Minutes

Nov 17 BM A 02.0

Transport Focus Board meeting	
Date:	**11 July 2017**
Location	**St. Bride's Foundation, London EC4Y 8EQ**

Attended

Board members:

Jeff Halliwell	JH	Chair
Theo de Pencier	TP	Board member
Isabel Liu	IL	Board member
Bob Linnard	BL	Board member
Philip Mendelsohn	PM	Board member for Scotland
Cllr William Powell	WP	Board member for Wales

Executive in attendance:

Anthony Smith	AS	Chief Executive
David Sidebottom	DS	Passenger Director
Ian Wright	IW	Head of Insight
Mike Hewitson	MH	Head of Policy and Issues
Guy Dangerfield	GD	Head of Strategy
Jon Carter	JC	Head of Business Services
Hazel Phillips	HP	Head of Communications
Michelle Calvert	MCa	Business Services Executive

Guest Speakers:

Hugh Clancy	HC	Commercial Director, Rail, FirstGroup
Andy Mellors	AM	Managing Director, FirstGroup
Louise Coward	LC	Insight Manager, Transport Focus

Apologies:

Marian Lauder MBE	ML	Board member
Stephen Locke	SL	Board member for London

Part A: Preliminary

1.0 Chairman's opening remarks; apologies

JH opened the meeting and welcomed those present, particularly the guest speakers. Apologies were received from Marian Lauder and Stephen Locke.

2.0 Minutes of the previous meeting

The minutes were amended to include Nina Howe's attendance.

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

3.0 Board action matrix

Item	Date	Issue	Action	Owner	Due	Status
1617-265	Nov-16	Workplan Report 2017-2018	Consider how to simplify workplan	AS	Jul-17	**Complete**
1617-270	Mar-17	Workplan Report 2017-2018	Upgrade RAG descriptors to make clear	MCa	Jul-17	**Complete**
1617-273	Mar-17	GWR	Produce report on complaints issues	AS	Jun-17	**Complete**
1617-275	Mar-17	GWR	Monitor and report on complaints backlog as at 31 March 2017 (NH)	DS	Jun-17	**Complete**

4.0 Chairman's report

The Chair provided an overview of his activities since the last meeting.

5.0 Report from special Board meeting on 06 July

TP reported that a meeting had been held with Phil Whittingham, Managing Director, and Richard Scott, Head of Communications, from Virgin Trains, where issues around complaints handling had increased over the past 12 months. Representatives from the Office of Rail and Road (ORR), Department for Transport (DfT), Rail Delivery Group (RDG), London TravelWatch (LTW), FirstGroup, and others had also been in attendance. Phil Whittingham had confirmed that Virgin had changed its complaints handling policy in 2016 to try to establish consistency. Significant issues had since emerged, including fires and storms, which had exposed weaknesses in complaints handling, especially with regard to staff churn. Richard Scott had outlined Virgin's plan to address this matter, with new staff currently being recruited.

The Board had secured a commitment from Phil Whittingham that he would meet regularly

with AS, giving Transport Focus the opportunity to apply pressure on behalf of customers. The Board would write to Virgin and the ORR to formalise its understanding of the meeting, and would outline the present position to DfT in order that complaints returned to normal levels. It had been tacitly agreed by Virgin that an element of discretion and flexibility would be reintroduced to their complaints handling regime. JH added that Transport Focus would continue to hold to public account organisations with problems in managing customer relations.

Part B: Public affairs

1.0 Hugh Clancy, Commercial Director, Rail, FirstGroup

JH thanked HC and AM for attending, noting the benefit for the Board in hearing from external speakers, especially those in mobilisation phase.

AM noted that the seven-year 70/30 franchise partnership between FirstGroup and MTR would start on 20 August. A £1.2 billion investment commitment had been made. Increased capacity would be the greatest benefit, and would entail the introduction of new trains and services, as well as an improvement in journey times. The franchise had committed to 52,000 extra seats in and out of Waterloo: 22,000 in the morning peak and 30,000 in evening peak. 750 new carriages had been announced alongside an interim measure to bring in 90 carriages in advance of new trains. Further, there would be a programme of refurbishment for the remaining fleet. The fleet would have free and fast Wi-Fi, seat power, pre-loaded content accessible to customers, and more real-time information.

There would be an acceleration in journey time reductions in mainline South West services. Reading, Windsor and suburban services would see improvements in 2018 with a second stage of enhancements by 2020. There would be new journeys from Farnham to Guildford and Weymouth to Portsmouth, and Sunday services would mostly match the weekday proposition. In an effort to make ticketing more intuitive, the franchise was keen to implement mobile phone barcode tickets, as well as a smartcard scheme. Delay Repay 30 and ultimately 15 would gradually be introduced. There would be a wide range of station improvements, especially at Southampton Central. More parking spaces would be created, including charging points for electric vehicles. Engagement with stakeholders regarding aspirations for new stations was ongoing.

HC stated that FirstGroup had engaged with DfT and customers, holding nine customer forum discussion groups across market segments and 20 accompanied journeys with both users and non-users. A 3,000 participant market segmentation exercise had been carried out, followed up by a quantitative state of preference survey. FirstGroup had met with a number of customer rail user groups, reviewed the Transport Focus report on passenger experience and input, and met with both Transport Focus and LTW representatives.

The franchise had engaged with 120 organisations during the bid development phase. Since

the announcement, around 100 more stakeholder meetings had been scheduled. There would be three Regional Development Managers to identify and deliver projects with stakeholders and lobby for future improvements. A South West Transport Partnership consisting of local authorities, LEP, and Transport Focus had been proposed in order to look at future aspirations for developing rail in the area. An alliance with Network Rail had been negotiated, as had a partnership agreement with TfL.

The franchise was committed to engaging with Transport Focus on annual stakeholder reports, had put in place a Customer Experience Strategy Group, and expected to work with Transport Focus on research projects. Transport Focus would be invited to review customer and stakeholder engagement strategies and consulted on timetable changes and fare proposals. A monthly customer satisfaction survey would supplement NRPS targets, with an online customer forum also in place for suggestions. A customer report against franchise commitments would be produced twice yearly. An Accessibility Forum would be introduced with a full-time manager alongside a team of 25 community ambassadors and a customer service audit team.

JH invited questions. It was noted in the following discussion that there was no chance of moving the outsourced complaint handling contract in the short term, but the franchise would introduce Delay Repay 15 and work with South West Trains' in-house customer relations team during transition.. Negotiations on new trains had been completed, and orders were close to being placed. The Waterloo works represented the biggest challenge, but the franchise had inherited a well-run company in South West Trains and so no remapping was required.

When questioned on transport integration proposals HC said that the high frequency guided bus service between Gosport and Fareham would be tied into a virtual branch line. As well as integration, participation with local authorities through regional development managers would be encouraged. Inclusivity was also important to the franchise, as had been demonstrated through TransPennine's past introduction of customer assist cards for customers with disabilities.

IW, encouraged by the franchise's customer engagement, invited HC and AM to consider pooling survey data on an industry-wide basis. In response, it was noted that FirstGroup appreciated the independence of Transport Focus surveys as demonstrated over the last 15 years. Transport Focus and operators ought to be wary of over-surveying customers. The franchise was engaging with the incumbent and wider workforce in efforts to avoid any industrial action. Working with Transport Focus was also important to the franchise, although there would be no sponsored professional as in the past with Great Western and TransPennine.

GD sought assurances from FirstGroup that the franchise would take passengers into account during the Waterloo works, and, further, would consider post-works compensation. HC stated that operations managers were attending relevant meetings and looking at

contingency planning. Extra resource including agency staff would be deployed in the final nine days of the works to mitigate the risk of weary workers from existing teams. Future compensation was at this stage unclear, but the Group would liaise with DfT in its response to any major future event.

JH thanked FirstGroup representatives for their time. This had been a useful discussion regarding the franchise's plans, and he wished FirstGroup success on behalf of passengers. Transport Focus would act as a critical friend throughout the process.

2.0 Young people and buses – new research

DS noted that against a backdrop of a fall in patronage, the bus industry was very keen to retain the 16-25 demographic and many operators had introduced smart ticketing, charging points, and Wi-Fi on buses. Transport Focus had also felt it time to explore the views of those under 16.

LC noted that the research had been a broad quantitative and qualitative exercise to determine the views of those aged 14-19. Around 1,000 young people had been interviewed, with an innovative app incorporating 'selfie videos' used for data collection. Young people's negative feedback centred on overcrowding, dirtiness, unreliability, grumpy bus drivers, old vehicles, and 'weird people' or 'randoms'. For non-users, buses were seen as a last resort.

Data indicated social anxiety from young people regarding bus travel, especially around unclear and inconsistent fares. Those surveyed demonstrated limited recall of discounts, which they did not feel specifically targeted young people. A majority spent less than £10 per week on bus travel, but in one-third of cases this came from pocket money. Around half of users bought tickets on the day of travel, the other half opting for passes. Anxiety had also been present in groups' creative feedback, whereby young people were asked to use magazine images to represent bus journeys.

Once on the bus, there had been a mix of positive and negative reactions. Often, users were impatient with slow buses, uncomfortable with litter and poor seats, and preferred Wi-Fi facilities. However, friendly drivers were praised, and users were positive when given room on buses. Non-users made journeys as part of the research and found the experience more positive than expected, with buses tending to be on time. This demographic tended not to use buses because they did not need to.

Much of young people's feedback was similar to known, broader feedback: desiring reliability, cleanliness, comfortable seats, legroom, Wi-Fi, and friendly drivers. However, those 14-19 were more likely to value readily available real-time information. This group tended to identify buses by route or number rather than by operator. Both users and non-users desired similar improvements. The only two areas non-users desired more than users were cleanliness and safety.

Research recommendations centred on communication. Young people could not be expected to have an intricate knowledge of buses. Those surveyed wanted bus information to be presented to them easily and intuitively, with bus journeys' relative complexity comparing negatively to the experience of booking a visit to a cinema. The second major theme was confidence. Young bus users did not appreciate being made to feel 'silly' for not having knowledge of bus services.

DS added that the research would be published and launched in October, with the possibility of a stakeholder reception. Working with government departments other than DfT was being actively considered. To this end, he invited the Board's thoughts.

WP suggested working with the National Union of Students (NUS) in Wales, which could encourage future participation. The Board felt it made sense to launch the research in Parliament given the grassroots political prominence of transport issues. Board members recommended in particular the Departments for Education and Culture, Media, and Sport as possible partners given the focus on those under-16. In response to a Board query on safeguarding of under-16s, it was noted that parental consent had been granted. It was further determined that the Board should not look to volunteer research for which Transport Focus could receive payment. Commercial opportunities for Transport Focus regarding social media engagement, real-time ticketing information, and increased mobile ticketing were noted by the Board.

In response to a Board query on how the research might differ from London, LC noted that a group from Shenfield, Essex had been surveyed, and that the quantitative aspect of the study had been conducted nationwide. It was further noted by the Board that LTW would hold relevant data. JH thanked LC for the very useful update.

Part C: Workplan

1.0 The Next Three Years, Work plan and Insight plan

JH thanked Board members for their input on the papers. The papers were positively received by the Board, especially the next-three-years plan, and were seen to represent an improvement on previous versions. However, TP noted that the targeting of the one-year plan could be clearer, and PM suggested showing both the grant-in-aid-funded and company-funded elements of the Bus Passenger Survey in section 3 of the 17/18 workplan. The various plans were **approved** by the Board.

2.0 Workplan Report 2017-18

The Board would receive an emerging workplan report over the summer, including new tracking mechanisms.

3.0 Finance report

The Board would follow-up on PM's query regarding the discrepancy in separate funding numbers between the 17/18 workplan and finance report. The finance report was **noted**.

4.0 Record of projects

The Board noted that a last review date had been included, with new and historic sections segregated, although a number of items seemed to be stuck in one stage of review where substantive work had already been done.

In response to RL's query regarding the rail passenger redress risk having been marked green, it was noted that this was a legacy of the former collaborative nature of the project, and was currently being reworked.

The Board would follow up on PM's query regarding who would bear the cost of the ScotRail overrun.

Part D:Corporate affairs

1.0 To receive and endorse draft Version 3 minutes of meetings:

1.1 Passenger Contact Group: verbal update

Due to ML not being able to attend, item 1.1 would carry over to the next meeting.

1.2 Statistics Governance Group: 13 June 2017

Item 1.2 was **received** and **endorsed** by the Board.

1.3 Audit, Risk Assurance and Remuneration Committee: 4 April 2017 & 6 June 2017

Upon confirming that the meeting had been quorate, item 1.3 was **received** and **endorsed** by the Board.

1.4 Business and Innovation Group: 06 June 2017

Item 1.4 was **received** and **endorsed** by the Board.

2.0 For approval by the Board:

2.1 Reviewed governance arrangements

Subject to IL's suggestion that Accessibility/Diversity be rendered as separate lines in paper Jul 17 BM D 02.1b, item 2.1 was **approved** by the Board.

2.2 Audit, Risk Assurance and Remuneration Committee Annual report to the Board

Item 2.2 was **endorsed** by the Board.

2.3 Annual Report & Accounts 2016-17

The Board **received** the resolution from JC on behalf of the Audit, Risk Assurance and Remuneration Committee to **endorse** and **approve** the annual report and accounts for 2016-17 along with a number of recommendations. The resolution is appended to these minutes. A motion to endorse and approve without further amendment was proposed by TP and seconded by PM. This was **approved** by the Board.

3.0 For noting by the Board:
Items previously approved out of meeting:

3.1 BRD1617 – 14 – Rail priorities and trust

3.2 BRD1718 – 01 – Caledonian Sleeper GSS

3.3 BRD1718 – 02 – Tram Passenger Survey 2017

3.4 BRD1718 – 03 – March 2017 Board meeting minutes (private session)

4.0 Any Other Business

There being no further business, the meeting was closed.

Signed as a true and accurate record of the meeting:

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Jeff Halliwell
Chair, Transport Focus

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Date