

Minutes

Board meeting

Date: Wednesday 13 February 2013
Location: Salisbury Room
 St Bride Foundation
 Bride Lane
 London
 EC4Y 8EQ
Time: 14.00 – 16.00

Present

Board Members

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| Colin Foxall CBE | CF | Chairman |
| Steve Cook | SC | |
| Stella Mair Thomas | SMT | |
| Deryk Mead CBE | DM | |
| Philip Mendelsohn | PM | |
| Bill Samuel | BS | |
| Barbara Saunders OBE | BSa | |
| Nigel Walmsley | NW | |
| Bob Linnard | BL | |
| Marian Lauder MBE | ML | |

Executive in attendance

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| 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 |
| Kyle Yeldon | KY | Passenger Contact Team Leader |
| Jonathan Clay | JCI | Passenger Executive Team – Team Leader |
| Kylie Lennon | KL | Business Services Executive |

No members of the public attended the meeting.

There were no external guests in attendance.

1 **Chairman's opening remarks; apologies.**

The Chairman welcomed Marian Lauder and Bob Linnard to their first meeting, and noted no apologies.

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2 Minutes of 14 November 2012 Board meeting

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

3 Board action matrix

| Item | Date | Issue | Action | Owner | Due | Status |
|-------|----------|--|--|-------|----------|---|
| 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 | A meeting with the Scottish Minister for Transport and Veterans, Keith Brown and AS had been booked for April 2013. AS would be emphasising the importance of passenger input in the franchise process. |
| BM219 | 14/11/12 | Passenger attitudes towards engineering work | Follow up with Network Rail regarding how the findings of this report could be implemented. | MH | Feb 2013 | Complete. Delete. |
| BM220 | 14/11/12 | Expenditure | Produce a detailed breakdown of expenditure to circulate to the Board. | BS | Nov 2012 | The Board received a report on this issue under item 7. Complete. Delete. |

4 Chairman's Report

The Chairman updated the Board on recent activities and events. The annual January fares increases had produced the usual media interest and some of the fares basket increments remained as unexplicable and unjustifiable as in previous years. He restated his view that this annual round of above inflation increases was unsustainable even in the medium term notwithstanding the growth in passenger demand. The recent Brown Review of franchising had reported and he was pleased to see the door had been left open for greater use of National Passenger Survey input in franchise performance monitoring. He had also had meetings with Minister in Wales to discuss a range of passenger issues and looked forward to a similar opportunity in Scotland in April.

5 Chief Executive's Work Plan Report

5.1 Activity Report including Research, Communications, Resources and Corporate Governance

AS observed that the publication of the next wave of the Bus Passenger Survey work was scheduled for 18 March in London with the location and timing to be confirmed. The participation of Board members would be welcomed.

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AS highlighted an extremely positive exchange between Passenger Focus and ORR following Passenger Focus bringing a number of issues to the ORR's attention with regard to TOCs failing to make timetable information for periods affected by rail possessions available to passengers at least 12 weeks in advance ("T-12"). The ORR had taken up this issue with the TOCs which should lead to passengers receiving their proper entitlement to advance notification in the future.

NW asked for an update on Passenger Focus's training course for transport user groups. DS said Passenger Focus had run two of the planned five training sessions. The sessions had provided background material, media training and touched upon areas of research. The feedback received had been largely positive and the sessions well-attended. Passenger Focus would take comments made by attendees on board in designing future sessions. NW enquired about the timing of the events and whether daytime or evening sessions were better for attendees. DS said that this was a difficult issue; the course had been offered during the daytime which, it was recognised, would have made it problematic for members of the users groups with employment responsibilities. However, it was noted that a number of attendees would have been unable to attend had the course been offered in the evening.

SMT raised concerns that the training course offered in Bristol had been intended to cover user groups in Wales. The Chairman recognised that this created a range of challenges for Welsh users and asked that future training sessions for Welsh User Groups should take place within Wales.

BSa raised concerns about the Staff section of the Staff and Stakeholder survey being undertaken and analysed internally. AS noted that the last Staff Survey had been run in the same way and observed that there had been no concerns raised on this point. It was explained that the survey was conducted using the online system SurveyMonkey and that the data was not used in a way that would make the individual identifiable. The Chairman suggested that the management should take the issue to the Staff Forum and ask if there were any concerns.

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| BM221 | 13/02/13 | Staff attitude survey | Consult with staff forum on whether completion of survey should be done in-house or outsourced | AS | Feb 2013 |
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The Board **noted** the Work Plan Report.

5.2 Research report October – December 2012

IW highlighted the research undertaken on passenger engagement during the franchise process that had arisen from work on the West Coast mainline franchise. It was felt this would be a helpful piece of research for the Department of Transport in that would make suggestions about getting high-quality passenger engagement into future franchise processes and lead to a better service for rail users.

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IW highlighted the methodology used during the Festive Period Travel Experience work, where the Organisation drew on a 6,000-strong NPS re-contact database. This had worked successfully and it was likely that the database would help future work.

SMT observed that when speaking with stakeholders it was helpful for Board Members to have high-quality hard copies of research. The Chairman said he agreed in principle on this issue, though Passenger Focus needed to remain cognisant of cost and environmental issues.

AS observed that there had been significant amounts of media coverage of transport issues during January. The Board recognised the work that AS, MH, DS and Sara Nelson had undertaken over this period and highlighted how well they had articulated the passenger interest across a range of media.

SMT observed that territorial Board Members were frequently asked to give interviews or comment on passenger issues. She said it would be helpful for the management to brief Board Members on Passenger Focus work and the positions taken in respect of various issues - on request and as required.

The Board **noted** the Research report.

5.3 Finance report October – December 2012

The Board **noted** the Finance Report.

BS highlighted the positive step that had been taken with regard to the budget agreement for the smart ticketing research but drew attention to the disparity between the budget agreed upon in the Finance report and the estimate in IW's report. AS observed that the Executive had put a process in place to ensure that everyone was aware of budgetary issues. BS emphasised the importance of staying within the budget set.

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| BM222 | 13/02/13 | Resources report | Clarify discrepancy on smart card ticketing spend to date / budget | NH | Feb 2013 |
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6 Review of National Passenger Issues

MH outlined the work undertaken during Q3 2012-2013 much of which had focused on the issues of bus disruption and attitudes towards bus tickets. The work in this regard had been broader than was usual for Passenger Focus as it had been aimed at obtaining a holistic view of passenger opinion in order to better represent these views to the industry. The work on rail had tied in with this, addressing disruptions and ticketing issues. Passenger Focus was currently consulting with industry on this issue and would ensure that it drew on its wealth of resources in relation to these issues when making the passenger case.

The Chairman observed that causes and implications of rail and bus disruption were very different. MH noted that the key issues for bus passengers were: punctuality, the provision of information during periods of disruption and value for money, although we were still in a process of learning about passenger attitudes

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towards bus travel and that the ongoing work would allow it to form a clearer picture. Passenger Focus recognised the importance of developing clear position statements on bus passenger priorities, which could be taken to stakeholders and conveyed through the media.

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| BM223 | 13/02/13 | Passenger Issues report: bus lines to take | Complete planned work and circulate to Board | MH / SN | Mar 2013 |
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MH observed that, with regard to rail, despite the announced rail fare rise of 4.2% being lower than previous years, there was considerable anger in the press. It was also noted that the Brown report had received a lot of media attention over January. Passenger Focus welcomed the report's emphasis on measures and monitoring of quality in the franchise process. Passenger Focus would endeavour to represent the passenger voice on issues of quality in negotiations in the future.

MH observed that Passenger Focus would need to consider how best to get the passenger voice heard during the interim arrangements following the suspension of the franchise process. There was a question over whether the Organisation needed to produce sets of achievable goals for a two-year franchise arrangements. There was a difficult balancing act to be achieved between advocating service improvements that would be palatable to TOCs over a two-year contract and retaining focus on large-scale reforms of ticketing structures that would be of great longer term benefit to passengers. There would be conclusions from the Fares and Ticketing Review in May which Passenger Focus awaited with no small degree of interest; it was noted that ticketless travel would be a key focus over the coming months. The Board was concerned that in circumstances of franchise breach Passenger Focus should be more closely involved – and ready – with proposals for the 'passenger dividend'. AS agreed this would be a useful exercise.

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| BM225 | 13/02/13 | Passenger Dividend on franchise breach | Secure engagement with process to ensure maximum passenger dividend | AS | May 2013 |
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The Chairman raised concerns about the ORR report on rail disruption. He observed that the report had focused on logistics without engaging with passengers' views on the rail possessions. He said he had suggested that Passenger Focus undertake work in the future in this regard in order to use its expertise in obtaining passenger views to ensure such views were taken into account when the ORR was reviewing proposed rail possessions; Passenger Focus's view was that the methodology ORR had used for the recent report was insufficient for determining the real passenger impact of disruption.

SMT stated that the Welsh Transport Minister was reviewing models for the rail franchise arrangements in Wales and asked whether Passenger Focus would have input into this process. The Chairman observed that passengers cared less about delivery models than about service delivery, but accepted that Passenger Focus should develop a position on the matter.

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| BM224 | 13/02/13 | Wales franchise | Develop stance on different franchise or concession or DOR models | MH | May 2013 |
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DM asked whether Passenger Focus had made any progress in using social media to identify areas of concern among passengers. IW said trials had only been partially successful; social media, IW said, did not provide the depth the Organisation needed to act upon. SC thought it important the Organisation persevere with this work, although he recognised that it would take time to select the most useful resources and channels.

7 Review of Passenger and Industry Facing Work

DS said that Passenger Focus had recently worked with London Midland on passenger compensation following the disruption caused by a lack of drivers. Passenger Focus had also been working with Virgin West Coast to review their complaint handling services to try and improve the offering to Virgin's passengers and consequently reduce the number of appeal complaints coming from the TOC.

AS observed that compensation arrangements were agreed between London Midland and the Department for Transport. Given that railways were increasingly funded through fare paying passengers, AS thought it important that there be more passenger involvement in determining the compensation. The Chairman suggested the Organisation draw on its passenger priorities work to provide a view on what compensation should be made in order to ensure that penalties were spent on what rail users wanted.

DS highlighted the ongoing meetings that Passenger Focus had been having with stakeholders in the run-up to the publication of the BPS. DS and his team would be meeting over 40 organisations throughout February in order to ensure that bus companies and transport authorities understand their results and to set up further discussions to influence how industry can use the results from the BPS to the benefit of passengers. The Chairman recognised this was a large number of organisations to engage with but stressed the importance of the work.

DS noted that Mike Bartram had been working on bus punctuality in a project that had been well received by the industry. AS noted that the Traffic Commissioners were also working on new bus punctuality and reliability guidance and would be drawing on Passenger Focus's work. The Chairman asked the management to reflect on the role of Traffic Commissioners noting there was an apparent inconsistency of approach across England and Wales.

DS highlighted the Organisation's successful work on addressing outstanding complaints over the last quarter. KY observed that during Q3 Passenger Focus had closed more complaints than it had opened and had reduced the number of outstanding historic complaints. AS asked how this had been achieved. KY explained that Passenger Focus had sent advisors to the two TOCs which generated a large number of complaints, and they had worked hard on closing off complaints. In addition, Passenger Focus now had a single point of contact at East Coast with the authority to agree settlements and this had increased the speed at which problems could be dealt with.

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BSa observed that the freedom to send advisors to the TOCs had helped address the problem but raised concerns about the resource implications given the rise from 300 to 400 complaints per quarter. KY said that he was confident complaints could be addressed through a careful categorisation of the complaint and through close working arrangements with the TOCs. SC asked whether Passenger Focus had research comparing TOCs' complaint handling processes. DS said work in this area had been undertaken four years previously and work was underway to repeat it. Following a question from PM, KY explained that each complaint was categorised on being received

8 To Receive and Endorse Draft Version 3 Minutes of the Audit Committee Meeting of 16 January 2013

BS noted that the Audit Committee was content with the Organisation's finances as expenditure was on target and within budget. In the past, queries had been raised about how Passenger Focus had committed its transition budget and the Audit Committee had received a full, detailed report that reassured them the monies had been used effectively and successfully. The Audit Committee had asked for the paper to be taken to the Board at its next meeting.

BS also noted that the NAO audit plan had been received for 2013-2014.

BS commented that concerns had been raised about the terms of reference for internal audit reports having been too narrow. AS had been asked to put a process in place to ensure that adequate attention was focused on the terms of reference in the future and the revised terms of reference would in future be signed off by the Chief Executive or Head of Business Services acting with his authority.

ML asked whether a risk report was brought to the Board. BS explained that a risk report was brought to the Board at six monthly intervals.

The Board **received** and **endorsed** the minutes of the Audit Committee meeting of 16 January 2013.

9 To Receive and Endorse Draft Version 3 Minutes of the Statistics Governance Group of 5 December 2012

SMT highlighted Passenger Focus's tendency to underplay itself and spoke of a need to emphasise the significant work it took on behalf of the passenger interest and the results it achieved. The Chairman agreed.

The Board **received** and **endorsed** the minutes of the Audit Committee meeting of 5 December 2012.

10. To Discuss and Agree an Open Data Strategy: Passenger Focus's Response to the Public Sector Transparency Agenda

JCI observed that the UK Government wanted to be at the forefront of the global movement to make data public. Passenger Focus supported this initiative and it was felt that it would make a difference to users of public transport. In its strategy, Passenger Focus's three objectives were: publish all data that was of

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interest to passengers; provide examples of good practice to the industry; and review the way the Organisation used data.

BS expressed concern about the wording of the Method 3: ‘We will define what data we consider to be in “the passenger interest”’ and JCI agreed to revise this. BSa observed the Organisation might struggle to deliver on the promise to publish ‘all’ data and suggested that this be qualified.

AS indicated that the most significant problem with the Open Data Strategy was that it underemphasised the volume of data currently published by Passenger Focus; it continuously made data public in order to challenge stakeholders on the services provided to passengers and help secure public transport users a better deal throughout the country. In this regard, JCI observed that the only significant data set not yet in the public domain related to complaints. SC asked for a timeline for the implementation of the policy and the Chairman asked for an estimate of the increase in workload the Strategy represented.

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| BM226 | 13/02/13 | Open Data Strategy | Include action plan dates / milestones in cover to strategy and indication of extent of ‘extra’ data this programme will place in the public domain | JCI | Mar 13 |
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SC asked whether data received from other organisations would also be published by Passenger Focus. JCI said that where Passenger Focus was not the owner of this data it would not generally publish it. In this regard, DM asked whether the Organisation planned to include data from user groups on its website. The Chairman said the website could include links to user group websites. The Chairman went on to note that Passenger Focus acted as an effective advocate for passengers because stakeholders valued the well-validated research evidence the Organisation brought to them; as such, he was wary about including data from other organisations as part of this project.

The Board **agreed** the Open Data Strategy subject to the agreed revisions.

11. To Discuss and Agree the Work Plan and Budget for 2013-14

AS introduced the draft work plan for 2013-14 which was also on the website for wider consultation. He recognised that it was largely activity based and short on objectives, but stressed that most goals had to be seen as longer term and successes were largely achieved over periods much longer than a single business year.

The Board sympathised with this predicament but felt that without some kind of success measures it was difficult to plan to achieve, or even prioritise activities. BSa felt in particular that the plan was not clear on the overall extent of ambition even if the scale of the activity as set out was in itself ambitious. She wondered how teams and individuals could be asked to get results when the work plan was unclear about what these were. AS was clear that he did not want Passenger Focus to set itself up to fail, and setting annual goals and targets which would be largely framed by third party timetables could have a negative

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effect. BL thought it quite possible to break down longer term goals into achievable in-year objectives that would form the building blocks for longer term successes. The Board agreed.

AS agreed to sharpen up the deliverables of the work plan and frame them within a context of objectives and success measures that provided an appropriate balance between the need to provide incentive to get results and the reality of the work to which we were committed.

The Board **noted** the Work Plan for 2013-14 as work in progress and would review and endorse it in final form by correspondence as soon as possible. The Board **noted** and **agreed** the overall budget that was attached to the work plan, based on the Spending Review settlement for the year.

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| BM227 | 13/02/13 | Work plan 2013-14 | Update following discussion and recirculate for approval | AS | Feb 13 | **by email to board members** |
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12. Any Other Business

There was no other business other than as shown on the agenda.

*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 on items 13 and 14 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: Barbara Saunders

Seconded by: Deryk Mead

The Chairman countersigned the resolution

The public were excluded from the discussion from 15.40 until the end of the meeting.

Signed as a true and accurate record of the meeting:

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Colin Foxall CBE
Chairman, Passenger Focus

Date

DRAFT