

# ORR Consumer Expert Panel

9 December 2020, 11.00-15.00

Meeting held virtually via MS Teams



## Agenda

Agenda Item	Presenter	Time
Welcome	Anne Heal	11:00 – 11:10
Consumer Team Update	Stephanie Tobyn	11:10 – 11:30
Industry PIDD Plan	Jo Shelley, Jason Webb and David Watkin	11:30 – 12:25
Comfort Break		12:25 – 12:30
ORR's annual assessment of Network Rail's stakeholder engagement	Elisa Cartesi and Fiona Coulthart	12:30 – 13:10
Lunch		13:10 – 13:40
Admin Fees – Review of TOC Charges	Anna Saunders	13:40 – 14:15
Panel Membership and Recruitment	Anne Heal	14:15 – 14:30
Meeting Summary & AOB	Anne Heal	14:30 – 14:45

### Welcome & introductions

Anne Heal welcomed the panel and outlined the meeting agenda, no conflicts of interest were raised.

### Consumer Team Update

Stephanie noted the continued impact of Covid on the industry. Specifically, Stephanie noted that last week passenger footfall at Network Rail managed stations was down by 72%.

ORR has published the stats for rail usage and this documented that usage was the lowest it had been since the mid-19<sup>th</sup> century.

While Covid has presented a great deal of challenges, it was noted that there is a huge amount of collaboration going in the industry.

In particular, the Department for Transport (DfT) is trying to push ahead with rail reform and ORR is still anticipating there to be a white paper at some point.

Timetabling changes have happened frequently during the Covid period. At the moment, the impacts of this on passengers has not been as great as you might expect due to low passenger volumes.

However, the industry standard of T-12 is not being met and it is not anticipated to be met for some time.

Mike Hewitson of Transport Focus noted that next year, it will be important for passengers to be able to book ahead to secure the confidence of users and ensure people do go back on trains.

In relation to this, Stephanie noted that DfT is looking at tickets types to allow greater flexibility for the changes in passenger behaviour we might be able to expect after Covid.

Finally, it was then noted that Transport focus are collecting data on passenger habits as well as their expectations of what they might do after Covid restrictions have relaxed.

Stephanie then provided the panel with some background on the first agenda item relating to Passenger Information.

ORR asked the industry to create a plan to tackle the issues identified, the first agenda item is an overview of what that plan contains and outlines the method for its implementation.

### **Action Point arising from this item: N/A**

#### **Industry PIDD Plan**

David Watkin, Commercial Director at Arriva introduced this item and explained that ORR set the industry a challenge in relation to its provision of quality information and this plan is its response.

Overall, the plan was said to be ambitious should produce a meaningful and lasting impact on the industry. David outlined the significant funding already secured but noted that further funding would be required which may prove challenging given the current climate.

Jason Webb from the Rail Delivery Group then outlined that the plan aims to ultimately give consumers with the information they want, when and how they want it. Jason noted that consumers today want information to be personalised to their own needs and for it to be given to them in a pro-active manner.

Jason also noted that this was not the first time an industry plan has been developed in this area but it was noted that there are high hopes for this particular plan given the extent of the collaboration already seen throughout the industry.

As part of the presentation, Jason took the panel on the journey of the plan so far. This began in November 2019 with ORR writing to the industry, right through to the present day where there are a number of work packages in place to address the issues highlighted.

Jo Shelley from Network Rail then outlined each of these 13 work packages and noted that the task and finish groups created to ensure each of these are completed contain in part at least, representatives from ORR and Transport Focus.

Additionally, Jo noted the Customer Information Measure produced by Winder Phillips Associates is currently being piloted with two train operators with feedback to be sought before a wider rollout may occur.

The panel all noted the ambitious nature of the plan overall and it was noted that while previous efforts had been made in this area, this iteration seemed to be very promising in producing the meaningful and lasting change referred to by Jason at the beginning of the presentation.

The panel noted the importance of these activities being led predominantly by customer insight so that the outputs can align with what consumers actually want from the information they are given.

In response, Jason acknowledged this and noted that regular insight is provided to them via a panel of members which provides insight from all demographics, including those who do not actually travel.

Mike Hewitson from Transport Focus noted the work being done and advised the panel that Transport Focus is fully engaged with this work also.

**Action Point arising from this item: The panel universally thanked those presenting for the informative presentation and asked if an update could be provided at future meetings.**

### ORR's annual assessment of Network Rail's stakeholder engagement

In the PR18 Final Determination, ORR committed to performing an annual assessment of Network Rail's stakeholder engagement with the aim to i) incentivise Network Rail to engage with its stakeholders and, ii) support continuous improvement in Network Rail's engagement methods. The assessment is informed by:

- self-assessments performed by each of Network Rail business units;
- an independent survey to collect the views of Network Rail's stakeholders;
- internal intelligence; and,
- views of the Railway Boards.

ORR published the first annual assessment in August 2020. The assessment found that Network Rail's stakeholders were satisfied with their engagement with Network Rail and thought that it was generally improving compared to CP5. The assessment also identified areas for improvement for each of Network Rail business units.

For the year 1 assessment, the Consumer Expert Panel had provided valuable inputs to our approach and our final report. As such, Fiona Coulthart and Elisa Cartesi sought the contribution of the Panel for the year 2 assessment. They updated the Panel on the year 2 assessment and proposed the constitution of a sub-panel to: i) review the business units' self-assessments in May 2021 and provide views on these and, ii) review a draft of our draft report in July/August 2021.

The panel appreciated the report on the progress made on the year 2 assessment and noted that it may be worth asking any sub-panel to provide input into the guidance for the business units' self-assessments.

It was further noted that the aim was to make any self-assessment rigorous and meaningful with engagement from individual business units.

**Action Point arising from this item:**

**Expressions of interest for a sub-group to be sought in 2021 with further updates to be provided to the panel thereafter.**

## **Admin Fees – Review of TOC Charges**

Anna Saunders from the Consumer Policy Team provided an update on an emerging area of work that related to the admin fees charged when requesting a refund.

Anna noted that the NRCOT makes provision for admin fees to be levied in certain circumstances such as refunding unused tickets, refunding season tickets and issuing duplicate tickets.

The increase in ticket refund requests during the COVID pandemic highlighted a debate about the current application of admin fees, for example, that admin fees may not currently be a genuine estimate of costs incurred and may act as a deterrent to claiming refunds on lower cost tickets.

In response to this, Anna outlined a new project which would be split into two phases.

Within phase one, current charges would be reviewed to look at the range of charges levied and the circumstances in which they are applied, as well as understanding the costs incurred in processing and paying refund requests. Phase two would look at how comparable sectors may be approach this issue and how technology is shaping changes in customer behaviours which may have an impact going forwards.

On this basis, Anna invited the panel to provide their own thoughts on the applicability of admin fees and provide any comparators that may be useful as a feed in to the project overall.

In response, the panel noted that while retailers are struggling financially, so are consumers; they were very strongly of the view that these admin fees should not be considered a revenue stream and ideally should reflect the true costs incurred as a result of the refund request.

The panel provided comparisons with the online retail market where a consumer can purchase an item of clothing online and return it without charge. On this basis, it was noted that perhaps consumer's attitudes may be changing to expect this type of fee free refund as normal in the course of business these days. The panel members also noted that some tenancy fees had been banned in the landlord property market recently while certain companies in the aviation sector had been forced to cease charging refund processing fees during the Covid pandemic following the involvement of bodies such as Which?.

Anna noted that ORR will shortly be writing to the rail industry to ask for information about refunds and costs, and the responses will provide valuable insight in terms of policy options and next steps.

Mike Hewitson of Transport Focus noted that this work seemed of particular relevance at the moment given the work that Government and industry is doing in relation to fares reform. Mike noted that more people are likely to be looking to plan their journeys in advance and so these fees become a live issue.

Overall, the panel thought that any fees such as this should be principle based while members noted that a cap or upper limit would offer some re-assurance to consumers also.

## **Action Point arising from this item:**

**The panel asked for an update on this work as it progressed.**

## Panel Membership and Recruitment

The chair noted that the current contracts for the panel were due to expire shortly and a recruitment exercise would need to be conducted.

It was noted that the method ORR had chosen to adopt was to refresh 50% of the panel every two years as this would ensure that existing knowledge could be retained and transferred while also adding in fresh ideas and perspectives.

The recruitment exercise is due to begin shortly and will be communicated to all current panel members in due course.

### **Action Point arising from this item:**

**ORR to communicate with existing panel members once the recruitment advert goes live.**

### AOB

The panel noted the smooth running of the meeting but noted that where possible, it is best practice for those presenting to have a slide which poses direct questions. This allows the panel to think about those questions ahead of time and prepare.

Additionally, the panel thought that future meetings would benefit from items that relate to the road side of the ORR.

### **Action Point arising from this item:**

Members of the Consumer Policy team will consider the request and liaise with colleagues to bring future items to the panel in relation to roads.

Meeting summary and close

**END**