Cynulliad Cenedlaethol Cymru / National Assembly for Wales

Pwyllgor yr Economi, Seilwaith a Sgiliau/ Economy, Infrastructure and Skills Committee

Masnachfraint Rheilffyrdd a chyflwyno Metro / Rail Franchise and the Metro

Ymateb gan Ffocws ar drafnidiaeth / Evidence from Transport Focus

1. Introduction

1.1 Transport Focus is the independent consumer watchdog representing the interests of rail users throughout Great Britain; bus, coach and tram users across England, outside London; and users of the Strategic Road Network in England. We have a Welsh Board Member appointed by the Cabinet Secretary for Economy and Infrastructure.

1.2 We have been engaged in discussions with Welsh Government (WG) and Transport for Wales (TfW) about the future operation of, and the procurement process for, the next Wales and Borders franchise. We are pleased to make a contribution to this consultation undertaken by the Economy, Infrastructure and Skills Committee of the National Assembly for Wales.

2. What standard of performance has been experienced under the current franchise?

2.1 Transport Focus consults over 54,000 passengers a year for the National Rail Passenger Survey (NRPS) - a network-wide picture of passengers' satisfaction with rail travel. In Autumn 2016 we spoke to 1086 Arriva Trains Wales (ATW) passengers.

NRPS is a comprehensive source of information about current and historic passenger perceptions of the ATW franchise. It can also be broken down to show variations across five 'building block' groupings of rail services in the Wales and Borders operation.

Using analysis we can identify those factors that correlate most highly with overall satisfaction and dissatisfaction.

Full details of the Autumn 2016 wave are on our website[1]. For ease of reference we have included key results for ATW as Appendix 1.

2.2 Currently the cleanliness of the inside of the train is the key driver of satisfaction for ATW passengers at 32 per cent overall. The next most important factor is punctuality and reliability at 16 per cent.

2.3 How the train company deals with delays is the most significant driver of dissatisfaction at 34 per cent.

2.4 Between 2012 and 2013 ATW had slightly higher overall satisfaction than the Regional sector average[2]. However, in recent years it has tended to perform less well; the most recent score for ATW is 82 per cent compared to a Regional average of 84 per cent.

2.5 ATW is lagging behind the Regional sector on many elements that are important to passengers. ATW scores somewhat lower than the Regional sector average on 15 out of 16 station factors and is also below on 13 out of 20 train factors.

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[1] NRPS Autumn 2016 main report. Transport Focus. 2016

[2] Regional operators include ATW, Merseyrail, Northern and ScotRail

2.6 Passenger satisfaction with punctuality and reliability on ATW has declined significantly in recent years. Consistently 85 per cent and above between 2011 and 2013, satisfaction has now dropped to 80 per cent. This compares to the Regional sector average of 82 per cent. Industry measures of performance also show drops. Between periods 11 of 2010/11 and 2016/17 the Moving Annual Average for PPM has fallen from 94.1 to 91.6 per cent, whilst for Right Time it has fallen from 87.9 per cent to 80 per cent[3].

2.7 Satisfaction with the upkeep and repair of the train has also declined significantly over the last few years, from 76 per cent in Spring 2012 to 64 per cent in Autumn 2016. This compares to the Regional sector average of 70 per cent.

3. What lessons can be learnt from the current franchise?

3.1 The principal lessons to be learnt from the current franchise hinge on responsiveness. Since the operation commenced in October 2003 there has been unanticipated growth in passenger demand and, within the contractual terms, there has been little ability to address this.

3.2 A new franchise contract must be based on well-evidenced projections of passenger demand and ensure there are mechanisms within it to respond to changes.

3.3 The key elements that must be at the heart of a new contract are sufficient trains to provide the services required to meet demand, a timetable that provides the frequency needed and is aligned to passenger requirements, including for services earlier and later in the day and at the weekend, especially on Sundays. There is also a need to plan for, and effectively manage, the peaks of demand when special events take place on the network.

3.4 The new franchise must also address rolling stock – the current train fleet is largely ageing and much is in need of refurbishment or renewal. One particular challenge concerns the implications of the deadline for PRM-TSI (Persons of Reduced Mobility Technical Specification for Interoperability) compliance[4].

4. What improvements to rail passenger services should be expected under the next franchise?

4.1 In 2014 we asked 3,500 passengers across the Great Britain to rank a series of train and station categories in order of their perceived priority for improvement[5]. A breakdown of results for Wales is in Appendix 3; the sample size is 750 and the vast majority of these are ATW passengers. The online database contains a wealth of information which can be

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[3] http://dataportal.orr.gov.uk/displayreport/report/html/35d7377b-ab0f-40b2-bb98-f9bf582d82f8
PPM (public performance measure) means trains arriving at their terminating station within five minutes for commuter services and within 10 minutes for long distance services. Right Time performance measures trains arriving at their terminating station early or within 59 seconds of schedule.

[4] http://orr.gov.uk/what-and-how-we-regulate/health-and-safety/regulation-and-certification/rail-vehicle-accessibility - An outline of the The Rail Vehicle Accessibility (Non-Interoperable Rail System) Regulations 2010 (RVAR 2010) enforced by the Office of Rail and Road (ORR).

[5] Rail passengers' priorities for improvement. Transport Focus. 2014

analysed in many ways to explore how priorities vary by demographic and journey purpose, amongst other things[6].

The two top priorities, by some considerable margin, are ‘passengers always able to get a seat on the train’ and ‘price of train tickets offers better value for money’.

Summarising the findings, it is clear that passengers’ top priorities for improvement largely focus on the basic elements of the rail service – value for money, getting a seat, frequency, punctuality, managing delays and provision of information.

4.4 Assessment of NRPS scores should also drive decisions on improvements under the next franchise. These should focus on the elements which drive passenger satisfaction and dissatisfaction and also include those factors where the absolute scores are low, those where there are high levels of dissatisfaction and those where the franchise scores below the average for the Regional sector as a whole. (See section 2 and Appendix 1 for further details of NRPS on the current franchise).

4.5 In 2014 Transport Focus undertook a study to explore passengers’ relationship with the rail industry[7]. The main finding is that to improve passengers’ trust in the rail industry, train companies not only need to get the basic service right day-to-day, they need to put effort into building long-term relationships with their passengers. For the next Wales and Borders franchise to build greater trust with passengers it is important to get the basic service right ahead of everything else. Then, building on closer relationships with their passengers is important. One way is through high quality communication. Passengers should feel that train companies are ‘on their side’.

4.6 Analysis of the passenger priorities for improvement, drivers of satisfaction /dissatisfaction and NRPS scores highlights a number of factors that should be top level priorities for the next Wales and Borders franchise to address. The primary requirements should be for an absolute focus on the fundamentals to deliver improvements to:

- Capacity and frequency – considering service frequencies and train layouts, optimising the availability of carriages appropriate to demand, as well as how fares incentives might make a contribution to alleviating pressures.

- Value for money – encompassing the important service elements which drive this as well as the ticket price.

- Punctuality and reliability - specifically as this affects passengers at all stages of the train journey, not simply the timing of the train at its destination.

- Minimise and effectively manage disruptions – with planning and contingency arrangements placing passenger interests to the fore. Four of the top ten priorities for ATW passengers relate to avoiding and managing disruption, including accurate and timely information at stations[8]. ATW passengers’ satisfaction for how well disruption is dealt with is 42 per cent, the same as the regional train companies average, which is itself low. In terms of the usefulness of information, there is a gap, with ATW at 50 per cent against the regional average at 53 per cent.

[6] Rail passengers’ priorities for improvement – simulator. Transport Focus. 2014. Please contact us directly to discuss the data specific to Wales.
[7] Passengers’ relationship with the rail industry. Transport Focus. 2014
[8] Rail passengers priorities for improvement Transport Focus. 2014

- Provision of accurate and timely information – for all stages of the journey but especially during delays and disruption. Following significant disruption on the Valleys lines in July 2014, ATW asked Transport Focus to review the quality of information provided to passengers. Following discussions, we provided our conclusions and recommendations, now published together with the report from ATW on actions taken for improvement[9]. We continue to work with ATW as measures are implemented. This area of key concern for passengers will need to be a priority for the new franchise.

  Alongside this, there must also be improvements to other elements of the journey experience including:

- Improvements on-board – with particular emphasis on the cleanliness and maintenance of the inside of the train and on-board toilets, layouts that facilitate luggage storage and passenger comfort and with high quality connectivity to facilitate access to information and enable a range of activities during the journey.

- Enhanced station environments – that create easily navigable spaces providing the facilities and comfort that passengers value.

- Proactive and helpful staff available to provide information, reassurance and assistance to passengers. Passengers consistently identify the presence of staff as important to providing reassurance to those travelling on the railway. Research carried out in 2011 found satisfaction with security at unstaffed stations was 9 per cent lower than the average for staffed stations in Wales[10]. Better lighting and CCTV were seen as key; passengers also placed a high value on being able to access real-time information via Customer Information Screens, particularly at times of disruption. In terms of improving on-train security, 75 per cent of passengers believe that staff walking through the train would be effective. On board staff are also crucial for passengers buying tickets and are seen as a main part of the solution to fare evasion.

- Seamless ticketing – which allows passengers to select and easily obtain the best and most appropriate fare for their journey delivered through the medium of their choice.

- Building trust with passengers, with clear and open communication.

  The next franchise operator also needs to embed a genuinely customer-service focused culture at all levels and provide a personalised, rewarding passenger experience.

4.7 Transport Focus has long advocated more use of quality-focused targets within a franchise. Our strong preference is for targets based on what passengers think, the best judge of quality being those who have used the services in question. The NRPS is ideally suited to capture information that directly reflects the customer perspective. A financial penalty regime should apply, with resources ring-fenced for additional investment into service quality measures that are most likely to improve passenger satisfaction.

4.8 Central to improving the passenger experience of rail services are effective mechanisms for passenger and stakeholder engagement, particularly for gathering intelligence on local aspirations and developments, and for consulting on future proposals. Our research shows that passengers have unanswered desires to contribute their thoughts, both about priorities for franchise specifications and the performance of incumbents. There is also a

[9] Valley lines July 2014 disruption Transport Focus. 2015
[10] The passenger experience at unstaffed stations Transport Focus. 2011

desire for greater two-way communication about what each franchise promises – and what is actually achieved[11]. The next franchise should provide an engagement strategy that accommodates the needs of different passengers.

4.9 There is an increasing demand for technology that drives both functional and relationship improvements. Intelligent use of technology should facilitate easier, more intuitive ticket purchase options and provide the accurate, timely information that empowers passengers to make informed travel choices. Provision of free, reliable internet connectivity, better mobile phone reception and power sockets help passengers to get the most of their door-to-door journey. The next franchise must be able to respond flexibly to the needs of a rapidly changing world.

5. The Welsh Government's approach to the rail franchise and South Wales Metro

5.1 The Welsh Government has established a clear policy position regarding their expectations for the future franchise and has established Transprt for Wales (TfW) to run the procurement on its behalf.

5.2 The approach adopted is innovative and it will be some time before the success of this method can be assessed. Four bidders have been shortlisted and are now engaged in competitive dialogue. There will be a welcome further consultation and some passenger research undertaken before the bidders are invited to submit their final solution. It appears that TfW have taken steps to strengthen the team, ensuring increased rail franchise experience and additional staff resource to support the procurement activity.

5.3 Transport Focus is pleased to be engaging with TfW on matters of policy and passenger experience. They are also looking to draw on the experience of the established devolved authorities in Scotland and London.

5.4 It is important that principles of engagement and transparency are followed so that passengers and funders of the railway can be informed about and understand the decisions that are being made about the future of these vital services.

6. How do the Welsh and UK Governments cooperate in deciding how services are provided?

6.1 The fundamental principle that should guide decisions on how services in Wales are run must be what is best for the passenger.

6.2 Passengers are focused on the outputs that matter to them – how punctual their service is, how many seats are available and whether they are kept informed of delays – rather than the structures adopted by Government and the industry to deliver these.

6.3 We believe that the decisions on rail passenger services in Wales should be determined against the 'passenger test' which incorporates three core questions:

- What benefits will this bring to passengers and how will these improve services?
- Will it create any disbenefits and what effect will this have on passengers?
- Will it inhibit/prevent development of future benefits?

[11] Giving passengers a voice in rail services. Transport Focus. 2013

A number of issues merit consideration against these criteria, not least maintaining a coherent and integrated network and ensuring appropriate funding and accountability is available on both sides of the border.

6.4 The Wales & Borders services need to retain smooth interaction with the remainder of the rail network. Passengers value the concept of a national rail network and the seamless delivery of service. Rail is also plays an important role in promoting access and economic opportunity between regions. There is, for example, an increasing emphasis on the linkages between Wales and the 'Northern Powerhouse'. Decisions should ensure that no artificial barriers impact on passenger journeys and the seamless concept does not develop rough edges.

6.5 In this context the shape of the Wales & Borders network is particularly important. Important services run between destinations within and beyond both England and Wales, providing linkages in many directions. Were the franchise routes to be remapped then it would be hard to see how a coherent network could be retained.

6.6 Remapping would inevitably require resources to implement and may well create additional costs in future operation.

6.7 However, there are some challenges around access to funding, determining priorities and ensuring decisions reflect the priorities of relevant stakeholders. What structures can ensure that Welsh and English communities and stakeholders have a voice in decisions and dialogue on the issues that matter to them? How will future investment be secured and expenditure choices agreed with those who are affected?

6.8 Clearly, mechanisms will be required to ensure that the Welsh and English Governments maintain ongoing liaison and both bodies have a say, and a stake, in the decision making processes as they affect cross-border matters. Funding streams must also be available for stations and services on both sides of the border.

6.9 There may also be scope for developing the existing Cross Border Forum which brings together a range of parties, including Transport Focus and Transport for the North, to address issues relating to the rail service and estate. It is possible to conceive of a strengthening of this functioning and a remit to manage or mandate potentially ring-fenced budgets to ensure that investment and operational decisions reflect the wishes of relevant stakeholders.

6.10 All parties involved in decisions about the operation of Welsh services must commit to placing passenger priorities at the heart of their approach and ensure they adopt the highest standards in engagement and transparency. This will allow passengers who use, and also fund a substantial element of the rail costs, to have a voice in the future of their rail services.

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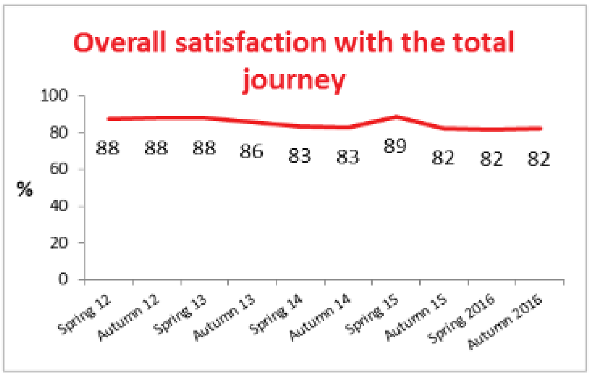
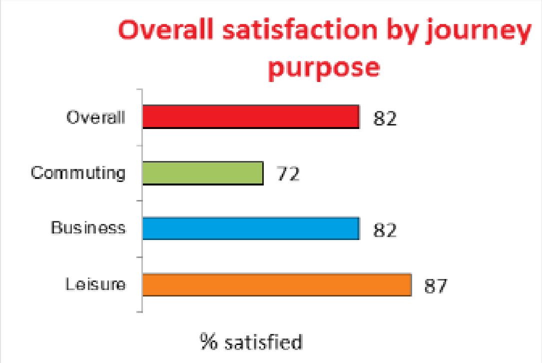
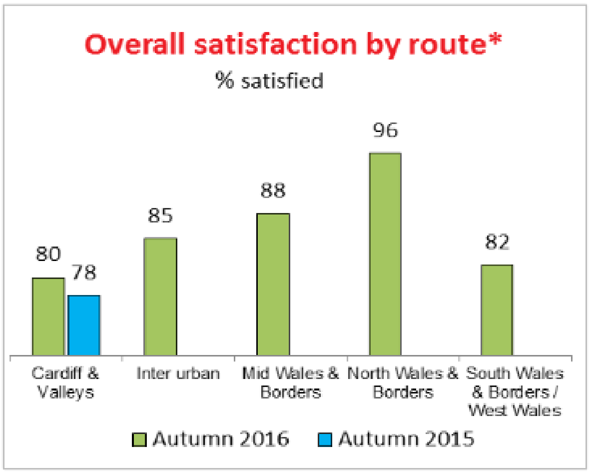
Appendix 1: ATW passenger satisfaction scores

A1.1 Passenger satisfaction at a glance: NRPS Autumn 2016, ATW and building blocks







*due to a change in route definitions, route data for Autumn 2015 is only included in this report for Cardiff & Valleys route (this route did not change)

How routes are defined

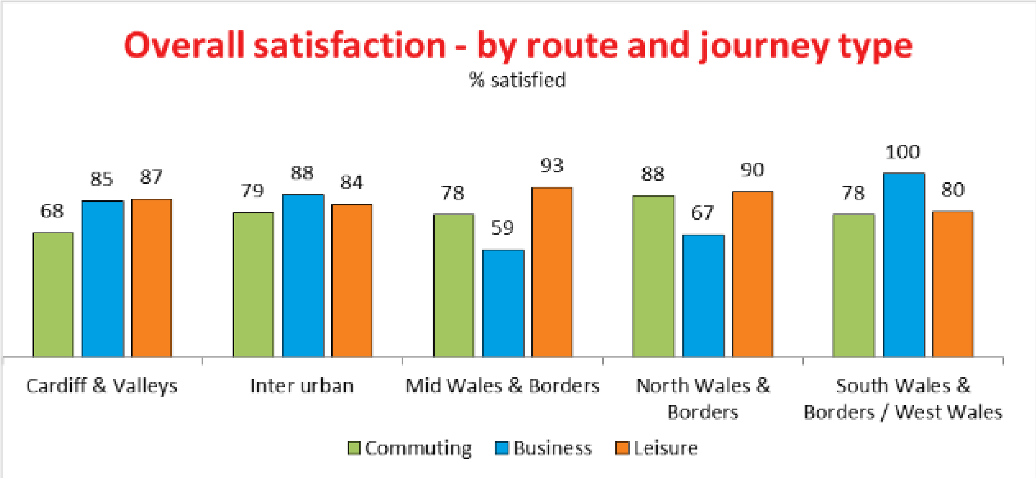
Cardiff & Valleys: Journeys on the Valley lines around Cardiff

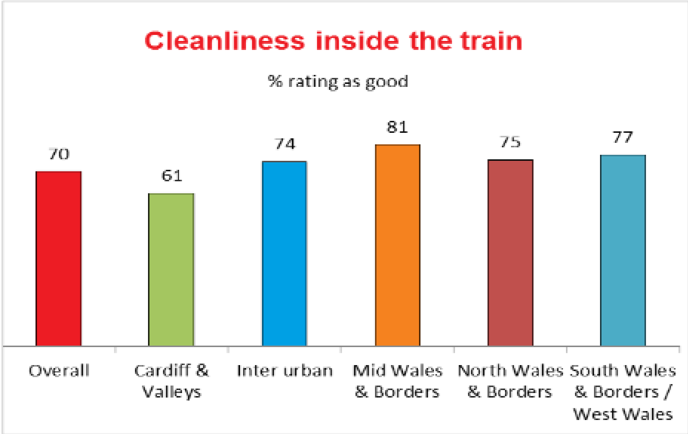
Inter urban: Journeys on the Fishguard Harbour – Manchester Piccadilly, Milford Haven – Manchester Piccadilly, and Holyhead – Cardiff Central lines.

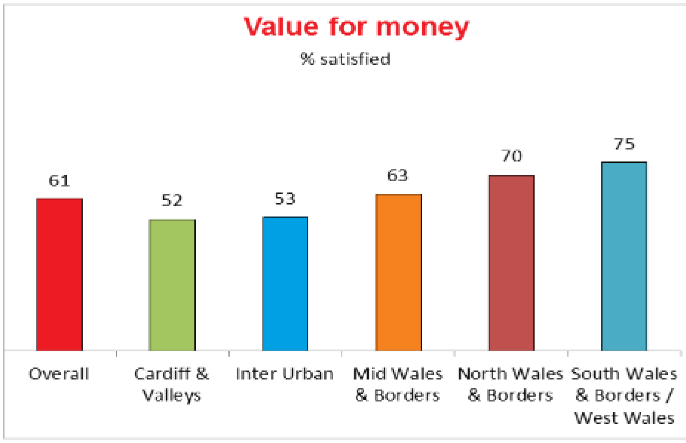
Mid Wales & Borders: Journeys on the Pwllheli/Aberystwyth – Birmingham International, Shrewsbury – Crewe, and Holyhead – Birmingham International lines.

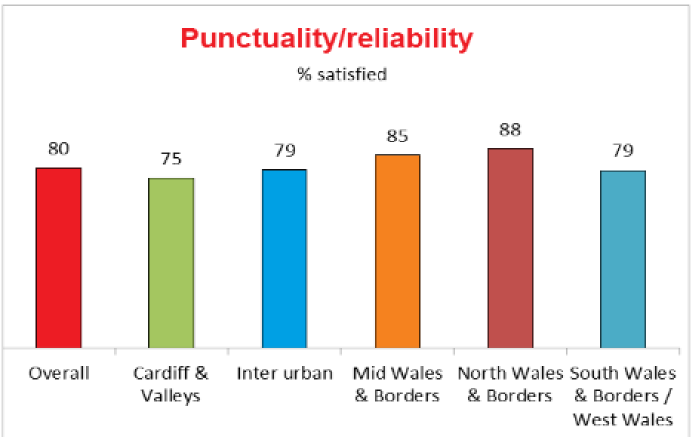
North Wales & Borders: Journeys on the Llandudno – Manchester Piccadilly, Bidston – Wrexham Central, Chester – Crewe, and Llandudno/Llandudno Junction - Blaenau Ffestiniog lines.

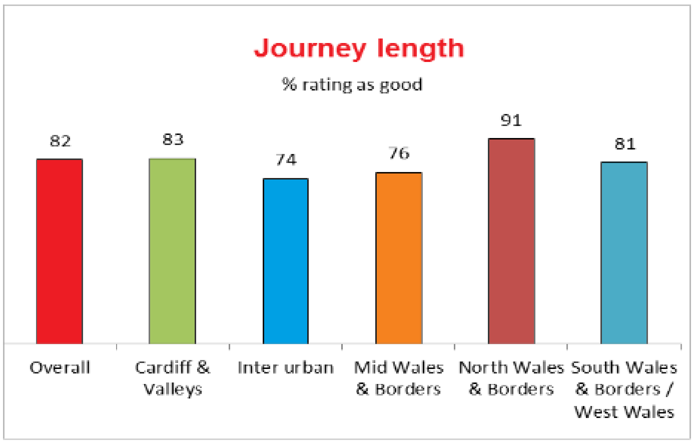
South Wales & Borders / West Wales: Journeys on the Swansea – Shrewsbury, Maesteg – Cheltenham Spa, Pembroke Docks – Swansea, Swansea – Cardiff Central, and Cardiff Central – Ebbw Vale Town lines.

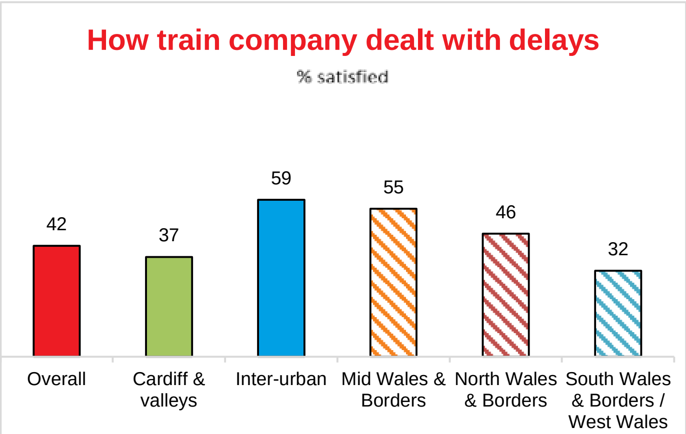


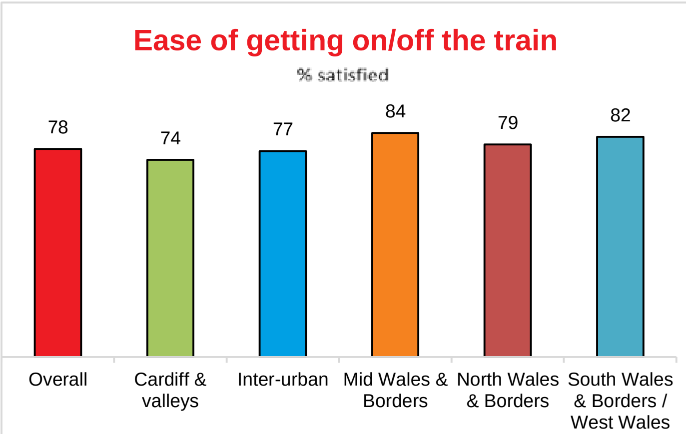












Small sample size- use with caution

A1.2 NRPS Autumn 2016: percentage satisfied, ATW compared to Regional sector[12]

	Arriva Trains Wales	Regional	TOC index
Overall			
Overall satisfaction with the journey	82	84	98
Train factors			
Overall satisfaction with the train	75	80	94
The frequency of the trains on that route	69	79	88
Punctuality/reliability (i.e. the train arriving/departing on time)	80	82	97
The length of time the journey was scheduled to take (speed)	82	87	94
Connections with other train services	75	78	96
The value for money for the price of your ticket	61	60	101
Cleanliness of the train	70	74	95
Upkeep and repair of the train	64	70	92
The provision of information during the journey	63	71	89
The helpfulness and attitude of staff on train	84	79	108
The space for luggage	63	61	102
The toilet facilities	47	43	109
Sufficient room for all passengers to sit/stand	70	72	97
The comfort of the seating area	72	72	99
The ease of being able to get on and off	78	83	93
Your personal security whilst on board	80	81	98
The cleanliness of the inside	70	75	94
The cleanliness of the outside	66	71	92
The availability of staff on the train	73	64	113
How well train company dealt with delays	42	42	99
Usefulnes of information during delays	50	53	95
Station factors			
Overall satisfaction with the station	75	81	93
Ticket buying facilities	71	78	91
Provision of information about train times/platforms	78	84	93
The upkeep/repair of the station buildings/platforms	66	78	85
Cleanliness of the station	69	80	86
The facilities and services at the station	49	55	89
The attitudes and helpfulness of station staff	75	80	94
Connections with other forms of public transport	62	72	87
Facilities for car parking at the station	60	54	111
The overall station environment	67	76	88
Your personal security whilst using the station	69	76	90
The availability of staff at the station	58	70	83
The provision of shelter facilities	70	77	91
Availability of seating	56	61	92
How request to station staff was handled	84	87	96
The choice of shops/eating/drinking facilities available	38	45	85
Facilities for bicycle parking at the station	58	63	92

[12] TOC Index shows performance of TOC against the sector as a percentage (e.g. if TOC score is equal to sector score the TOC Index would be 100%. If it is 102% the performance is better).
- five points or more above sector average
- five points or more below sector average

A1.3 Drivers of satisfaction and dissatisfaction, NRPS Autumn 2016/Spring 2016: ATW and building blocks

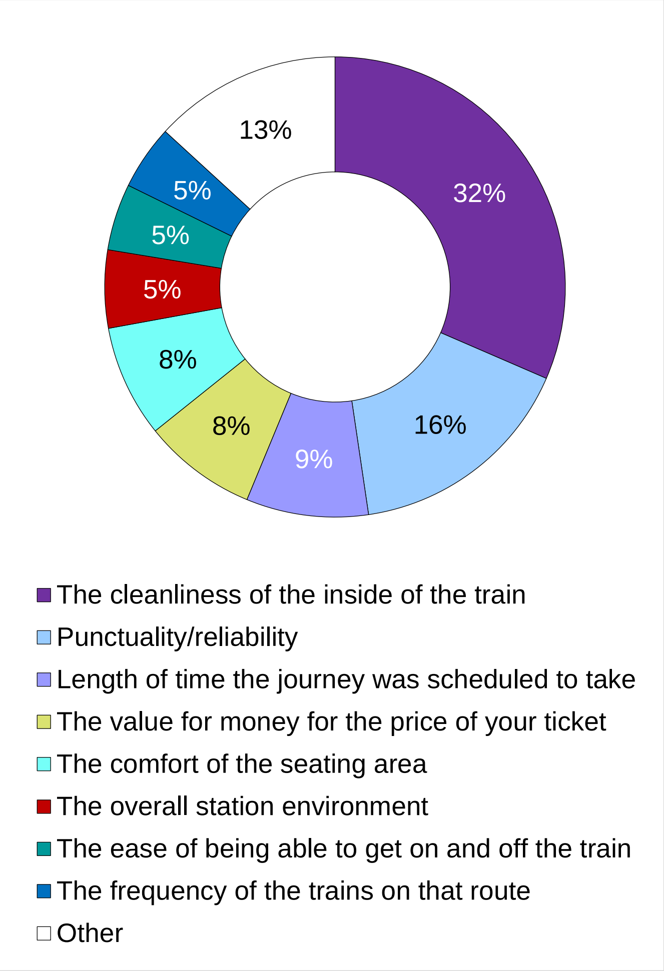
What impacts on satisfaction and dissatisfaction?

Not all factors will have equal importance - some things will have a much bigger influence on whether a passenger is satisfied with the overall journey than others.

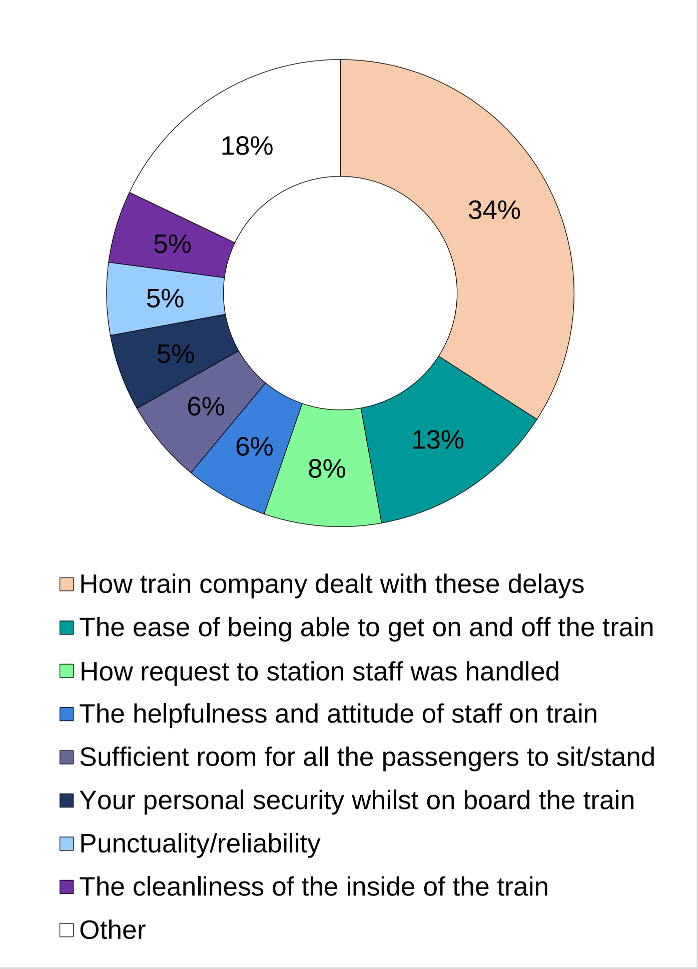
The charts below show which station and train factors are statistically most important in determining overall passenger satisfaction and dissatisfaction for Arriva Trains Wales.

The analysis looks at which factors correlate most highly with overall journey satisfaction. For example, if those satisfied with punctuality are much more likely to be satisfied overall, then punctuality is likely to have a bigger impact on overall satisfaction. The higher the percentage figure below, the greater the influence on overall journey satisfaction.

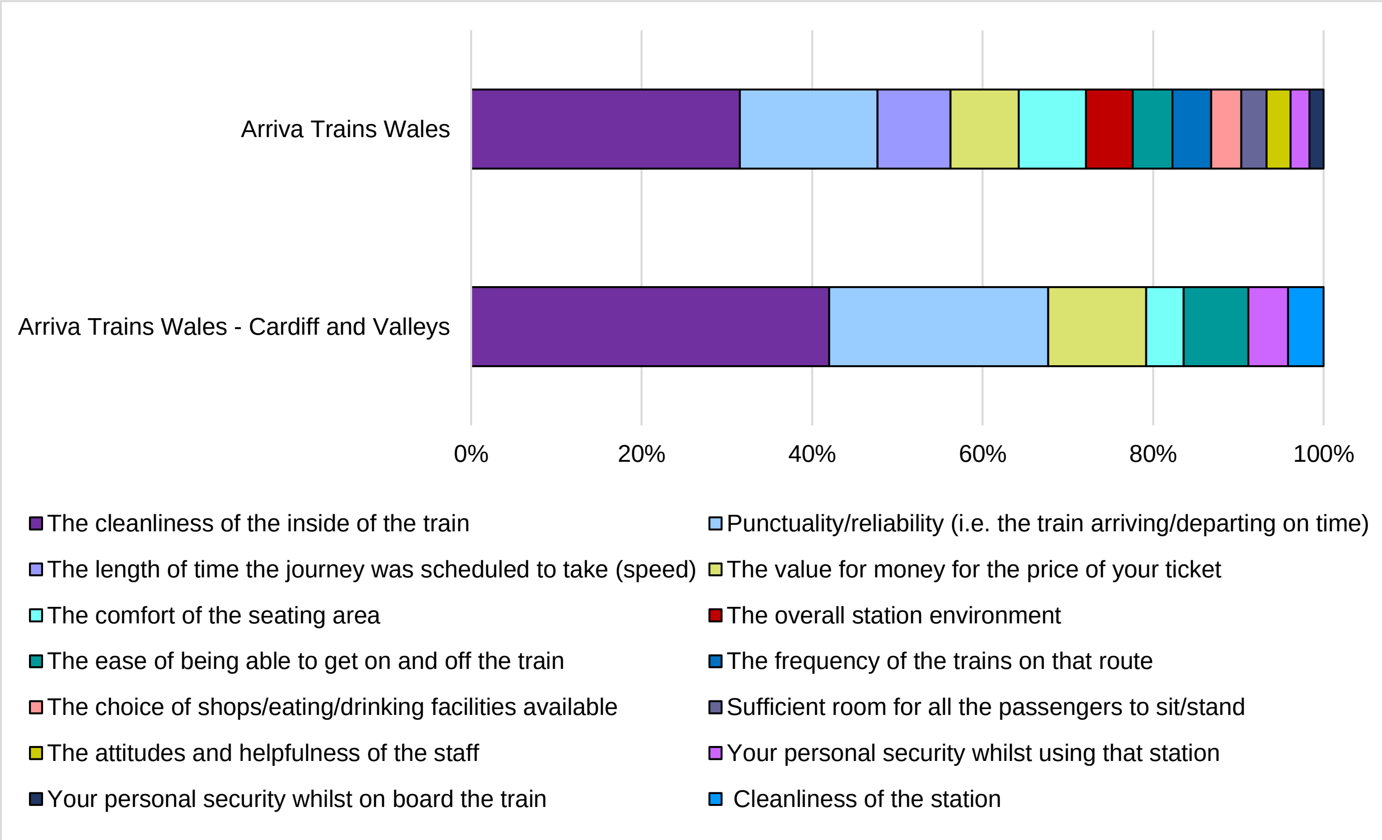
What has the biggest impact on overall satisfaction? ATW



What has the biggest impact on overall dissatisfaction? ATW



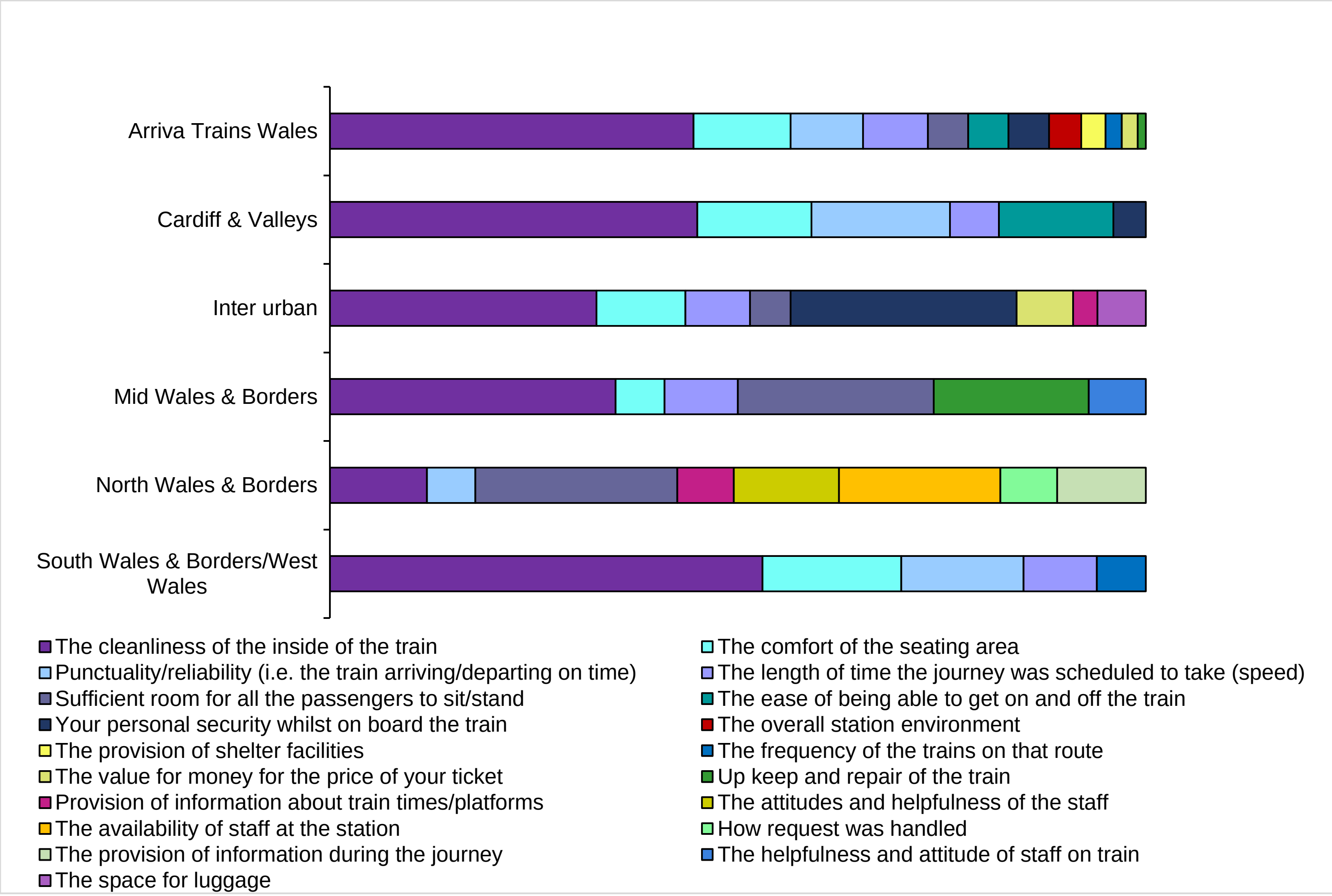
What has the biggest impact on overall satisfaction? ATW and Cardiff and Valleys building block



Please note that due to changes to the building blocks in 2016, drivers of satisfaction are only available for Cardiff and Valleys for Spring 2016/Autumn 2016 combined.

Autumn 2015/Spring 2016 drivers of satisfaction by building block are included below for reference.

Drivers of satisfaction and dissatisfaction, NRPS Autumn 2015/Spring 2016: ATW and building blocks



To download the full National Rail Passenger Survey, visit:
http://www.transportfocus.org.uk/research/national-passenger-survey-introduction

You can explore the results in more depth at:

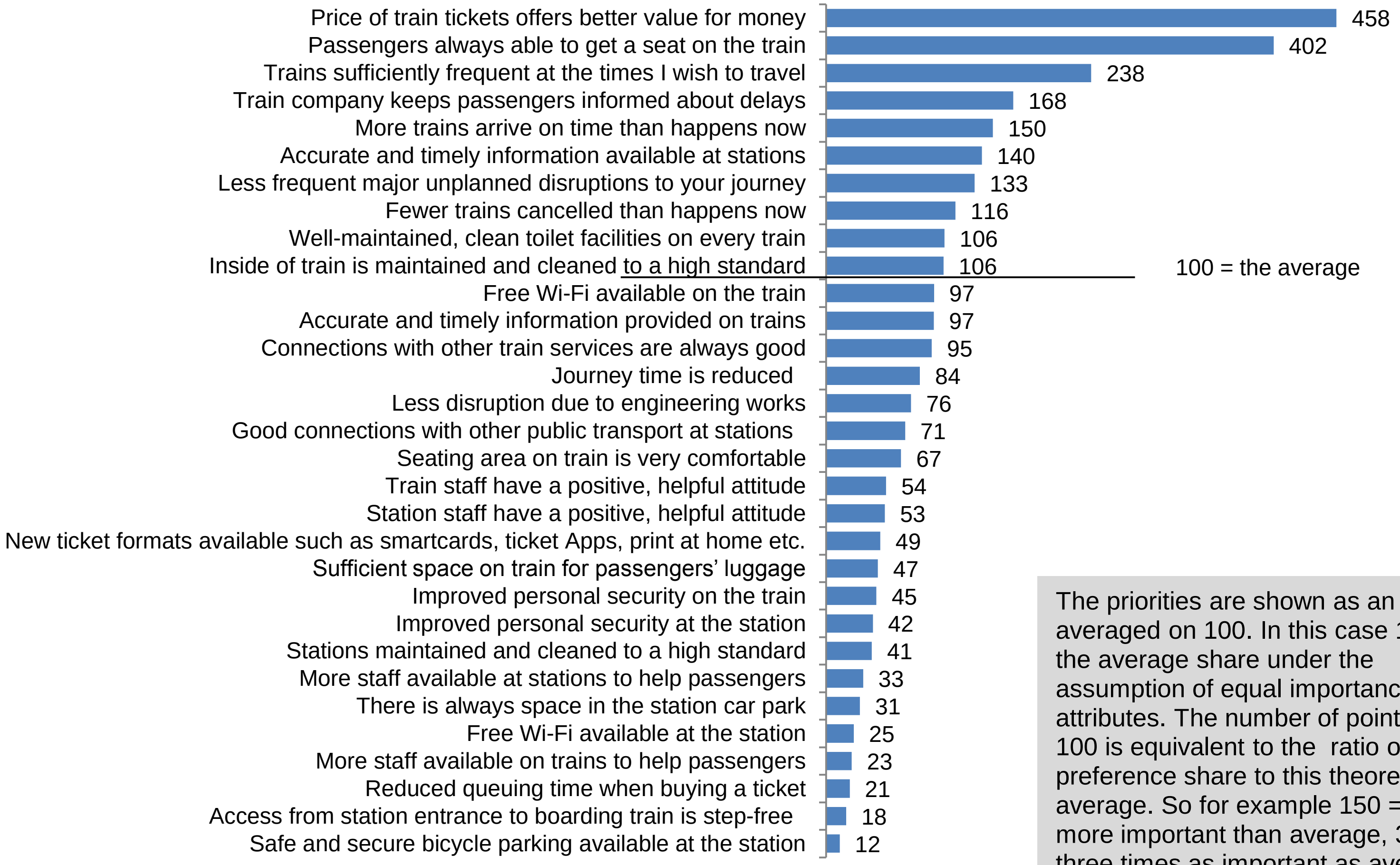
http://www.transportfocus.org.uk/our-open-data

Appendix 2: Rail passengers' priorities for improvement

The table below shows the relative scores for the top 14 priorities (out of a list of 31) for Wales as a whole alongside those for commuters, business and leisure passengers. To achieve a representative sample for Wales the returned questionnaires are weighted in relation to journey purpose: commuter 32%, business 12% and Leisure 56%. ATW passengers make up nearly 700 of the 750 returns for Wales.

	ATW (697)		Total Wales (750)		Commuter (400)		Business (62)		Leisure (288)	
	Rank	Index	Rank	Index	Rank	Index	Rank	Index	Rank	Index
Price of train tickets offers better value for money	2	473	1	458	1	491	2	485	2	434
Passengers always able to get a seat on the train	1	482	2	402	3	277	1	526	1	448
Trains sufficiently frequent at the times I wish to travel	3	231	3	238	2	279	3	220	3	219
Train company keeps passengers informed about delays	4	161	4	168	6	181	5	135	4	167
More trains arrive on time than happens now	5	140	5	150	4	202	9	109	6	128
Accurate and timely information available at stations	6	135	6	140	8	143	8	115	5	143
Less frequent major unplanned disruptions to your journey	7	123	7	133	5	186	11	95	9	111
Fewer trains cancelled than happens now	8	108	8	116	7	158	14	83	11	99
Well-maintained, clean toilet facilities on every train	9	107	9	106	15	75	6	117	7	122
Inside of train is maintained and cleaned to a high standard	10	106	10	106	13	83	7	115	8	117
Free Wi-Fi available on the train	13	90	11	97	12	99	4	161	13	82
Accurate and timely information provided on trains	12	91	12	97	10	101	15	80	12	98
Connections with other train services are always good	11	98	13	95	14	82	12	89	10	103
Journey time is reduced	14	77	14	84	9	101	10	105	16	70

Priorities in rank order with index score to 100: all Wales passengers



The priorities are shown as an index averaged on 100. In this case 100 = the average share under the assumption of equal importance of all attributes. The number of points above 100 is equivalent to the ratio of actual preference share to this theoretical average. So for example 150 = 50% more important than average, 300 = three times as important as average, 50 = half as important as average.

Q12-25 Priorities for Possible Service Improvements
Base: All Wales Rail Passengers n=750