

Board meeting

Date: Thursday 11 February 2016
Location: Fleetbank House, London
Time: 12.00 – 13.30

Present

Board Members

Jeff Halliwell	JH	Chair
Dr Stuart Burgess CBE	SB	
Marian Lauder MBE	ML	
Bob Linnard	BL	
Stephen Locke	SL	
Theo de Pencier	TdP	
Diane McCrea MBE	DM	
Isabel Liu	IL	
Philip Mendelsohn	PM	
Paul Rowen	PR	

Executive in attendance

David Sidebottom	DS	Passenger Director
Guy Dangerfield	GD	Road User Director
Jon Carter	JC	Head of Business Services
Mike Hewitson	MH	Head of Policy and Issues
Michelle Calvert	MCa	Business Services Executive
Douglas Daiziel	DD	Head of Business Innovation
Sara Nelson	SN	Head of Communications
Ian Wright	IW	Head of Insight
Linda McCord	LMc	Senior Passenger Manager
Manuela Widmer	MW	Business Services Officer

Guest Speakers

Charles Horton	CH	CEO, Govia Thameslink Railway
Dyan Crowther	DC	COO, Govia Thameslink Railway

Apologies:

Anthony Smith	AS	Chief Executive
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1.0 Chair's opening remarks; apologies

JH welcomed Charles Horton and Dyan Crowther from Govia Thameslink Railway. He gave a short introduction on what Transport Focus is currently doing and its interest in what has become known as the South East Quadrant and, in particular, the severe disruption for passengers whilst the Thameslink programme work is ongoing.

Apologies were received from Anthony Smith.

2.0 Govia Thameslink Railway

Charles Horton thanked Transport Focus for the opportunity to explain to the Board the background to the creation of the GTR franchise and the impacts of the Thameslink programme. He referred to the review by Sir Peter Hendy on Network Rail's deliverability and the implications for passengers during Control Period 5. DC would cover performance and what drives passengers' satisfaction and dissatisfaction. A key element of current poor performance was both infrastructure upgrades and failures, although this was only one element.

The GTR franchise represented some 20% of the whole railway network, and now included Gatwick Express, Southern, Thameslink as well as Great Northern services. The franchise anticipated huge passenger growth over its term. The upgrades to the network are being done 15 years later than originally planned; the infrastructure had not therefore been updated to cope with the increased demand. Much now needs to be taken out and completely rebuilt.

Eighteen months into the franchise some insights were now emerging. Gatwick Express runs separately but the benefits of integrated operation had been realised. London Bridge redevelopment is a major factor in service delivery but not the only factor. The Brown report, which referred to 'major change and sustained disruption' with regard to the impact on passengers' journeys should not be forgotten. The Department of Transport (DfT) had wanted a delivery partner to work through the changes of improving the network and the passenger experience, which Govia was attempting to provide. The Thameslink programme will transform the customer experience, improve ticketing, security on trains and stations, improve accessibility and the way information is provided. Govia has tried hard to live up to the contract in the first 18 months but Network Rail has competing priorities in its contracts with other TOCs.

The franchise is structured so that DfT takes the farebox revenue (and the risk) and in return the TOC receives payments depending on performance; this is measured against cancellations, delays, length of train, ticketed travel and customer measures (NRPS and audits of stations and trains facilities).

A number of obligations to the department included:

- New trains on Thameslink and Gatwick network
- Improvement of information systems including social networking
- Smart cards and new ticketing machines

- Ticket gates installed across the network
- Extra ticket enforcement officers

These are challenging commitments in a challenging contract.

Dyan Crowther introduced a series of graphics showing the performance of the franchise. The Brighton main line alone had 36 key projects for improvement. It was becoming clear that the specified inputs were not delivering the expected outputs. Govia had therefore commissioned research to try to determine why this was the case.

The four months worth of research studies undertaken by Steve Drappier, regarded as one of the best analysts in the industry, concluded that:

- Since 2013 there had been a serious fall in PPM
- Reduced infrastructure associated with London Bridge and other changes/improvements on the network, leading to, for example, platform reductions, had had a much more significant impact than originally assumed
- Many trains have no spare capacity, resulting in longer dwell times or reduced services
- Main line services have insufficient resilience when impacted by delays on the metro lines

Govia set up an alliance board across the network a year before they were expected to. It helped that DC had more than 10 years' experience working for Network Rail, one benefit being that she knows which questions to ask. Govia has an improvement plan and keeps it under review. They are faced with many sensitive issues, mainly train crew issues, but had come to the conclusion that improvement is only possible with a joined-up approach.

It was now clear that some of the modelling work undertaken prior to taking over the franchise, especially with regard to the impact of delay minutes, was flawed. Every one incident had the capacity to trigger four times that amount of across the network. There was now a much better understanding of how to respond to incidents on the system, meaning that early morning peak incidents can be recovered during the morning and so ensure there is a much reduced impact on the evening peak.

Driver recruitment and training: With every change to the fleet or new infrastructure further training is required. Normally training days would be balanced with rest day working but the scale of the recruitment and training needed is almost unprecedented. For instance the class 700 introduction requires 6672 training days, new depots 332 days, divisionary route between London Bridge and Victoria 750 days (150 already completed). DC added that every change needs consultation and agreement with the trades unions and it sometimes takes time to find common ground.

Customer information is a number one priority at the moment. The situation is improving but they are not where they need to be yet. A critical success factor will be enabling front staff to do their work by giving them the equipment and training they need. In this respect, the company would shortly begin consulting on changes to TSA schedule 17 with a view to reducing ticket office hours and moving staff onto platforms as 'hosts'.

CH reminisced that, when he took over the franchise 18 months ago, he held a press conference at Blackfriars station. A passenger, just off a train arriving at 08.40, button-holed him and raged that he was late as he had

been delayed at the station as the queue for the ticket office was too long, that he had to squeeze in an ancient, uncomfortable, train with his head in the armpit of a fellow passenger, and there was no information as to why the train was running late. What will change in 2018?

CH was clear that in 2018 there will be longer trains with vastly increased capacity; 24 trains an hour through the central core; a more reliable and consistent service with the best information systems that could be found anywhere.

3.0 Q & A

Stephen Locke thanked CH and DC for their presentation but considered the gap between the reality of current travel and the future vision is barely credible. He described the situation at Catford as an example: the delays and cancellations to services are actually ruining people's lives whilst Govia makes no meaningful attempt to engage with their customers about the longer term. Govia was approaching the point of never being able to regain the trust of its customers.

Theo de Pencier described similar issues on the northern half of the Thameslink network. The lack of information was dire. Only that morning had he experienced the chaos resulting from a broken down train at Mill Hill and had had learnt about it from the BBC. This was typical. It was not good enough to only ever point to 2018 as the year when everything would change: the here and now needed tackling urgently.

CH believed that levels of trust were only likely to improve when passengers actually feel and see the improvements in service delivery; a tangible example was the additional 20,000 extra seats daily to increase capacity. Passengers are right to be frustrated with the current service level but Govia has to keep focussed on the longer term goal. "If you are going through hell, keep going" said Churchill. SL noted that Churchill was a great communicator which was not something that could be said about Govia. CH agreed they need to find a way to communicate more effectively.

PM commented that he had worked for many years as a transport planner and had difficulty in understanding why the modelling of disruption to service levels had been so poor. Govia had been largely appointed as a change manager to deliver transformational change across the network while recognising the partnership with Network Rail was one of the first importance. There was an impression that the partnership was not working as effectively as it should. Presumably most of the pre-franchise award modelling had been done by Network Rail. Was this part of the current problem?

PR raised the issue of compensation. Was the service level now so poor that passengers should be compensated by reducing ticket and season prices and make it as easy as possible for refunds/compensation claims.

CH replied that in the next 18 months there will be progressive improvements to staff, information provision and trains. He pointed out that his job was to minimise the impact change brings but it would be wrong to say everything was alright when it is clearly not. The scale of the infrastructure changes meant that disruption was inevitable but there was end in sight. Nothing would be gained by playing a blame game with Network

Rail which would only become more risk averse. The issue of compensation was not one for Govia but for the Government, neither is it for Govia to make any such proposal.

JH thanked CH and DC for attending and for their update. He agreed the next 18 months will be critical but that frankness with passengers is key, and they must find better ways to communicate effectively. He noted Govia's position on compensation, which was that it was purely a matter for the DfT, but reiterated that Transport Focus remained of the view that passengers *should* be compensated and that the operator would have great difficulty regaining their trust without it.

4.0 Approval of funding arrangement with Innovate UK

Douglas Dalziel introduced his paper and explained that funding through Innovate UK had become available to fund salaries, administration, materials and travel and subsistence to conduct a project on using IT to enhance the rail passenger experience. The proposal must meet certain project criteria. Our proposal would be to develop a digital always-on tool to enable rail passengers to feedback their journey experience. The starting point would be to look at using NRPS as the model for an online, always on-survey.

Innovate UK ran a competition last year to award up to £6M funding for consortia projects. The competition was themed around "Enhancing the Customer Experience on Rail".

- the total available through Innovate UK funding was up to £6 million
- the closing date was April 2015
- there were a total of 8 awards ranging from £207k up to £1.2m
- the project we are being invited to consider has 8 partners led by PA Consulting, and secured £895k out of a total project cost of £1.7m (the rules are that private organisations can only receive 50% of the funding; whereas organisations like ours in the public sector will receive 100% of costs)
- the project is mainly about building 'IT infrastructure' to support innovation in rail
- the 'IT infrastructure' is to be piloted on a diverse range of projects concerning: needs of visually impaired passengers, wayfaring at stations/platforms, reducing disruption due to suicides/attempts, and innovative group ticketing for families.

Transport Focus had been invited to replace Network Rail as a partner on the project. We had suggested digital always-on tool to enable rail passengers to feedback their journey experience. The starting point is to look at using NRPS as the model for an online, always on-survey. This has been accepted by the lead member of the consortium, Professor Roger Bromley.

Developing an online platform that allows passengers' experience to feed into operational rail data, gives passengers a louder voice, and will allow decision-taking to give weight to the data on passengers' experience. This platform will build on current work to develop our online panel of transport users and create a complementary product to NRPS, something that the DfT are also keen for us to do. It also aligns with the work we might undertake with C3UK.

Minutes

The transformation will require work to design and test:

- An online approach to the robust sampling
- A revised questionnaire suitable for online administration
- Incorporation of our existing app-based approach to emotional tracking
- New online data outputs
- New online dissemination of data
- Data linkage to other online rail data

Since any project that materialised under this arrangement would be considered 'additional' the Board was asked to agree to putting forward a proposal to be fully funded by Innovate UK.

The board **agreed** in principle to this proposal subject to a detailed project brief being developed and approved by management team.

There being no other business the meeting closed at 13.30.

Signed as a true and accurate record of the meeting:



Jeff Halliwell
Chair, Transport Focus



Date