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Passenger Input in to the Rail Review Debrief

Prepared for Transport Focus

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Background

Background and objectives

The government has launched a review of the rail industry (the Williams Review) to recommend the most appropriate organisational and commercial frameworks to deliver the government's vision of a world-class railway for the UK.

Research was required to ensure that the passenger perspective is heard in this complex and multi-faceted process

Research Objectives:

- **What is the current experience of rail users day-to-day?**
- What are they satisfied with?
- What are they less satisfied with?
- **What does the ideal rail experience look like?**
- **What do they know about the rail industry as a whole?**
- What do they feel works well?
- What needs to be improved?
- What do they know about the overall structure of the rail industry?
- What do they know about how changes are made?
- **How, ideally, should the rail industry be structured?**
- And, when made aware of the practicalities and challenges, what solutions do they propose?
- **How should passengers be consulted and informed about rail?**
- Does this differ for transitional changes? How far and in what ways?
- **How should changes be delivered?**
- Does this differ when passengers are made aware of the challenges, opportunities and developments facing the industry?
- **For all:** How does the above differ based on age, travel frequency, ticket holding, SEG, journey purpose and journey length?

Approach

Our research took a longitudinal approach, exploring how perspectives change over the course of deliberation and discussion

Stage 1: Briefing

Briefing and dialogue with key stakeholders, and review of previous research materials

To inform the research priorities, flesh out in-bound hypotheses for testing and **finalise details** of the research process including sample structure.

Stage 2: Pre-task

Tasking respondents with a diary of their rail travel

To obtain a fresh and in-the-moment perspective of respondents *before* they are affected by group dynamics or stimulus material.

We obtained high-quality **visual, audio and text outputs** from respondents.

Stage 3: Mini Focus Groups

Inviting diary respondents to take part in a collaborative discussion

12 mini focus groups of 4-6 participants.

To gain a perspective on how the rail industry and the challenges facing it are **talked about** in social discourse, identifying misconceptions, group wisdom and common pain points among the group.

Explanation about current and potential models for the organisation of the railway and trade-off exercises provided an insight into what the ideal rail structure might look like to passengers.

Stage 4: Online Community

Ongoing contact with focus group participants

This stage of the research gave us the opportunity to educate and inform respondents about the full range of challenges and opportunities facing the rail industry. We observed where **gaps in public knowledge** exist, and learned how respondents' ideal experience change and adapt in the face of **practical constraints.**

Stage 5: Final Debrief

Sharing our insights and making recommendations

Debrief includes the **full research team** and the full client team at Transport Focus.

Sample structure

	Location	Journey Type	Train Services covered
Group 1	Manchester	Commuter	Virgin, Cross Country, Transport for Wales, Cross Country, First Great Western
Group 2		Leisure/Business	
Group 3	London	Commuter	Southern, C2C, Southeastern, Great Northern, Thameslink, West Midlands Railway
Group 4		Commuter	
Group 5		Commuter	
Group 6		Leisure/Business	
Group 7	Birmingham	Leisure/Business	Chiltern Railways, West Midlands Trains, West Midlands Metro, West Coast Main Line, Cross Country
Group 8		Commuter	
Group 9	Glasgow	Commuter	Cross Country, East Coast, ScotRail, Virgin, Trans Pennine Express
Group 10		Leisure/Business	
Group 11	Cardiff	Commuter	Transport for Wales, Virgin, Cross Country, Great Western Rail
Group 12		Leisure/Business	

For all:

- Gender balance within each
- Spread of satisfaction with current journey
- Minimum 2 per group to be recent adopters of rail travel (last 6 months)
- Spread of urban and rural respondents

Within Commuter groups (those who travel to the same location regularly for work):

- Minimum 2 season-ticket holders
- All to be frequent passengers (minimum 3 journeys per week)

Within Leisure/Business groups:

- Spread of frequent and infrequent passengers

Key themes

Consumer thoughts about rail services are generally back of mind unless prompted

Low salience:

Railways are often low salience and the structure/ management thereof even more so. Passengers' priorities focus on 'here and now' tangible improvements/ benefits

As long as it's done right, I don't care. I want to just get to my station!

Glasgow, Commuter

Commuters vs leisure/ business users:

There are unsurprisingly significant differences in expectations and priorities between commuters and leisure/ business users (particularly for longer distance journeys)

Everyone's dissatisfied, especially commuters, but people who travel for leisure are different.

Cardiff, Commuter

Perceptions of rail are driven by issues in addition to experience:

Experience is a key driver of consumer perceptions. However, other, often more emotional factors also have an impact. Myths and misconceptions about rail are widespread and persistent.

We're the worst train service in Europe. We can't compete. We're the worst in Europe.

Glasgow, Commuter

Very limited understanding of industry structure:

There is much confusion about how the industry operates and this lack of clarity often generates cynicism and suspicion about the industry's motives and priorities.

I find it quite confusing. There's a government subsidy going on somewhere, but I don't know how it's paid and to whom.

London, Commuter

Local affinity:

There is limited geographical variation in attitudes, but there is a broad recognition that major conurbations have specific transport needs that rail needs to be a part of and that this is different to longer distance, inter-city travel.

For commuters, obviously I'm not a commuter, but for commuters I think the fares aren't paying for what the customer needs, as in not enough carriages.

Cardiff, Leisure

Weak brand associations:

Within the rail industry (with a few exceptions) brands do not convey a clear proposition. Passengers often do not know what they can expect and this limits the ability of the industry to build confidence and trust.

If you're doing it regularly then you know some of the brands, but if you aren't and you walked into the station you would think, 'My God, what train is it?'

Glasgow, Leisure

What matters to rail users?

The experience of the railway is usually seen as ‘acceptable’

but often in the context of fairly limited expectations

Notwithstanding individual ‘horror stories’ and major high-profile negative events, when thinking about the network holistically, passengers have many **positive associations with rail travel.**

Rail compares favourably to other modes in terms of enjoyment: **no need to drive/ park** and the ability to have some **‘me-time’.**

Individual journeys often run smoothly for commuters. In the context of limited expectations for rail travel among commuters, **‘small victories’** like getting a seat or arriving in time for an interchange make a positive difference.

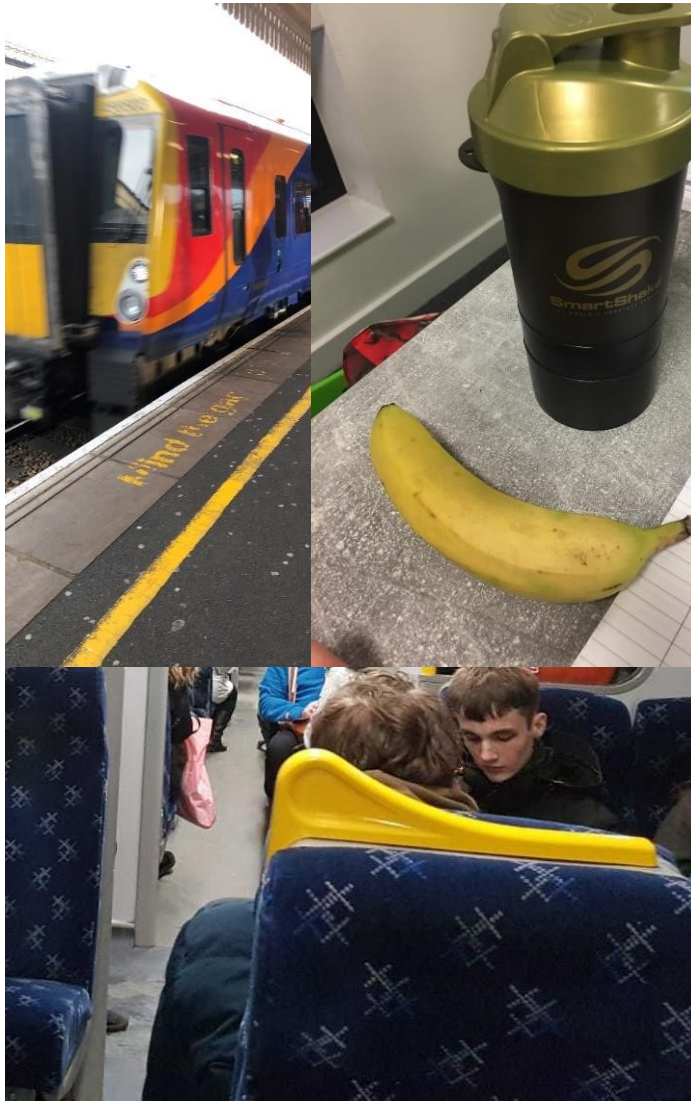
Key strengths of rail include:

- Extensive network
- Reliable/ quick
- Relaxing/ comfortable
- Environmentally friendly

> *Left home, armed with a cuppa! Get into my car, with 12 mins before my train arrived, which is adequate time to park and walk to the train station. No stress, no issues!*
>
> Pre-task, London

> *I was much less stressed than I would have been if I had driven to work and tried to park.*
>
> Pre-task, Birmingham

> *Instantly noticed the difference being on the Helensburgh train. Much better maintained, six carriages and more room for everyone.*
>
> Pre-task, Glasgow



Pre-group diaries suggest that the experience of rail (on an individual journey basis) is often positive

It was a fairly standard journey, with little/no hiccups. The journey left me with no reasons to get irritated. The trains were more or less on time; there were no incidents. There's nothing more I could have asked for.

Pre-task, London

Arrived at Clapham Junction eight mins before connecting train and it's running on time

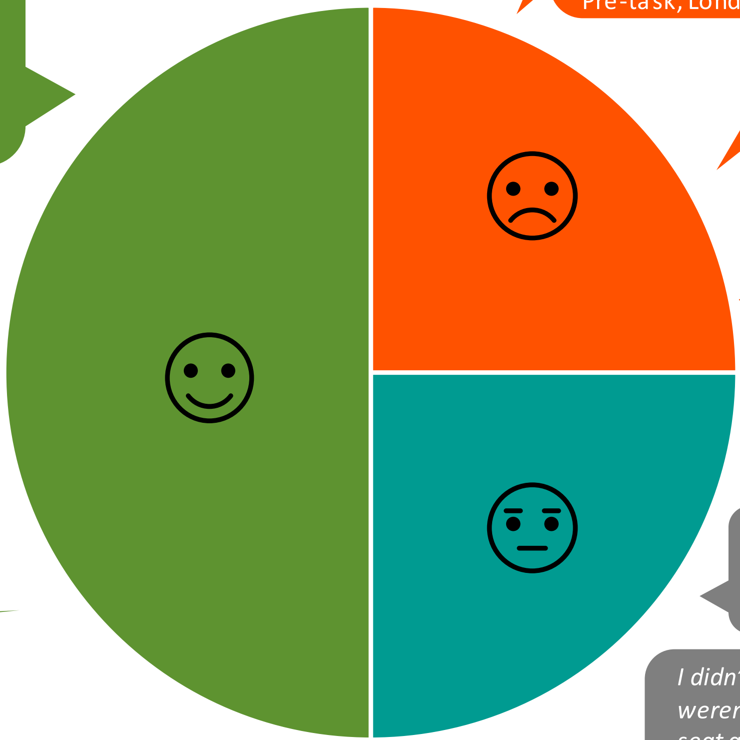
Pre-task, London

Got the train at Solihull station – it was a couple of minutes late but not a problem. Felt relaxed and looking forward to my day.

Pre-task, Birmingham

Whilst on the way I was relaxed, I listened to music and enjoyed the views.

Pre-task, London



I get to Fenchurch street. The next train leaves in three minutes (18.25) so I run up the stairs to platform one... and I can't see the train! I turn around and it's behind me. It's only half the length I was expecting! I get on and all the seats are taken. GREAT.

Pre-task, London

Packed carriages, commuters with bags on seats, bikes rammed into legs!

Pre-task, Birmingham,

I reached Cardiff Queen Street Station at 16:10, the train arrived at 16:16 (on time). The platform is packed and the railway in its infinite wisdom decided to put two carriages instead of four.

Pre-task, Cardiff

Train was delayed by a matter of minutes. No difficulty experienced.

Pre-task, London

The train was only two minutes late (which kind of puts my back up as it's a single track line).

Pre-task, Cardiff

I didn't have many difficulties last week as the trains weren't overly busy compared to usual. I managed to get a seat a couple of times and I also caught the direct train to Buckshaw.

Pre-task, Manchester

It should be noted that these statements are an in-the-moment snapshot of what each passenger was experiencing at that time. They are not (necessarily) a reflection of their broader satisfaction or dissatisfaction with rail as a whole

Passengers also acknowledge recent improvements

Many users (both commuters and leisure/ business) **acknowledge the investment** that has been made to improve the railway

Improved **amenities on trains** (Wi-Fi, plug sockets, catering), **new rolling stock** and the **modernisation and improvement of stations** are all cited spontaneously.

They've got Wi-Fi now as well, so they've progressed quite a lot.

Glasgow, Leisure

Most of the main stations have either already had a makeover or are currently getting one.

Birmingham, Leisure

They are easily accessible. There's lots of train stations.

Birmingham, Leisure

Notwithstanding many positive experiences of rail, there is significant underlying discontent

While few are actively clamouring for change, neither are many wholly satisfied

- Most see themselves as **passengers rather than customers**, especially commuters
- Rail companies feel **impersonal and lack customer focus,** doing **little to foster a relationship with users**
- **Choice appears limited** (if it exists at all)
- The **relationship** with the railways appears **one-sided -** many feel taken for granted and don't think that their voice is being heard

We're not customers, we're cattle!

Glasgow, Commuter

When you shop you've got a choice of Waitrose or Aldi, do you know what I mean? You've got a choice. But when you go on the train, there isn't a lot of choice, is there?

Birmingham, Leisure

Because of the individual franchises they seem to charge pretty much whatever they want.

Cardiff, Leisure

Passengers on elective journeys report higher satisfaction compared to commuters

Commuters and business/leisure users are very different in terms of their expectations and experiences

Leisure/ business passengers (particularly on longer journeys) usually recognise that they have a choice of modes (and sometimes rail operators) make an **active choice** to use the railway. Journeys usually perform well against alternatives on a range of factors:

- Onboard amenities
- Relaxing atmosphere
- Reliability and punctuality

Some frustrations remain including:

- Pricing (can be good value, but some issues about absolute price levels and much confusion about fare structures)
- Inconsistency in expectations vs. delivery
- Occasional disruption/ overcrowding

Commuters often see themselves as a 'captive audience' with few, if any alternatives to the train. In addition **to lack of choice** they experience more (and more frequent) frustrations such as:

- 'Unjust' fares
- Overcrowded/ poor quality trains
- Unreliability

Commuters have a degree of acceptance and rationality about what can be achieved. However, they often feel that they are being **exploited because they have no choice** but to use the train and that they **are powerless to influence** what happens on the railway

If I'm going on any trips with friends or family I always like to go on the train because it's quicker, there's no traffic, and from my experience there's been no cancellations or delays. It's been really straightforward for me.

Glasgow, Leisure

I think most of the problems are on the shorter routes.

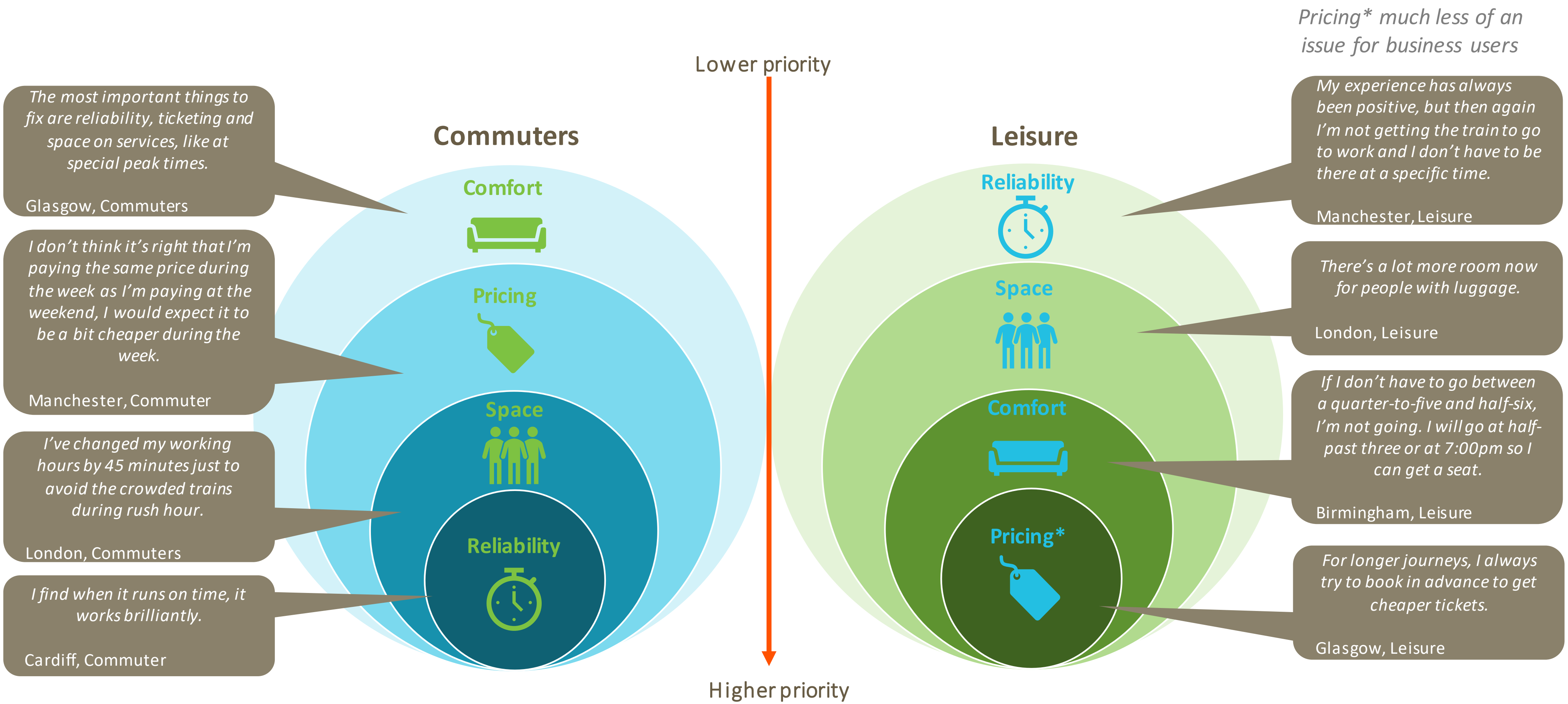
Manchester, Commuter

I'll avoid coming home during peak hours if I can. I don't know if it's linked to Transport for Wales taking over the trains, but there aren't enough carriages to fit everyone.

Cardiff, Commuter

Commuters and leisure passengers have different priorities

Commuters and leisure/ business passengers have a similar set of priorities for rail travel, but the relative importance of individual issues varies considerably



What is different about rail?

Passengers struggle to find comparators for the railway

The railway is seen as having a set of unique and sometimes contradictory characteristics.

- Operated by **private companies BUT** also typically assumed that **government** is in some - often vaguely articulated - way involved.
- **Run for profit BUT** widely believed that the railway **has a role beyond commercial success**, although most cannot explain what that is.
- **Privately owned BUT** are also **a national asset.**
- Railway companies are **private enterprises BUT** are **not subject to true competition.**

I think the way it's set up is that the rail infrastructure is still owned by the government and then it's franchised out to businesses that are out to make money.

Birmingham, Leisure

The nation needs railways and needs the infrastructure for people to move about for work, leisure, whatever. So in that sense it's a public service, but it's also private businesses. They're there to make money.

London, Commuter

I think it is like a business, you can purchase different tickets and if you want a more comfortable seat you can buy one.

Cardiff, Leisure

We live in Cardiff, so there is no competition here.

Cardiff, Commuter

Organisations that operate with quasi-commercial models are seen as most similar to the railway

Market driven and **customer focused** organisations are viewed as being dissimilar to the railway. These companies focus on:

- Innovation
- Building their brand
- Building a relationship with their customers
- Incentivising loyalty

Organisations that have a **public service** element and produce some kind of **social good** are seen as most similar to the railway. These organisation are:

- Strategically important
- Bureaucratic
- Not subject to true market discipline

Less similar to rail industry

More similar to rail industry

The way they think it's okay to let people down with repairs or cancellations, that's not giving a good service.

Manchester, Commuter

I'm a customer to John Lewis; even though I'm a pound sign, the loyalty I get from them makes me feel special. I don't get that from the train.

Glasgow, Commuter

There's something about the railways, it's a bit like the NHS. People are fond of them and they sort of have a purpose beyond making money.

Birmingham, Leisure

I think BT were nationalised and became privatised like the rail network so that makes me think of a connection.

London, Commuter

Perception of rail is also driven by wider contextual issues beyond direct experiences

The wider narrative around rail

Coverage of rail is often lower impact than prominence of stories in press and TV might suggest, but is typically **more negative than positive.**

Aside from specific incidents, there is also a **well-established, wider and largely negative narrative about the industry.**

- ‘Lagging behind the rest of Europe’
- ‘Fat-cats making millions’
- ‘No one is in charge’
- ‘No competition’

Users see little evidence of the industry counteracting such stories.

Structure

Passengers are most concerned with the outcomes of their journeys as opposed to the structure of the railways. But a general **lack of knowledge about who is in charge and how things are organised provides many opportunities for cynicism and suspicion.**

Despite lack of knowledge, passengers seldom want educating about the workings of the railways. Instead they desire a more predictable and generally better experience.

Brand story

A lack of brand story and limited brand awareness means there is little sense of a relationship with the railway or individual rail companies. This often leads to **conflicting expectations and confusion** about where passengers’ money is going.

The Europeans, they’re more modern, they’re sleek and cleaner. I just think ours, you sit on ours and you’re like, I need a shower.

Manchester, Commuter

I don’t think you’d moan at the price of your tickets if you knew you were getting a good service but they’re just putting it up and up and up and it’s the same old…

Manchester, Commuter

It can be a bit of a shock, as I say you get on in Bristol, ‘Oh no, you can't use this ticket love. That rail ticket belongs to that other rail company.’

Cardiff, Leisure

What do users understand about how the rail industry is organised?

Understanding of how the railways operate is low and seldom top of mind

WHAT DO PASSENGERS UNDERSTAND?

- Understanding is **limited and vague**
- Understand existence of TOCs
- Aware that **'someone' owns the tracks** and possibly the same people own the stations
  - Not all passengers understand that Network Rail actually own the infrastructure, many believing they are simply employed to maintain the network
- Limited understanding of the Government's role - ***"they have some sort of role"***

HOW DO PASSENGERS FEEL ABOUT THIS?

- Passengers feel **confused** and negative associations are developed as a result
- The railway is viewed as **fragmented** and this is not considered to benefit passengers
  - Drives inconsistency in experience
  - Results in nobody taking responsibility and caring about / **thinking about passengers as individuals**
- Assume or fear that that they may be **'paying twice'** both as a rail user perspective and taxpayer

You've got a competitive world that is operating, but it's controlled by the government. Network Rail is responsible for upkeeping the tracks and everything, so that's fine and all publicly owned.

Manchester, Leisure

Well you know when someone fines them, like when Southern would get fined, I guess that's something the government would do.

London, Leisure

We have to pay twice for a rubbish service.

Cardiff, Commuter

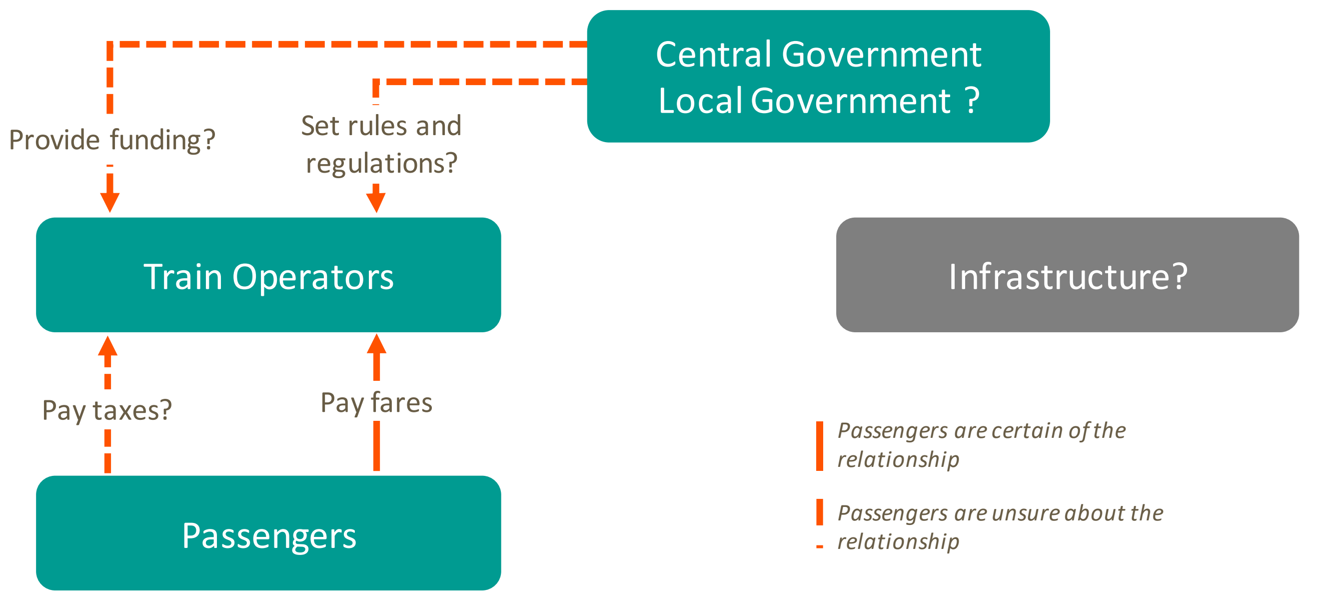
Users' understanding of how the industry operates is vague and patchy

Users understand that private companies are involved in the rail industry, but there is also a broad consensus that **these businesses must be at least partially funded by and/ or in some way controlled / influenced by the government.**

There is often no clarity about **who sets the rules, who provides funding and ultimately, who is in overall charge**.

This often leads to **conflicting expectations and confusion about who users are dealing with and where their money goes**.

Users' view of the rail industry



Thomas the Tank who looks after it all…I don't know, I haven't got a clue.

Manchester, Commuter

The railways must be funded through a combination of tax and fares. Anything that's going in you would expect to be going somewhere else, not just in someone's pockets.

Cardiff, Commuter

I think that's why people are dissatisfied, because there's nobody actually in charge of it.

Manchester, Leisure

Many (by no means all) are aware that there is some element of taxpayer support for the railways

Understanding of the **mechanism for and level of funding is very limited**

While most could accept (albeit sometimes reluctantly) the role for subsidy, the issue also surfaces further debate about value

- Fares continue to rise ahead of inflation, without corresponding service improvement
- 'Paying twice' through tax and fares

Users (understandably) have **very little understanding of operators' commercial models**

- Assume fares are set **entirely at the operator's discretion**
- Believe busy **commuter trains are an easy 'cash cow'**

Look at the South East line, £3,000 for the season ticket and when the train doesn't turn up, you can't get on. So who's responsible for that?

Cardiff, Leisure

If you try to get the train in the morning to go to work, it's a nightmare. If you go a half-hour later it will be empty and it will run like that for the rest of the day. Then going home at night, full carriage again. So only two times a day can that train actually be making a profit.

Glasgow, Commuter

Reactions to current models of railway operation

Passengers find the current model complex and confusing

Well, I knew it was complex but it's a logistic nightmare!

London, Leisure

Maybe there should not be so many fingers in the pie and maybe a specific person, body, group, that if there are issues they can be held accountable for it.

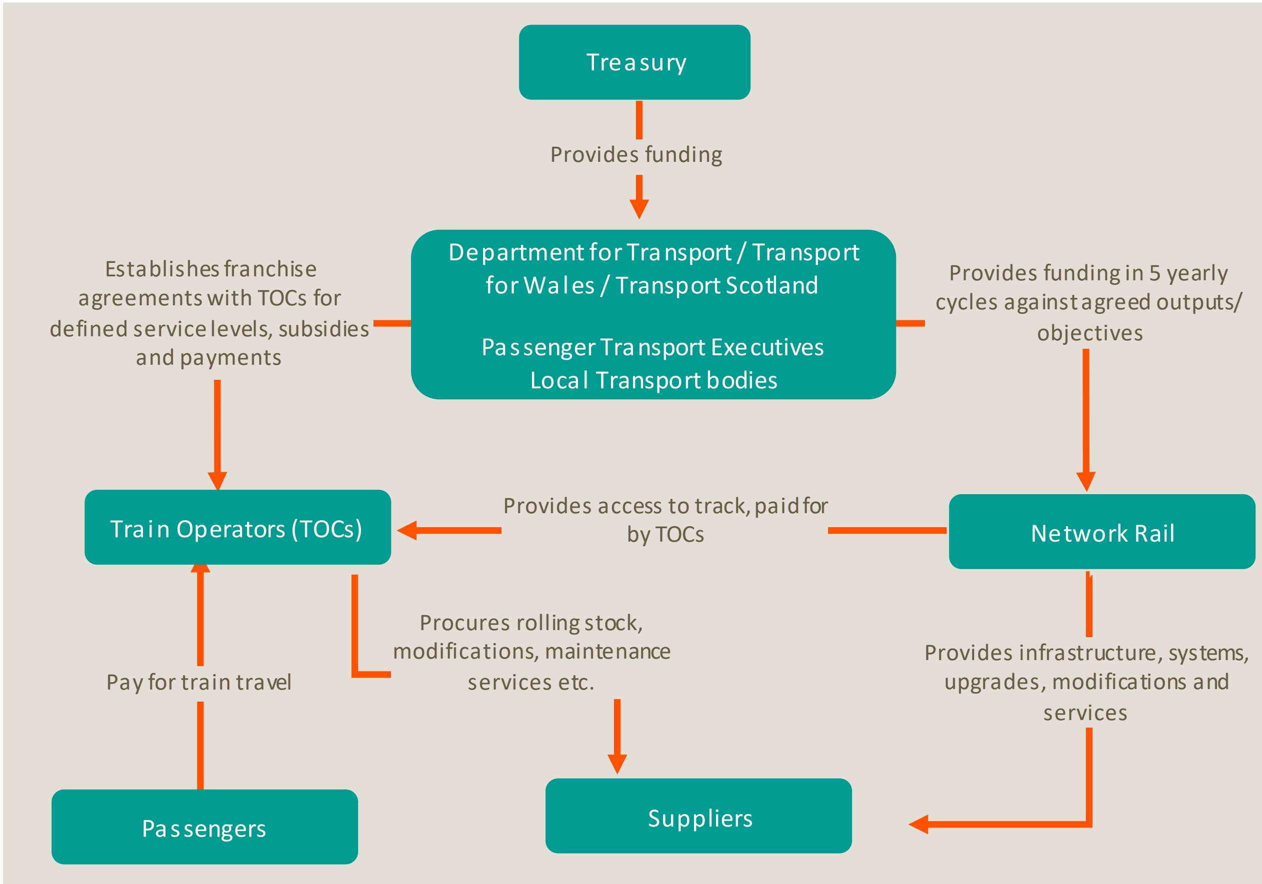
Cardiff, Commuter

The Department for Transport give Network Rail money and they also give the train operators money, so basically they are governing both. Am I right about that?

Glasgow, Leisure

The structure itself is not very surprising, but I think it's just too complex for its own good.

London, Leisure



Accountability comes out as a major concern in the current structure

- Numerous **layers** and number and variety of organisations involved prompt **concerns about overall cohesion** of the system.
- **Believed that differing organisational objectives** and a fragmented management ultimately weaken efficiency.
- Involvement of multiple organisations seen as providing an **opportunity to point fingers** and pass the buck. (NB – in this context **division of operations and infrastructure is not seen as uniquely or especially problematic**, but more simply as 'yet another' cog in the machine).
- **Passengers highlight their relatively peripheral position** within the structure, reinforcing the idea that they are not customers in the true sense.
- Passengers often noted the **separation of track and train in the existing model**. While some argued that merging the two could lead to longer contracts and a further sense of monopoly, many felt that the separation leads to a back-and-forth shifting of blame between TOCs and providers of infrastructure.
- On reflection many concede that **the current model *could* work** and provide an effective service for passengers.
- However, perceived lack of a customer-focused service leads many to the suspicion that the **system has been deliberately designed to meet the objectives of those involved, rather than the needs of the passenger.**
- There was very little mention of the role of **staff** in the operation and management of rail; ultimately the **system itself** is seen as problematic.
- Many reason that the **rules have not been properly designed or are not properly applied.**

I think any kind of structure like this should work well, but as it works its way down through other boxes, things don't always come out at the end as they should.

Manchester, Commuter

The part that's confusing is the fact that the government could potentially subsidise one of those TOCs and then charge them to use their track.

London, Commuter

I don't think they are all going to have the same standards, are they?

Glasgow, Leisure

I think there's too much pass the buck. The passengers blame the train operators, train operators blame government, government blame the train operators and it all comes back to the passengers.

Cardiff, Commuter

Reactions to different models of railway operation

As respondents' knowledge developed, the importance of accountability emerged

Respondents initially blamed 'the rail' or 'the rail company' for their difficulties, not knowing who to hold responsible

Lower Knowledge → **Higher Knowledge**

Pre-task: *Individual Needs*
At this stage, the emphasis was on individual priorities, an opportunity to let out frustrations at their experiences, and less about the overall structure of rail

> *Every day is the same. They run through a range of excuses why the train is late or cancelled. The most annoying thing is that they run on time during the day and run six carriages and three in rush hour which defies logic.*
>
> Pre-task, Birmingham

> *A lot of my friends talk on social media about how rail is but I just use it for days out with my son and we have a great time.*
>
> Pre-task, London

Focus groups: *Collective Needs*
In a group setting, respondents reflected on other people's needs from rail. When faced with the structure of the rail industry, many respondents were frustrated at what they saw as a complex system in which they played a small part and where accountability was limited

> *I suppose it's like going into a restaurant, if the meal's poor, then it's not really up to the customer to go into the kitchen and see what's going on with the chefs.*
>
> Glasgow, Leisure

> *So we're not really the customer of train operators; they're ultimately trying to please the person who's giving them the most money – the person that granted them the licence.*
>
> London, Commuter

Post-task: *Accountability*
With time to reflect, accountability remains an important priority, with respondents tended to define it as an individual with overall responsibility for the whole system

> *I don't think the rail system can be run properly unless train operators, the network system and track maintenance are under one roof, accountable to a CEO or Government body.*
>
> Post-task

> *If they were all one company, communication would have meant such an issue would have been minimised, or they could have just postponed the timetable change if it was unfeasible.*
>
> Post-task

Both market discipline and public sector influence are seen as potentially beneficial

However, doubts exist across the spectrum, particularly around the possibility of **unconstrained** public or private sector influence

Very little public sector influence

Complete public sector influence

I like the idea of having more competition, especially for the most popular routes.

Birmingham, Leisure

If there is competition then they've all got to try and fight for the customer, whether it be a better service, better price or better timetable.

Cardiff, Commuter

We all said earlier that competition would be good and there's no competition to improve your services within the publicly owned model.

Cardiff, Commuter

When it is publicly owned there's a sense of ownership and we're more interested in it.

London, Leisure

The problem with that is anything that isn't profitable will just be gone…so people who live in the countryside won't be able to get around.

Manchester, Leisure

These privatised rail networks, they're just cashing-in on people that need to use it.

Birmingham, Commuters

So the routes are planned by the government, who will be more minded about the individual, and operated by people who know what they're doing.

London, Commuter

I remember when the trains were nationalised. They were worse. They were terrible.

Birmingham, Leisure

Summary: Fully public or private models hold some **initial** appeal for their simplicity

However, given time to reflect, most value a 'hybrid' approach and revert away from the purely public or private dichotomy

Very little public sector influence

Complete public sector influence

Private

Initially, some leisure users are drawn to the idea of 'voting with their wallets' and being able to **reward/punish** TOCs through their travel decisions.

But while the discipline of a genuine market is valued by most passengers, a totally private model is seen as at odds with the social purpose of the railway and as only appropriate for longer distance **leisure/ business** journeys. Similarly, many see the need for public involvement to address transport issues in large conurbations.

Franchise

Warmth towards the franchise-type model is affected by its position as the **status quo** – few were happy to suggest that they were satisfied with rail's structure as it currently stands, although some leisure users were.

Over the course of the discussion, many felt that a franchise-type model could offer an effective balance between public and private operation, but only if the **criteria** on which franchises are awarded are clear, comprehensive, and **customer-centred.** For many, **more and genuine competition would also help provide legitimacy for the franchise model** and it is believed could be effective for **longer-distance** journeys.

Concession

The concession-type model is often felt to be a compromise between **public ethos** and **private expertise.** It is often assumed that private-sector knowledge is needed to run a rail service, but a concession-type model is often seen as an effective way to embed **social purpose** within a privately managed system.

Some doubt that private companies would be willing to manage the service for a flat fee, and others are wary of the greater degree of public sector risk, although commuters generally assume that their routes will be profitable in any case. Even for those who don't commute, a **concession-type model has strong appeal for managing transport in large urban environments.**

Public

Initially, some **commuters** are excited by the prospect of a centralised body taking charge in the face of what they see as an all-too convoluted and **unaccountable** system.

However, they also often conclude that a purely nationalised system will lack competition, leaving providers **'complacent'** and less adaptive to change.

The **franchise-type model** is seen as having potential to deliver against customer needs in theory, but as being poorly executed in practice

Most users grasp the **rationale behind the franchise model** and see merit in the **balance of public control and private risk**

- However, it is also seen as **producing fragmentation** and complication with this **blurring lines of responsibility**
- More importantly, is a lack of understanding about how the rules are laid down and enforced and **a suspicion that operators are given an easy ride**

Potential benefits

- For some longer distance leisure/ business users, **the status quo is broadly satisfactory**
- The element of **competitive tendering** is seen as having potential benefits in encouraging innovation and value for money (especially if there is also competition on a route)
- **Less perceived risk to the taxpayer** (although the opacity of the subsidy system means this is difficult to judge)

The government still holds some power. I think it sounds great, but for some reason it's just not happening, is it?

Manchester, Leisure

If you're putting out for tender for other companies to come in, then they're always looking to improve and outbid each other, in quality, price, whatever it may be.

Glasgow, Leisure

Potential drawbacks

- **Lack of clarity about the standards** a TOC must meet to win a franchise
- Lack of clarity around when (and if) a franchise can be stripped from a TOC
- **Limited competition once the franchise has been awarded**: a sense that the government is awarding a monopoly which locks customers in, particularly commuters. (NB no consensus as to whether franchise periods are too long or too short)

If they're running a franchise for a particular area then that's going to be their main concern but you can't treat one area in isolation from everything else. They've got to be joined up.

Cardiff, Leisure

They'd just become complacent, wouldn't they? As long as they are still getting traffic on the trains, they have no incentive to make a better service.

Manchester, Commuter

An entirely **private model** is seen as potentially appropriate where a genuine market exists

An entirely private model is often initially attractive, particularly to longer distance leisure/ business users who can envisage parallels to air travel. However, most users have **significant reservations about a wholly private railway**

- It is believed there are **few examples of a genuine market** on the network (i.e. operators competing head-to-head) and fear that untrammelled private sector control would **risk passengers being exploited**. Commuters struggle to imagine a how competition could be introduced on their journeys
- Most users **do not want to abandon all elements of social purpose** for the railway e.g. serving isolated communities

Potential benefits

- Market **competition may drive up standards** and increase focus on customer satisfaction
- More train options within popular areas
- Market driven **competitive pricing**

There's competition to improve your services to make you want to go for them, that's what the privately-owned thing would bring in to it.

Cardiff, Commuter

Potential drawbacks

- Market forces **may reduce scope and objectives of rail network**
- Potential **abuse of 'monopoly' positions**

The system needs investment. It doesn't need people taking money out - All of these are about 'Oh we'll jam somebody in this train and we'll make a bit of profit'

Glasgow, Commuter

You need to have trains that run on routes that aren't used that often because people live there. I don't think that would happen in a completely private model.

London, Commuter

An entirely **public model** is seen as potentially simpler and better serving wider societal objectives

'Renationalisation' fits with the notion of the **railways as a national asset** and the perceived **lack of a 'real' market** in rail travel

- As such, public ownership is often seen as a better way of **protecting users' interests** and as ensuring rail operations take into account **objectives beyond profit**
- However, many are wary that total public sector control could be **cumbersome and unresponsive** without market forces to encourage competition and innovation

Potential benefits

- Railway better able to **serve wider social purposes** e.g. ensuring communities have access to rail, environmental objectives etc.
- **'Fair' pricing**
- **Protection** from unscrupulous private operators

> *I like the idea of public. It could help get the cars off the roads, get more train tracks down and help us commute a bit better.*
>
> Manchester, Leisure

> *If it's a private company there, there's always going to be that number one goal, to drive profit. Unless it's nationalised, I can't really see things changing that much.*
>
> Glasgow, Commuter

Potential drawbacks

- Strategy and funding may become **'political footballs'**
- No guarantee that a public sector bureaucracy will be more **responsive or accountable** than private sector
- Uncommercial and **potential taxpayer burden**

> *It's going to have budget problems, publicly owned. I just think money-wise it's going to be an issue. I'm a public servant myself, so I know that's probably not the way forward.*
>
> London, Commuter

> *We had the elections and look at the mess the country is in at the moment. I don't think having the government in total control would be good. I think it's fine the way it is at the moment.*
>
> Glasgow, Leisure

A concession-type model is often seen as a pragmatic solution, especially where market forces are weak

Most were **unfamiliar with the concession model**, but once explained many feel this is a sensible model for public-private partnership

- Concession-type models were seen as **particularly appropriate for commuting services in the major cites** - a way to protect users' interests through democratic control, while also ensuring transport is being delivered in a 'joined up' manner
- However, again, in scenarios where there is **more competition** (or at least the potential for more competition) such as on longer distance routes, then market forces are often seen as a better way of protecting users' interests

Potential benefits

- Ensures some **private sector input and expertise** in terms of operations
- Potential to **simplify/ unify operations** within a specific region
- Adherence to an **overall public transport strategy**
- Potentially clearer **accountability**

Potential drawbacks

- As with a wholly public model, **potentially more 'politicised'**
- Control **may still be bureaucratic and unresponsive**
- Potentially uncommercial and a **taxpayer burden**

I think overall, [a concession-type model] is a good one for us. Why not take it on ourselves if we can run it right? Give it back to us, the taxpayers.

Manchester, Commuter

I think a concession standpoint might only be suitable for bigger areas, I can't see anyone willing to set up a controlled route in the valley lines, it's less important.

Cardiff, Commuters

In isolated areas you're not going to get anyone wanting to be an operator there – I can't really see what's in it for them.

London, Leisure

A range of evaluation criteria emerged as respondents discussed the different models

Accountability

Respondents use accountability to describe both repercussions (i.e. the possibility of a TOC losing its contract) and transparency in the way that rail is being managed. The degree of accountability can vary depending on the model presented.

Accountability means that when the service isn't up to scratch, there's some repercussion. I think there is, but they're not transparent about how it works.
London, Commuter

Customer Focus

A customer-focussed rail journey is one where a customer can be confident that their fare entitles them to a comfortable and smooth journey, and that where this does not happen, compensation or adjustments can be made.

There wasn't anybody there straightway that emailed me back or there wasn't a direct line that I could speak to, it was just a nightmare.
Birmingham, Commuter

Competition

Respondents often felt that a market-led model would provide them with innovations, features and amenities such as comfortable seating, Wi-Fi and clean rolling stock. It is closely linked to accountability, in the sense that a profit motive is one way of keeping TOCs accountable.

Air travel has competition because you can say, 'Your service is terrible. I'm never going to fly with you again. I'm going to go with someone else.' There's accountability there.
Glasgow, Commuter

Value for Money

Ultimately the different rail models were judged on how successfully they could deliver value for the fares and/or taxes the passenger would pay. Perceptions of value differed based on journey purpose and length, but centred on reliability, comfort and ticket price.

It's costing so much for such a poor service. I'm paying my tax and my ticket, and I'm not getting anything anywhere near what I should be getting.
Cardiff, Commuter

Simplicity

While many recognised that rail management should differ between local and longer-distance routes, there was a general sense that the rail structure should be comprehensible and streamlined at the macro level.

It's too confusing as well. If you're not used to it, it's quite confusing if you've got all, you've got one ticket for one company and then something happens.
Birmingham, Leisure

Social Purpose

As stated, rail is generally assumed to have a broader purpose beyond the profit motive. A successful rail structure is one that accommodates and embraces the social purpose of rail travel, ensuring that routes are not stopped simply because they are unprofitable.

If it's private they could go, 'It's not being used enough, it's gone'. If it's publicly owned, there's a bit more social responsibility to them.
Cardiff, Commuter

All models satisfy some requirements of the key criteria

However, commuters and leisure/ business users differ according to whether each model will meet their needs

Commuter appeal

Longer distance leisure/ business appeal

	Public		Concession		Private		Franchise	
Accountable	✓	✓	✓	✓	?	✓	?	✓
Customer Focus	?	?	✓	✓	✗	✓	✗	✓
Competition	✗	✗	✗	✗	✗	✓	✗	✓
Value for Money	?	✗	?	✗	?	✓	?	✓
Simplicity	✓	✓	✓	✓	✗	✗	✗	✗
Social Purpose	✓	✓	✓	✓	✗	✗	✗	✗

Commuters are **unsure** whether a private model would be accountable to their needs.

	Public		Concession		Private		Franchise	
Accountable	✓	✓	✓	✓	?	✓	?	✓

Commuters do not feel they have a choice in their rail usage and therefore doubt the **mechanisms** of accountability for a franchise or private model.

Leisure users and those making more **elective** journeys feel that the market discipline of a private or franchise-type model is well-suited to their needs. They are often comfortable with accountability via their own choices as consumers.

Commuter appeal

Longer distance leisure/ business appeal

Commuters and leisure users differ significantly in their definition of customer focus

	Public		Concession		Private		Franchise	
Customer Focus	?	?	✓	✓	✗	✓	✗	✓

Many respondents are unsure **how** a fully public system would prove or demonstrate its customer focus, or **excel** in terms of the service it provides

Longer distance leisure/ business users tend to see customer focus in the **added extras** such as Wi-Fi, spacious seating and clean carriages.

Private sector influence appeals to them in this respect, whereas commuters tend to see customer focus in **remedying delays,** and making their journeys smooth and painless. Given the lack of perceived choice in the current system, commuters do not see private sector influence as offering this.

Commuter appeal

Longer distance leisure/ business appeal

Commuters feel like a captive audience, making competition feel implausible across a number of models

	Public		Concession		Private		Franchise	
Competition	✗	✗	✗	✗	✗	✓	✗	✓

Again, absent competition, commuters feel they are a captive audience and a **'cash cow'** that can be exploited by private operators, but they are sanguine about the absence of competition if they feel their interests are **protected** by greater public sector involvement.

Many leisure/ business users feel that their journeys benefit from competition and would welcome more of it.

Commuter appeal

Longer distance leisure/ business appeal

Leisure users can see private involvement in rail as a potential source of value for money

	Public		Concession		Private		Franchise	
Value for money	?	✗	?	✗	?	✓	?	✓

Commuters see **reliability** as the key metric of value for money. However, few were willing to advance a view on whether one model was inherently more 'reliable' than another.

Leisure users may prioritise comfort, space and amenities, seeing private involvement as potentially **enhancing their travel experience** and providing value for money through a more pleasurable journey

Commuter appeal

Longer distance leisure/ business appeal

Leisure users can see private involvement in rail as a potential source of value for money

	Public		Concession		Private		Franchise	
Value for money	?	✗	?	✗	?	✓	?	✓

Commuters see **reliability** as the key metric of value for money. However, few were willing to advance a view on whether one model was inherently more ‘reliable’ than another.

Leisure users may prioritise comfort, space and amenities, seeing private involvement as potentially **enhancing their travel experience** and providing value for money through a more pleasurable journey

Commuter appeal

Longer distance leisure/ business appeal

Models with greater public involvement feel simpler than privately-operated ones

	Public		Concession		Private		Franchise	
Simplicity	✓	✓	✓	✓	✗	✗	✗	✗

Private models are often assumed to bring with them a wide assortment of different companies, pricing structures and systems, which can therefore feel **confusing** and inappropriate for a 'simple' structure

In concession-type models, private influence is assumed to be **limited** to day-to-day management. If branding, pricing, information and strategy are consistent across the service, a concession-type model can be seen as 'simple'. It should be noted that a simple service is a **necessary but not sufficient** condition of good rail management for many respondents.

Commuter appeal

Longer distance leisure/ business appeal

Social purpose is closely associated with public ownership

	Public		Concession		Private		Franchise	
Social Purpose	✓	✓	✓	✓	✗	✗	✗	✗

Rail models with greater degrees of public sector involvement tend to be seen as acting for a **collective good**, in recognition of the idea that rail is a **national asset** that needs to be managed with the public in mind.

Commuters in particular see little potential for their interests to be protected by market forces and competition. Some assume that market competition will more closely resemble a **'race to the bottom'** than a productive process of getting the best deal for the customer. As such, public and concession-type models are seen as likely to deliver better in a non-market based environment

Commuter appeal

Longer distance leisure/ business appeal

Summary and conclusion

Summary

Passengers have limited knowledge of/ interest in the structure of the railway.

Most journeys are at least acceptable (and may often be quite pleasant).

But there is **underlying discontent about the railways**

- **Commuters** in particular can feel **exploited and ignored**
- But even elective passengers see **limited. competition** and an **often mediocre customer service experience** as evidence of a system that is not serving its customers as well as it might.

There is general agreement that **the railways are different to other businesses**: they are a **national asset** and have **a wider societal role** beyond commercial success (albeit few can define this).

While lacking understanding about how the industry is managed, the overall perception is of **a lack of a clear organising force or principle** governing its operation.

Users' core objectives focus on:

- **better customer experience,** centring on punctuality, reliability, comfort, space and a sense of customer focus
- more **clarity and rigour in terms of accountability**

But users are **mostly pragmatic about how their objectives can be achieved.**

The general consensus is that **customer interest can be protected by both the operation of the market and by public sector** involvement.

As such, users would like **both more competition,** where competition seems to make sense (longer distance leisure/ business trips) **and more public sector involvement**, where it does not i.e. commuting.

Both approaches are seen as potentially delivering more accountability. However, a **more simple structure** and **more effective communication** of this structure – is also required.

Research & reality:

Our study took a *deliberative approach*, allowing for the staged release of information and an iterative, considered evaluation of alternatives.

In reality, **few rail users are likely to engage in such a sustained and focussed way** with relatively complex (and for many, uninteresting) questions about the structure of the railway.

As such, **the temptation to revert to superficially appealing but simplistic solutions will remain strong.**

Structure is important in delivering accountability, but may be delivered in a number of ways

Little/ none — Extent of Market Competition — *Extensive*

Higher — Need for Public Sector Protection — *Lower*

Both **market discipline and (central or local) govt's public mission are seen as potentially protecting passengers' interests**. An independent body that protects passenger interests is well-accepted as a means of achieving accountability, provided some enforcement mechanism is in place.

Where there is **no/ weaker competition, the more the requirement for public sector involvement** to compensate for the lack of a market mechanism.

In addition, the need **for more 'joined-up' transport within cities is seen to favour a more regulated model.** (TFL is the obvious comparator in this respect).

The broad consensus was for **more market involvement for longer distance inter-city journeys**. **Franchise-type models are seen as having the potential to deliver**, but are also seen as needing more rigorous governance i.e. clear rules and penalties. Ideally, it should also include more competition on individual routes.

For commuting a **concession-type model** feels more appropriate.

In either model, there is an **underlying requirement for:**

- **more simplicity and greater clarity** about roles and responsibilities
- better **communication**
- building a **more customer focussed and personal** relationship.

Users have limited ability to suggests how this might be delivered and often cite already well-established methods (surveys, reports, an independent Watchdog!).

Ultimately, **effective communication may be as important as structure and management in delivering change**.

Summary: Respondent perspectives at the end of the research process

Ultimately the press will always try to give rail a good kicking because it's an easy target, but the timetabling issue was an open goal which should never have been allowed to drag on as long as it did

Post-task

The organisations that plan and manage timetable changes were not made accountable. They should have been, in the form of fines, which should have been passed directly to the customers who were affected by the shambles they created.

Post-task

The main thing that's stayed with me since the focus group is that the current system works well for some areas and not others. It works well for longer-distance journeys that have competition, but not for those commuter routes

Post-task

Accountability these days means that they might pop out a quick apology on their website – that's not enough. They need to be made accountable by hitting them financially and feeding that back to the commuter.

Post-task

What stood out most was the level of satisfaction my group had towards train travel

Post-task

Return to British Rail where everyone had the same responsibility and accountability – not so many companies 'doing their own thing' and blaming other companies when it goes wrong.

Post-task

Appendix

Appendix 1: discussion guide structure

Respondents' backgrounds (5 minutes)

Establishing each respondent's particular circumstances when it comes to when, why and how they use rail.

The Railway in Context (10 minutes)

Understanding, at a broad level, what is good and what could be improved when it comes to rail travel. Identifying what they would most like to see changed in the next 5 to 10 years.

Perceptions of Rail (10 minutes)

Identifying whether rail is seen as a private enterprise, a public service, or a combination of the two. The objective is to understand how rail is perceived, and how they would like to perceive it.

Trade-offs in Rail Travel (10 minutes)

Presenting respondents with various trade-offs in how services could be provided. Trade-offs require respondents to make judgments within real-world constraints, generating deliberative and considered insight.

Structure of the Rail Industry (15 minutes)

Exploring respondents' awareness of the rail industry's structure before explaining the structure to them. This stage of the discussion will reveal initial reactions to the current structure as well as potential improvements.

Alternatives (35 minutes)

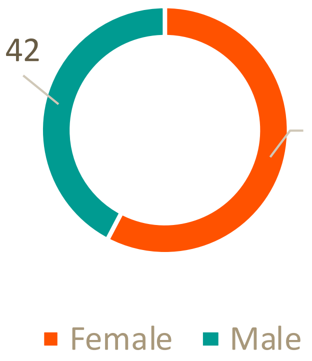
Presenting respondents with different models for how rail could be structured. Here, each model will be critically evaluated, establishing the pros and cons across a range of different measures such as 'Efficiency,' 'Innovation', and 'Accountability'

Summary (5 minutes)

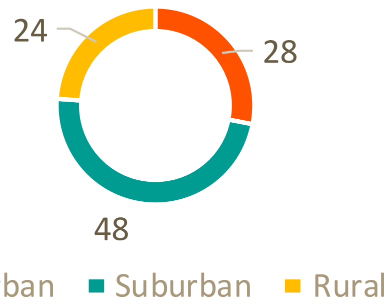
Establishing what each respondent found most interesting from the session and identifying the key changes that each would like to see in how rail is managed.

Appendix 2: Sample structure

% Gender

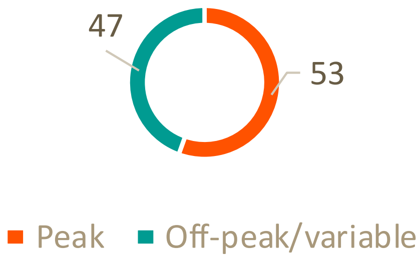


% Urban / Rural/ Suburban

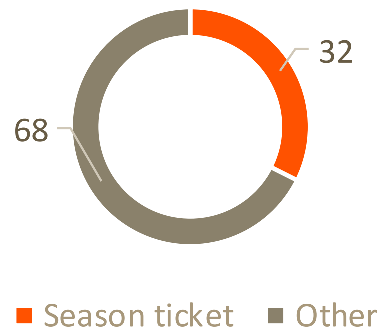


Within commuters:

% Travelling during peak hours



% Holding a season ticket



71 Respondents

36 Commuters

35 Leisure/Business

Passenger Input in to the Rail Review Debrief
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