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PR18 Reviews of Schedules 4 and 8 of track access contracts

I am responding on behalf of Transport Focus to your stakeholder engagement on Schedules 4 and 8.

Our research shows that engineering possessions/disruption (Schedule 4) and performance (Schedule 8) are both important issues for passengers.

In 2014 we asked 3,500 passengers across the country to rank a series of train and station categories in order of their perceived priority for improvement¹. As well as getting the rank order of priorities, the research can also be turned into an index score in order to get a sense of relativity between each item – i.e. by how much more, or less, important is one factor compared to another. We can see that performance and disruption feature highly.

Passenger Priorities for Improvement (top 10 – out of 31– in order of priority)	Rank Great Britain Total	Index Scores Great Britain Total
Price of train tickets offers better value for money	1	494
Passengers always able to get a seat on the train	2	367
Trains sufficiently frequent at the times I wish to travel	3	264
More trains arrive on time than happens now	4	178
Train company keeps passengers informed about delays	5	163
Less frequent major unplanned disruptions to your journey	6	161
Fewer trains cancelled than happens now	7	136
Accurate and timely information available at stations	8	132
Journey time is reduced	9	105
Free Wi-Fi available on the train	10	97
Sample size: 3559		

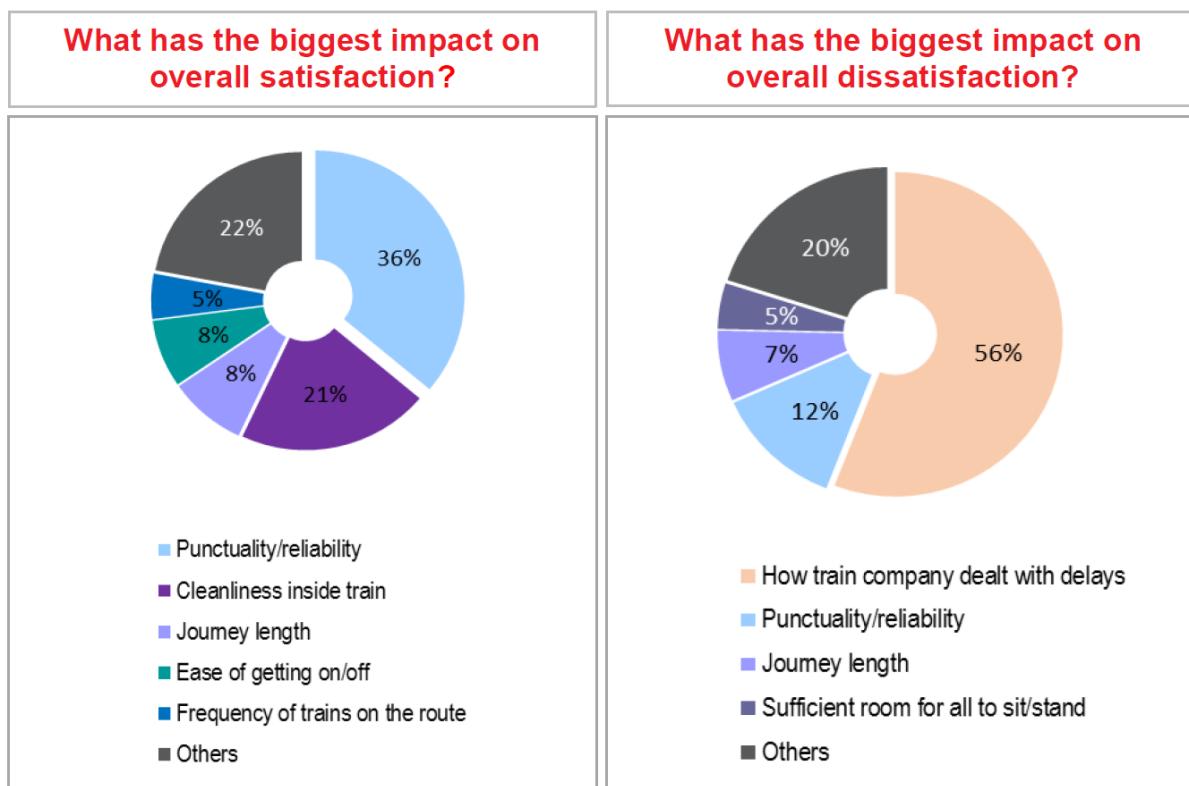
¹ Rail passengers' priorities for improvement. Passenger Focus. October 2014



The priorities are shown as an index averaged on 100. In this case 100 would be the average score should all criteria be ranked equally important. So for example 150 = 50% more important than average, 300 = three times as important as average, 50 = half as important as average

Transport Focus also consults over 50,000² passengers a year to produce the National Rail Passenger Survey (NRPS) - a network-wide picture of passengers' satisfaction with rail travel.

By using a stepwise regression analysis we can identify those factors that correlate most highly with overall satisfaction and dissatisfaction. The results from the Autumn 2015 wave of research show that punctuality is the biggest single driver of satisfaction while how the train company deals with delay is the biggest driver of dissatisfaction.



² National Rail Passenger Survey (NRPS). Passenger Focus



Incentives are meant to influence behaviour - which makes it all the more important that the targets/incentives used encourage the outputs and behaviours that passengers want to see in the first place. We can see from the above research that disruption and performance are clearly important issues for passenger. Therefore we believe that ORR's review of Schedule 4 and Schedule 8 should move beyond an assessment of their impact on train companies and include an assessment of their impact on passengers - in essence, a passenger impact assessment.

Schedule 4 – possessions regime

Passengers obviously do not like engineering work but acknowledge that they are something of a 'necessary evil' in terms ensuring safe running and improving the network. The issue for passengers is in how they are planned and implemented. Transport Focus has conducted several pieces of research³ looking at how the impact on passengers can be minimised. Some clear themes have emerged:

- Wherever possible rail passengers want to travel by train, being prepared to accept a longer journey time by train to avoid using a replacement bus.
- Passengers want early and continued communication. It is essential that they know they are buying a different 'product' than normal – one that involves travelling by bus or a diverted train that takes much longer than normal.

Does Schedule 4 currently incentivise the right behaviours. Does it incentivise the industry to divert services via alternative routes rather than start from the 'easier' option of putting on buses? Are 'all lines' closures agreed only after consideration of the full range of options? Culturally we would ask whether the starting point is still one of 'how easy is it to do the job' rather than 'how to do the job with minimum disruption to passengers'.

Likewise does Schedule 4 encourage compliance with T-12 – i.e. putting accurate information into the public domain 12 weeks in advance? People need to know what the railway is doing so they can book theatre/concert/sporting tickets, organise family and other events or even to decide whether to travel or not. If changes are made after T-12, it means some passengers will have made decisions on the basis of what they believe to be accurate information – only to be caught out

Schedule 8 – performance

Punctuality underpins passengers' perceptions of the railway. So the incentive must be

³ Planned rail engineering work- the passenger perspective. Transport Focus. December 2015
Rail passengers' experiences and priorities during engineering works. Transport Focus. September 2012
Reading Station engineering works - what passengers want. Transport Focus. 2010



one of reducing the volume and impact of delays. Clearly there must be incentives on a TOC and Network Rail to reduce their respective share of delays. However, this must not be at the expense of the overall delay to passengers. In the early days of privatisation we regularly heard ‘anecdotes’ that a train company would be financially better off if a delay caused by Railtrack (as it was then) ran on for as long as possible rather than if it worked with them to bring services back to normal. Thankfully, this is not something we hear today but any review of Schedule 4 must not lose sight of the overall reduction experienced by passengers.

We are conscious that the review of Schedule 8 is in relation to the 2018 Periodic Review (PR18). Hence for completeness we will reiterate here our previous conclusions on the importance of passenger-centric measures – the aim being to focus on outcomes for passengers. In 2010 we looked at passengers’ experience of delay and how that corresponded to official PPM figures⁴. The work explored in detail the correlation between passenger satisfaction with punctuality as measured by the NRPS for a three to four year period and actual train performance recorded by the train company over the same period. An initial study was conducted on London commuter services with (the then) National Express East Anglia, with three further studies in subsequent years carried out on Northern Rail regional commuter services (into and from Manchester) and on longer distance journeys with CrossCountry and East Coast. Just recently we’ve also refreshed the work for Greater Anglia⁵.

The research found that passengers notice/experience delays before the official PPM threshold for delays. On average, passenger satisfaction with punctuality reduces by between two and three percentage points with every minute of delay, with this increasing up to 5 percentage points per minute. So a commuter train that is 4 mins late may technically be on time but passenger satisfaction will have dropped significantly.

⁴ Towards a right time East Anglian railway. March 2010

<http://www.transportfocus.org.uk/research/publications/what-passengers-want-towards-a-right-time-east-anglian-railway>

⁵ Greater Anglia (2015): <http://www.transportfocus.org.uk/research/publications/train-punctuality-the-passenger-perspective-full-report>

Cross Country(2010): <http://www.transportfocus.org.uk/research/publications/relationship-between-customer-satisfaction-and-performance-crosscountry>

Northern (2011): <http://www.passengerfocus.org.uk/research/publications/relationship-between-customer-satisfaction-and-performance-northern-rail>

East Coast (2012): <http://www.passengerfocus.org.uk/research/publications/examining-the-links-between-customer-satisfaction-and-performance-east-coast>



This confirms our suspicions that PPM does not fully reflect passengers' own experience of delays. The closer the railway is managed to right-time rather than PPM the closer it will reflect passenger's perceptions. It also shows that there is a value in focussing on reducing small sub-threshold delays – for instance, reducing lateness on a train from 4 minutes to 2 minutes may not have an impact on PPM scores but it will on satisfaction (i.e. there is a payback/dividend from doing so).

In short, passenger-centric targets and regulation can generate passenger-centric behaviours.

We would be happy to discuss these comments in more detail if you find this of value.

Yours sincerely

Mike Hewitson