11/11	East Coast complaints	Letter to be prepared to send to Elaine Holt at East Coast	David Sidebottom	Nov 2011

There are currently 350 active cases (in contrast to a previous precedent of 250), of which half the caseload was less than three weeks old. BSa noted that 'backlog' was defined differently by different organisations and asked what was considered to be a reasonable backlog. KA reported that recent analysis showed that 35/45 active cases each was acceptable with 60 defined as busy. Currently the team were operating far above this, however all appeals were actively being managed on arrival.

The Chairman queried how passenger satisfaction figures were being monitored for accuracy. KA replied that staff were sending satisfaction surveys out with all closing correspondence. The team had received 35% completion of all surveys distributed in October against a target of 20%. Some issues in this process have been identified. One is that although passengers are given a unique case number, it is not included in the survey as it may deter passengers from responding. This meant that completed responses could not be tracked to the original case. The Chairman requested that a review be conducted as it may improve case management, to which DS responded that such a review had already been actioned as part of the wider project. The Board will be updated on progress.

DL asked if the 'case of the week' was published externally. KA replied that this was published on the Passenger Focus website and DL requested that a communication be sent to Board members when uploaded in the future.

Item	Date	Issue	Action	Owner	Due
BM201	09/11/11	'Case of the Week' publication	Ensure 'Case of the week' trigger is sent to Executive	Katie Armstrong	Nov 2011

7.1 Concessionary Fares Policy

The Board considered whether Passenger Focus should conduct research to determine passengers' attitudes to potential changes to the current concessionary fares policy applicable in England. After some discussion the Board concluded that new research at present would not be appropriate, given that there was no indication that the Government intended to make changes. Were that to change, or if Passenger Focus was specifically asked to investigate passengers' views in this area, the matter would be reviewed.

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AS noted that proposals to reform the Bus Service Operator Grants (BSOG) were expected by early 2012. DS suggested that the impact of changes would be covered in Passenger Focus's wider work on accountability of cuts and service reductions.

Matters for discussion /approval

8 To receive and endorse draft V3 minutes of the Audit Committee meeting of 12 October 2011

DB reported that the Audit Committee had discussed and expressed their disappointment that budget confirmation had still not been received from the DfT. Organisational wide risk was reviewed with department heads in attendance to discuss their risk management, which was felt to be a very useful exercise. The business continuity plan was endorsed by the committee, which explained the planning towards and maintenance of continuity in the case of emergencies.

DB also mentioned the accounting upgrade, which was delayed due to lack of cabinet office guidance. The Audit Committee will decide whether to pursue this issue at the next meeting in January 2012.

9 To receive and endorse the Audit Committee's Risk Report for the half year ending September 2011

DB presented the risk report for the half year ending September 2011.

The Board noted that as a matter of good practice, it should consider a periodic review of its performance and effectiveness. The Chairman added that a corporate governance audit was being undertaken at the present time.

DL asked if the Audit Committee undertook an effectiveness review of itself. BSa said that it had undertaken this in detail and they had reflected on their achievements and changed practice in light of it. JC noted that in May 2011 the Board had approved the latest amendments to terms of reference for both the Board and its Committees further to a cross-governance review.

10 Bus Passenger Survey Tender 2012 onwards for approval

The Chairman requested that this item be moved to private session at the end of the meeting due to its commercially confidential nature, to which the Board agreed.

11 Public sector equality duty: to note progress to date

The Board noted progress that had been made in meeting the Public Sector Equality Duty requirements that had been initially discussed at the October Members' event. AS added that in addition to this work and

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as a matter of compliance, the research team had begun looking at ways of capturing diversity information from research respondents.

The Board noted that all staff members had attended diversity and inclusion training and agreed that Board members should also do this training. JC agreed to make the appropriate arrangements, which will be incorporated into the Board's programme.

Item	Date	Issue	Action	Owner	Due
BM202	09/11/11	Diversity and inclusion training	Date for Board attendance at Diversity and Inclusion training	Jon Carter	2012 TBC

12 Any Other Business

There was no other business.

6.3 Greater Anglia Franchise

10. Bus Passenger Survey Tender 2012 onwards for approval

The Board resolved that, pursuant to the provisions of the Railways Act 2005, Schedule 5, Part 6 members of the public shall be excluded from the meeting for the discussion set out below having regard to the confidential nature of the business to be transacted:

"The discussion is commercially confidential: the affairs of an individual or organisations will be disclosed, and such disclosure may 'seriously and prejudicially' affect their interests."

Proposed by: Stella Mair Thomas

Seconded by: Barbara Saunders

The Chairman countersigned the resolution

The public were excluded from the discussion from 14.55 until the end of the meeting.

Signed as a true and accurate record of the meeting:



Colin Foxall CBE
Chairman, Passenger Focus

28/02/2012

Date