
Serving rail customers better: Keeping people informed when things go wrong

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Welcome to today's session on passenger information during disruption. This is an important area for the industry. Not only do passengers quite reasonably expect correct, timely information at times of disruption but it's also a big opportunity. Treat customers well when things are tough and they tend to be much more loyal. This doesn't just help each operator individually, it also boosts the credibility of the industry as a whole. Conversely, getting it wrong has the reverse effect - passengers are frustrated with uncertainty and mistrust explanations. One bad story undermines confidence in the system as a whole. Inevitable bad headlines which follow benefit none of us and pressures for the regulator to "do something" increase.

As you'll know, this is an area on which we have focused quite heavily at ORR over the last year and before the main conference programme starts for today, I'd like to spend a few moments talking about the industry's progress since we brought in new licence conditions a year ago.

Last year, we decided that for too long, passengers had not had a good experience from the industry at times of disruption. There was some good practice, but to be frank, the industry's performance was patchy at best. The National Passenger Survey shows a pretty flat line between 2008 and 2011 on the percentage satisfied with the information they receive during disruption. Never once did satisfaction lift above 50 per cent. Our own research showed that some companies weren't following their own procedures, and many passengers didn't know who to complain to.

We all know that this really matters to passengers. They expect to be treated well and kept informed about disruption to their journey, particularly given the increasing

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cost of rail. Many have no choice and feel powerless and frustrated.

We wanted to ensure that the industry took this issue seriously and had proper incentives to speed up improvements in their performance. We also wanted to ensure that the industry, Network Rail and train companies, co-operated effectively to get a single true picture of disruption. So, we made licence condition changes both to Network Rail and the train operators.

To be honest, I was surprised that we had to do this. ORR's approach is to make sure the industry has incentives to deliver for its customers, and that customers are empowered in a way which forces the industry to respond, without regulatory intervention. Keeping passengers properly informed of what's going on, and what their options are, when things go wrong is so central to the relationship between the railway and its customers that you'd have thought the industry would seize the opportunity to get it right. But there were too many examples of that not happening, and too many missed opportunities to get a system-wide solution. It was right that we intervened on behalf of customers. I'd still prefer not need to have to use the new powers we now have – but if we need to, we will.

Many might say that we did the industry a massive favour in taking this step and pushed it into a position where it can build a much better relationship with its customers at times of great pressure.

The new conditions, explicitly require Network Rail to run effective timetable planning and to provide accurate and timely information to train operators. Operators must publish and follow codes of practice saying how they will pass that information on to passengers. ATOC has published a code of practice for its members. We insisted that the code should be published, and regard this as an important step towards greater transparency and one which will help build customer confidence.

We regularly ask Passenger Focus to give us their feedback on whether operators are abiding by their codes of practice and how well they think that the Association of Train Operating Companies' code of practice aligns to what customers really want. We value the work we have done with Passenger Focus to date in this area and it's important that we continue this positive collaboration; with Passenger Focus teams pulling together evidence, and the ORR acting on the evidence, exercising our powers and influence to make things happen.

All this means that the public and the regulator now have something to hold the industry to account against. The industry is clear on what we expect of it and we've said that we won't hesitate to intervene if we see an operator failing to follow its own code. We did however recognise that it might take a little time for these codes to

work in practice and we said we'd talk to the industry and review what has happened after March next year. In the meantime, however, we are keeping a close eye on industry progress and we published our first report on performance with the new licence conditions last December.

So, what are we seeing? Indications are that Network Rail and train operators are taking their licence conditions seriously. They have brought in new technology, including systems which feed more accurate information to platform screens, and are changing operational culture. I'm pleased that passenger information provision is now part of the competency assessment of frontline staff. We've also seen the owning groups of train companies ensure that best practice is shared across franchises.

Frontline staff are now often given better information to help them deal with customers and are better equipped with things like smartphone technology. Customer action teams are being sent to some normally unstaffed stations when disruption is emerging. Mobile versions of websites and use of apps make it easier for passengers to access information.

The industry has itself introduced the North of London agreement. This is a joint operator agreement supported by pre-printed maps for passengers, showing agreed alternative routes and ticket acceptance at times of disruption on key long distance routes between London and the north. This was triggered in recent weeks during significant disruption to both the West Coast and East Coast Main Lines.

The industry is doing many of the right things, but what do customers think? The last wave of the National Passenger survey did show a welcome improvement in performance with an overall 44 per cent satisfied with how their train company dealt with delays. Whilst this is welcome, it's hard to think of any other sectors which would regard these satisfaction levels as acceptable.

Performance also varies considerably, with over half satisfied on the long distance routes and closer to 40 per cent happy on regional and London and the south east. Scores also had wide variations between operators with a spread from 77 per cent satisfied down to 33 per cent.

The NPS survey covered performance last Autumn so won't have been affected by winter weather and flooding. We'll have to wait until the next wave comes through in June before we really understand how passengers felt across last Christmas. We certainly saw deterioration in Network Rail's operational performance across this period with punctuality down across the board – though it is notable that in Scotland performance proved to be much more resilient, presenting another opportunity to

learn lessons from best practice.

In the meantime we are keeping a close eye on major disruption incidents to see how the industry is doing. Overhead line problems on the East Coast Main Line a few weeks ago meant that 200 passengers were stranded late at night at Kings Cross. Passenger Focus have asked us to look at this. We need to find out what the issue was here – was it poor customer care on the ground or were there flaws in what passengers were being told? There certainly appears to be a gap between what operator's codes of practice said and what happened. Customers didn't get anything like the treatment they expected.

Our real aim here is not to pick over every incident, but to take a close look at how the industry responds and how it is learning from things that go wrong. And challenges to the industry quite clearly remain.

As well as what the industry is doing, the ORR is doing a number of things to help make sure that passengers get the quality of service they expect. We're promoting transparency as we want the rail industry to be more open and visible. This delivers accountability; it can create reputational incentives; and it can stimulate innovation and growth.

With better knowledge, consumers can access the products and services which are right for them. For example, last July we published annual right time train information by sector to see how well services are performing. It's clear that many passengers support this: it strengthens accountability and is recognised as matching passengers' expectations of journey times in a way that the industry-standard passenger performance measure doesn't.

We're publishing complaints data which make public the areas of most concern to passengers, and helps the industry to focus on where it can do most to improve passengers' experiences. Our work on ticketing complexity led us to increase pressure on operators to improve quality and usefulness of the information they provide to help passengers buy the best-value ticket for their journey.

Our 2009 investigation into real time train information led to National Rail Enquiries agreeing to establish a code of practice setting out the terms and conditions which apply to third parties who want access to the Darwin data base. We're looking now at whether more action is needed.

We're also making sure the industry provides accurate information suitably well in advance of known disruption, such as engineering works, so that passengers can plan accordingly. With some major work planned over this coming Easter on many lines then we'll be looking carefully at how well customers are briefed in advance and

can change their plans if necessary.

Looking forward into the next investment period for Network Rail, we see some big challenges ahead. The Governments in London, Edinburgh and Cardiff have committed to very substantial investment to improve the network which will deliver benefits to customers over the next five years. But while the work is being done, there will be more disruption and a risk of a fall-off in service. At a time at which passengers are continuing to face above inflation fare increases, this will be a difficult sell to say the least. Fare paying passengers now pick up the tab for the majority of the railway's costs. They probably will accept their service being disrupted in exchange for long term benefits, but they'll demand that they are treated much better on the way.

But there is an opportunity here too. Over the next five years, Network Rail will be investing in its systems for managing and operating the network. It will produce better, more reliable information on how trains are running. The industry has the chance to use this to underpin substantial improvements in how customers are kept informed. There is the chance to achieve a step-change improvement in the quality of customer information. This is about systems, and it's about people and behaviours. I know the industry recognises this opportunity, and I look forward to hearing from them how they plan to work together in the next five years to build on Network Rail's investments to address customers' concerns on how they are kept informed and given choices when things go wrong.

The next five years could be an exciting time for the industry with very significant investment planned which could change the face of the network. Wouldn't it also be great if we used this opportunity to change the face of customer service during disruption and got those satisfaction figures to much higher levels.

It may be that some of the answers on how this can be done will emerge during today's sessions. I'm delighted to see such a comprehensive agenda today, with customer focus at its heart, but also some interesting sessions looking at innovative uses of information and technology. Thanks for listening and have a productive day.

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