

Minutes

Board meeting

Date Wednesday 19 September 2012
Location: One Drummond Gate
 Pimlico
 London SW1V 2QY
Time: 14.00 – 15.38

Present

Board Members

Colin Foxall CBE	CF	Chairman
David Leibling	DL	
Stella Mair Thomas	SMT	
Deryk Mead CBE	DM	
Bill Samuel	BS	
Barbara Saunders OBE	BSau	
Nigel Walmsley	NW	

Board Bus Advisor

Mike Parker	MP	
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Executive in attendance

Anthony Smith	AS	Chief Executive
Jon Carter	JC	Head of Business Services
Ian Wright	IW	Head of Research
Mike Hewitson	MH	Head of Policy
David Sidebottom	DS	Passenger Team Director
Matt Ayson	MA	Business Services Executive
Sara Nelson	SN	Head of Communications

Apologies

Philip Mendelsohn	PM	Board Member
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Members of the public in attendance

Alex Warner	Flash Forward Consulting Ltd -Transport
David Charlton	Watford Rail User Group

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1 Chairman's opening remarks; apologies

The Chairman welcomed all to the meeting and **noted** apologies for Philip Mendelsohn.

2 Minutes of the previous Board meeting

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

Referencing a comment on page six regarding research on the impact of reductions to bus services, SMT asked whether further discussions on getting the research to a wider audience had been undertaken. DS said it had been distributed further and that the consultation toolkit would be distributed through APCO who would link to their entire network.

3 Board action matrix

Item	Date	Issue	Action	Owner	Due	Status
BM191	14/09/11	TOC complaint stats	Annual account of individual TOCs complaint results to be sent to Managing Directors.	Anthony Smith	June 2012	Letters have been sent to selected operators. Complete. Delete.
BM202	09/11/11	Diversity and inclusion training	Date for Board attendance at Diversity and Inclusion training.	Jon Carter	June 2012	Completed at June 2012 Members event. Complete. Delete.
BM206	16/05/12	Work plan 2012-13	Include 2011-12 budget allocations without transition costs.	Nigel Holden	June 2012	The management team agreed that the budget figures in Passenger Focus's 2012-13 work plan should stay as is. Complete. Delete.
BM207	16/05/12	Transport Scotland – Future of ScotRail franchise report.	Circulate to Board Members.	Mike Hewitson	June 2012	Emailed to Board members on 21 June 2012 Complete. Delete.
BM208	16/05/12	Annual report and accounts.	Make amendments identified at Audit Committee and Members meetings.	John Carter	June 2012	Amendments have been made. Complete. Delete.

With regard to **BM208**, JC confirmed that the annual report had gone before Parliament on 10 July.

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DL clarified with regard to **BM206** that he had sought the presentation of a schedule comparing 2011-12 budget figures, excluding transition costs, with 2012-13 budget figures. The Board **agreed** to revisit this.

Item	Date	Issue	Action	Owner	Due
BM209	19/09/12	Budget figures	Circulate to the Board budget figures comparing 2011-12 and 2012-13 allocations, excluding transition costs.	NH	Nov 2012

4 Chairman's Report

Changes to the Secretary of State and ministerial team at the Department for Transport (DfT) were **noted** by the Board. Allocation of ministerial responsibilities was reasonably clear but not yet finalised. On Thursday 27 September the Chairman and AS are to meet with the new Secretary of State for Transport. Although discussions will be introductory, the Chairman would also take the opportunity to congratulate the Department on the success of transport provision over the Olympic and Paralympic period. The Chairman would inform the Board of the new Secretary of State's views on Passenger Focus and its role.

The award of the West Coast franchise to First Group had not prompted significant response from Passenger Focus, despite considerable media coverage. Passenger Focus would continue to observe and monitor the situation. The Chairman **noted** that First West Coast was scheduled to discuss the new franchise with the Board on 10 October; passenger issues for the new franchise would be discussed.

The Chairman reported that the recruitment of new Board members had progressed, with interviews taking place on 12-14 September. A shortlist of candidates from the interview phase was to be presented to the Secretary of State for consideration shortly.

5 Chief executive's work plan report

AS introduced the Q1 work plan report for 2012-13, which was **noted** by the Board.

With regard to research, IW reported that the Short and Tweet research briefing to industry social media practitioners had been well-attended and well-received. The event had prompted a substantial amount of positive debate and suggestions to reconvene later in the year were warmly welcomed. The research would also be the subject of a *New Transit* article and aired at the Travel 2020 conference.

Research into smart ticketing options in the South East had been conducted on behalf of the DfT, which was very well received throughout the industry. The DfT had since given formal notice that Ministers have agreed to provide Passenger Focus with £0.4million per annum (2012/13 and 2013/14 financial years) to fund additional research into smart ticketing. The project is currently being scoped and additional resources are to be recruited to carry out the research.

Passenger Focus began to scope out the options for the research framework renewal, which reaches the end of its minimum three year contract term in January 2013. The new framework is currently being scoped

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and is due for discussion at the audit committee being held in October; with a view to advertising the opportunity to suppliers in late October with full implementation by January 2013.

Autumn waves of the NPS and BPS were beginning in September. The level of third-party funding for BPS was currently 50%, which was a very good achievement. AS added that there had been an increased focus towards bus research to afford it more proportionate attention relative to rail. Passenger Focus was building towards a strong bus passenger research base that neither the industry nor Government had had previously.

AS reported that joint research with NRES and the ORR had begun to understand passenger's preferences for the publication of 'right time' information. The industry had turned to Passenger Focus to consider how to make this information as useful and accessible as possible.

BSau **noted** that all research projects listed at annex 5.2 were all on-going and asked that the amber colour coding be removed to avoid confusion. IW clarified that the list contained only ongoing items; completed projects had been excluded in response to previous Board feedback. The Chairman suggested indicating how projects were progressing in future reports.

Item	Date	Issue	Action	Owner	Due
BM210	19/09/12	Board research reports	Remove amber colour coding and include summary of how individual projects are progressing	IW	Nov 2012

SN was welcomed by the Board after her recent appointment as the interim head of communications. The communications team had also recently recruited a new communications assistant, Lisa Kearney. BS commented that some organisations obtained feedback from newly recruited staff members to provide an outside perspective. AS stated that Passenger Focus had a formal induction programme and that the best time to obtain feedback was at the end of the first week.

In terms of communications, SN reported that the website re-launch in June had successfully improved the appearance and functionality of the website. Work was ongoing with the web agency to improve the search function in particular.

The 'Short and Tweet' research had generated considerable online 'chatter', and the Spring 2012 NPS publication had received much media coverage. Passenger Focus had been an obvious presence in the coverage of fare increases, conducting 25 media interviews on the day and the day before.

SMT asked whether internet traffic for the website was being measured and suggested including quantifiable data. SN reported that some measures were being taken and that there had been evident spikes in traffic following the re-launch and media work. The Communications team was now looking at visitors' journeys around the new website. A positive review of the Passenger Focus's websites mobile application had also been received, which SN agreed to share with the Board.

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Item	Date	Issue	Action	Owner	Due
BM211	19/09/12	Website	Circulate positive review of Passenger Focus websites mobile application	SN	Nov 2012

With regard to resources, AS stated that the team continued to successfully support the organisation in its work. No concerns had emerged from the August budget review, and a decision was still to come from the Treasury on the pay settlement.

On finance there remained a favourable variance against budget. BS **noted** that the Audit Committee had approved the budget and **noted** the positive variance.

DL commented that the transition budget included £40,000 for board recruitment. JC explained that this was provided by the DfT to cover the cost of Passenger Focus undertaking the recruitment process. The Chairman **noted** that historically Board recruitment had been conducted by the Department. Additional funding was available because the responsibility had been handed to Passenger Focus, at the Departments request.

With regard to the CEO Team, JC **noted** the process for recruitment of a Welsh Board member had been agreed with the Welsh Government. The campaign would initiate in October.

A mid-year, cross-organisation review of the work plan had begun and would be more thorough than anything previously undertaken. A formal report would be presented at the next Board meeting.

Item	Date	Issue	Action	Owner	Due
BM212	19/09/12	Work plan review	Present a formal report of the mid-year cross-organisation review of progress against work plan objectives.	JC	Nov 2012

AS **noted** that MA had recently completed work on the redevelopment of the project management framework, which is now aligned with financial approval and accounting processes. The management team in particular was finding the framework useful as they could now track the progress of projects and make informed decisions over the allocation of project budgets.

6 Review of national passenger issues

MH reported on the Department's decision regarding London Midland ticket office closures; the majority of which was proposed would go ahead. However, Passenger Focus's influence had helped ensure there would be fewer complete closures and the Department had included caveats regarding the effectiveness of ticket vending machines and information systems. Passenger Focus would seek representations from London Midland on these.

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Ultimately, the Department had applied its 12 tickets per hour rule, which the Board had agreed not unreasonable, although there was some divergence on the application of this because many ticket offices would have certain busy periods in excess of 12 tickets per hour, even on otherwise quiet days.

The plan could be implemented imminently and London Midland had held a stakeholder meeting on 21 September. The Chairman suggested undertaking an analysis to determine whether on balance Passenger Focus's specific recommendations had been taken into account. BSau **noted** that it would be useful to develop a benchmark to assess similar processes in the future.

Item	Date	Issue	Action	Owner	Due
BM213	19/09/12	London Midland ticket office closures	Analysis of the impact of Passenger Focus's recommendations	MH	Nov 2012

AS **noted** there had not been a quantification of the savings. MH stated taxpayer gain was not an explicit element of the settlement agreement. DM **noted** that one aspect to identify was the benefit for passengers of visible staff at stations. MH added that the detailed implications of the plan were still to emerge, but such objections were more general than tangible.

MP asked whether there was any data indicating the percentage of tickets purchased online. MH replied that they had two-year-old, hour-by-hour data on London Midland tickets purchased at stations. AS commented that aggregation was complicated by pay-as-you-go arrangements. DM related concerns that many ticketing machines were not working effectively.

On franchising, MH reported that the workload was considerable and required a significant proportion of resources. Many of Passenger Focus's recommendations had been included in the West Coast franchise, including the embedding of NPS as a measure of performance.

The fares and ticketing response had recently been published. The next main issue would be whether the RPI plus 3% concept for fare rises would continue, given the pressure to roll it back to RPI plus 1%. The Chairman **noted** the importance of this argument because it was fundamental to passenger trust in the fares system; the ability to increase fares by an additional 5% every year was not justifiable.

DM asked about the extent to which issues such as complaint malaise at the end of a franchise were considered in franchise discussions. Complaints could be passed on to a new franchise holder and subsequently not resolved. MH related Passenger Focus's objective of ensuring carried-over complaints were dealt with by a new franchise holder.

BSau thought the franchising work had been positive and Passenger Focus had used the complaints data well to build a strong case in its submissions. However, it seemed that Passenger Focus was increasingly being asked to undertake work that could stretch its capacity to deliver on its core functions, and an informal discussion about the alignment of expectations and resources would be useful as a precursor to next year's business planning process. The Board **endorsed** this view.

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Item	Date	Issue	Action	Owner	Due
BM214	19/09/12	Business planning	Board to informally discuss the alignment of expectations and resources in the context of business planning for 2013-14	AS	Feb 2012

The Chairman recommended increasing the publicity and communications in relation to its franchising work. It was an important part of the role of Passenger Focus that was not widely recognised. MH related that there had been some success on publicity with stakeholders. Going forward it was also essential to look at ways of encouraging more involvement in franchise consultations from passengers and user groups.

Looking ahead there would be initial discussions with Transport Scotland regarding the next Scottish franchise. However, at this stage it was unclear whether or not there would be a further consultation; Transport Scotland felt this need may have been satisfied as part of Rail 2014. The Chairman suggested that this was not sufficient and would discuss the issue at forthcoming meetings with the Minister and industry in Scotland.

Item	Date	Issue	Action	Owner	Due
BM215	19/09/12	Scottish franchise	Chairman to raise in the context of forthcoming Passenger Focus series of meetings with Minister and industry in Scotland	AS	Jan 2013

The bus punctuality project had slowed as a result of the Olympics. DS stated that MP had announced its progress to the Bus Partnership Forum following the 3 July project steering group. The steering group was constructive and all parties were supportive of the research Passenger Focus was undertaking.

AS asked whether work on the northern franchise would be circulated. MH replied that Passenger Focus's submission is still being drafted. A qualitative approach had been undertaken, as opposed to the usual quantitative research. The Chairman questioned undertaking qualitative work and urged caution, although he accepted that it could be valuable in areas where quantitative research was not possible.

The Chairman sought a formal report on progress since the publication of the Ticket to Ride publication, as it was important that the issue was kept under review. This would bring to attention whether passenger concerns had been appropriately addressed.

Item	Date	Issue	Action	Owner	Due
BM216	19/09/12	Ticket to ride	Formal report on progress since publication to be circulated to the Board.	MH	Nov 2012

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7 Review of passenger and industry-facing work

DS reported that the Spring 2012 BPS results were published in March and had been picked up with authorities where possible. Discussions had also been undertaken with national stakeholders; these had been open and feedback very supportive.

Figures emerging from rail appeals work had been explored with operators. This had included work on legacy appeals, following complaints being lost following the Greater Anglia franchise transition. DL asked whether anyone had a centralised customer-handling service. DS said FirstGroup did to some extent, but more important was application of common sense. It ought to be written in the franchise that the bidder took on prior complaints.

The user group workshop sessions had been successfully completed and were now being followed up.

Other projects were ongoing to support Passenger Focus's operations. Much of this work was around managing contact databases and targeted messaging to keep in touch with stakeholders. AS commented that the new software was powerful and provided a detailed and accurate database of contacts.

Regarding appeal complaints, CF requested that future reports on the TOCs generating the most comments include a breakdown of all categories; specifically include penalty fares/unpaid fare notice figures. MP also suggested that it would be useful to include how TOCs were trending compared with each other. BS asked whether Ticket to Ride could be broken down into valid complaints. MH stated that a breakdown of causes could be given, but validity would be subjective.

Item	Date	Issue	Action	Owner	Due
BM217	19/09/12	Appeal complaint figures	Future Board reports to include a breakdown of all comment categories for TOCs generating the most comments and comparisons on how TOCs were trending compared with each other.	DS	Nov 2012

DS clarified that the reported figure for cases closed included those closed where the complaint was logged in previous quarters. Passenger Focus continued to work with East Coast to get cases logged through the system and closed more quickly.

With regard to the response to Nexus' draft bus strategy for Tyne and Wear (T&W), AS outlined that debates typically centred on voluntary partnerships and quality contracts. Passenger Focus tended towards an agnostic view, focusing instead on passenger outcomes, but had been asked to contribute to both sides of this debate. In the North East the public transport executive wanted a quality contract, but the process was in its early stages.

In its draft response Passenger Focus endeavoured to state where Nexus' objectives matched the passengers' interests. BSau commented that it was a credit to the work of the organisation that evidence was available to submit, but that reference should be made to the work done on good consultation practice; it was odd to consult without wider public transport context. The Board **agreed**.

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MP, as a former Chief Executive of Nexus, would have a separate discussion with DS on the detail of public transport in T&W. T&W was unusual in that it used single journey transfer tickets across the Metro and bus network. However, revenue from these tickets was distributed where it lay and this disproportionately benefited bus operators. Network Ticketing was a company chaired by a network operator established to determine ticket prices.

One problem specific to T&W was that some buses across different operators had the same route numbers for different routes. It would be useful for the response to seek trend data relating to the balance between services funded by the public sector versus those of operators. There had also been an attempt in the past to create a branded super-route network; it would be helpful to determine how this had performed.

The Chairman commented that a six or seven page response to such a large consultation could perhaps be too economical. NW suggested that Passenger Focus should list the key aspects it thought important, to ensure better focus. The Board **agreed** that an introduction detailing the key points should be included in the response.

Item	Date	Issue	Action	Owner	Due
BM218	19/09/12	Response to Nexus strategy paper	Amend the response to include summary of key points and relate to good consultation practice	DS	Nov 2012

AS enquired about the cause of declining bus patronage in T&W. MP suggested that fares were a key element because the bus network was principally utilised by the lower two quintiles of income, for whom increases would have a greater impact.

The Chairman **noted** that it would be beneficial to develop a common approach to such responses. The Board **endorsed** the response subject to amendments.

Matters for Discussion/Approval

8 Statistics governance group (SGG) minutes 20 June 2012

The Chairman introduced the SGG minutes for the meeting held on 20 June 2012.

The Board **noted** that the SGG had decided not to alter the format of the NPS and that more work would be undertaken regarding non-participation of some demographic groups.

Substantial discussion had been had on setting contribution levels in the BPS funding model. It was determined that principles would be preferable to rules in ensuring it was manageable and could be followed.

AS added that the NPS form had been changed to indicate clearly that answering the questionnaire helped to drive improvements on the railways.

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The Board **endorsed** the 20 June 2012 Statistics Governance Group minutes.

9 Audit committee minutes 16 May 2012

BS introduced the Audit Committee minutes for the meeting held on 16 May 2012 in Manchester.

The Board **noted** that the annual report 2011-12 had been laid before Parliament on 10 July 2012 with an unqualified set of accounts. Passenger Focus also received a substantial audit rating in terms of governance.

The Board **endorsed** the 16 May 2012 Audit Committee minutes.

10 Audit committee minutes 11 July 2012

BS introduced the Audit Committee minutes for the meeting held on 11 July 2012 in Swindon.

David Burton had retired from the Board and the Audit Committee. DM had been appointed to sit on the Audit Committee on an interim basis until recruitment of the new Board members had been completed.

The Board **endorsed** the 11 July 2012 Audit Committee minutes.

11 London office move

On 01 August 2012 the Board were asked to consider the scope and cost of the London office move from Drummond Gate to Fleetbank House, which was approved via the out of meeting approvals process.

The Board reconfirmed and approved the provisional determinations made for the London office move.

12 Any other business

There was no further business.

13 DfT timetabling proposal

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: Information provided in confidence to Passenger Focus by the Secretary of State’s officials would otherwise be disclosed.”

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Proposed by: Stella Mair Thomas

Seconded by: Barbara Saunders

The Chairman countersigned the resolution

The public were excluded from the discussion from 14.30 until the end of the meeting.

Signed as a true and accurate record of the meeting:

Colin Foxall CBE
Chairman, Passenger Focus

Date

DRAFT

Board current action matrix

As at 07 November 2012

No.	Meeting	Issue	Action	Owner	Due Date	Status
BM209	19/09/12	Budget figures	Circulate to the Board budget figures comparing 2011-12 and 2012-13 allocations, excluding transition costs.	NH	Nov 2012	Hard copy circulated with November 2012 Board papers. Complete. Delete.
BM210	19/09/12	Board research reports	Remove amber colour coding and include summary of how individual projects are progressing	IW	Nov 2012	Changes included in November 2012 research report to the Board (BM7.2) Complete. Delete.
BM211	19/09/12	Website	Circulate positive review of Passenger Focus websites mobile application	SN	Nov 2012	Emailed to Board members in October 2012 Complete. Delete
BM212	19/09/12	Work plan review	Present a formal report of the mid-year cross-organisation review of progress against work plan objectives.	JC	Nov 2012	Included in November 2012 Chief Executives work plan report to the Board (BM7.4). Complete. Delete.
BM213	19/09/12	London Midland ticket office closures	Analysis of the impact of Passenger Focus's recommendations	MH	Nov 2012	Emailed to Board members in November 2012. Complete. Delete
BM214	19/09/12	Business planning	Board to informally discuss the alignment of expectations and resources in the context of business planning for 2013-14	AS	Feb 2013	On agenda for discussion at November 2012 ME. Complete. Delete
BM215	19/09/12	Scottish franchise	Chairman to raise in the context of forthcoming Passenger Focus series of meetings with Minister and industry in Scotland	AS	Jan 2013	Forthcoming.

BM216	19/09/12	Ticket to ride	Formal report on progress since publication to be circulated to the Board.	MH	Nov 2012	Emailed to Board Members in October 2012. Complete. Delete.
BM217	19/09/12	Appeal complaint figures	Future Board reports to include a breakdown of all comment categories for TOCs generating the most comments and comparisons on how TOCs were trending compared with each other.	DS/KY	Nov 2012	Included in November 2012 review of passenger and industry facing work to the Board (BM9.0). Complete. Delete.
BM218	19/09/12	Response to Nexus strategy paper	Amend the response to include summary of key points and relate to good consultation practice	DS	Nov 2012	Final response circulated to Members on 30 October 2012. Complete. Delete.