

[REDACTED]

Rail Partnership Engagement
Transport for London
5R3 Palestra
197 Blackfriars Road
London SE1 8NJ

18th March 2016

Sent by email to: railprospectus@tfl.gov.uk

Dear Sir or Madam,

**RE: RAIL PASSENGER SERVICES IN LONDON AND THE SOUTH EAST: A NEW
APPROACH CONSULTATION**

Please find enclosed the response of the [REDACTED]
[REDACTED] to the above consultation.

[REDACTED] welcomes the opportunity to contribute to the DfT/TfL consultation on this
issue. [REDACTED]
throughout the United Kingdom and Republic of Ireland. [REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

Yours sincerely

[REDACTED]
[REDACTED]

■■■■ RESPONSE TO “RAIL PASSENGER SERVICES IN LONDON AND THE SOUTH EAST: A NEW APPROACH” CONSULTATION

Introduction

■■■■ is pleased to be able to contribute to this consultation and does so on the basis that we have a significant number of members who work for TfL and the London based train operating companies affected by this proposal.

A question of ownership

From the outset, it is worth stating our overall position and that is to achieve a publicly owned and fully accountable railway which we believe is in the best interests of passengers, tax payers and workers. As such, we believe that TfL should run rail services directly, as it does with the Underground, which would give it the opportunity to re-invest the profits that would otherwise be extracted by private sector train operators and lost to the industry in dividend payments or management fees. In the absence of full public ownership, we would see a concession arrangement as preferable to a traditional franchise because TfL would retain much more control and the amount of money lost to private sector profit would be reduced.

Question 1: Do you agree with the principle of a partnership to better integrate the specification of rail passenger services across London and the South East?

■■■■ agrees with the principle of a partnership to bring about better integration in terms of the specification and delivery of rail services across London and the South East.

From the consultation document it appears that the partnership being discussed will be between the DfT and TfL but we would argue that Network Rail should be given greater recognition and become an intrinsic element of this partnership (for instance, because of its role in signalling, train running control, allocation of train paths, and not to mention infrastructure maintenance, renewal and enhancement).

Question 2: Do you agree with the principles that the partnership will work to? Are there any specific issues that have not been captured?

■■■■ agrees with the high level principles of the partnership, especially in relation to greater investment in staff at stations, provision of disability access and an aim to harmonise and integrate inner suburban fares. On this last point, we can see that this will be one significant way that passengers will judge the success of the partnership, particularly if fares increase following issues around subsidy in the light of the Conservative Government's austerity agenda which have seen cuts to TfL's support.

In terms of specific principles not captured we can also see the need for a principle to be that of transparent accountability in which all stakeholders are able to participate. This is very similar to the model employed by Integrated Transport Authorities in other parts of the UK.

Question 3: Do you agree with the proposed governance arrangements?

The principle underlying the governance arrangements in terms of having “a responsibility to take into account the views of local authorities, LEPs and other local organisations” (Page 20 of consultation document) at first glance appears to be good but upon reflection can also be construed as a token gesture and easily dismissed by the partnership and its operators who may have other concerns and priorities.

At this stage, then, we can only offer a qualified acceptance of the governance arrangements proposed because they are light on detail. Our answer below suggests ways to strengthen them.

Question 4: What form do you propose the input from local authorities and LEPs could take?

At Page 13, the document alludes to a Forum that will include LEPs and local authorities and other unspecified local and regional bodies who will “have a say in the specification and management of rail services.” DfT and TfL need to be more open about who they see as the appropriate “local and regional bodies” because we can see a need to ensure that not only are all local authorities (with their democratic accountability) a necessary part of this group, but also that passenger representative bodies, trade unions and disability groups should also feature in its working with the right to a seat at the table. In this way, and in accordance with Page 15, the Forum will:

- inject the opportunity for interested parties to be able to provide feedback on the application of the partnership principles;
- present an opportunity for DfT and TfL to be able to take into account local views from across the region - and not just those from the businesses in the Local Enterprise Partnership;
- and make the Forum the transparent mechanism for choices to be made to deliver local outcomes, including on service enhancements,.

Question 5: Do you agree with the safeguards for transfer of inner suburban services to TfL, as set out here?

■■■■ agrees to the two safeguards related to fares and services listed on Page 23.

We would, however, have wanted these safeguards to have gone further and to embrace the implications for the staff (referred to on Page 23) who will transfer to TfL from the DfT sponsored franchises. As the law stands at the moment, we would expect that the TUPE arrangements should apply to these staff and on this basis,

we are calling for a clear statement from both the DfT and TfL. This call comes amidst an uncertain period because some workers will potentially transfer between employers several times in a short period (eg, staff in South West Trains could transfer to a new employer in June 2017 when the current franchise expires only for those on the Inner London Suburban route to then transfer to TfL in 2020. Some of those staff may also be fearful of TfL's intentions about the future provision of ticket offices, especially in the absence of a clear statement of intention).

Another safeguard for transfer alluded to in the consultation document is in connection with the transfer of financing because one fear that we have in a continuing time of government austerity is that TfL will not have sufficient resources to be able to operate the high quality, high intensity train service described in the proposal and which we all want to see provided. This fear stems from the cuts that have been imposed on the DfT and which, according to media reportsⁱ, has led to TfL losing its state subsidy by 2020. We would also point out that DfT subsidy to the TOCs can come in two forms, direct and indirect, with the latter consisting of the TOCs' track access charges, largely paid for by the government.

Question 6: Are there other outcomes you might expect to see achieved?

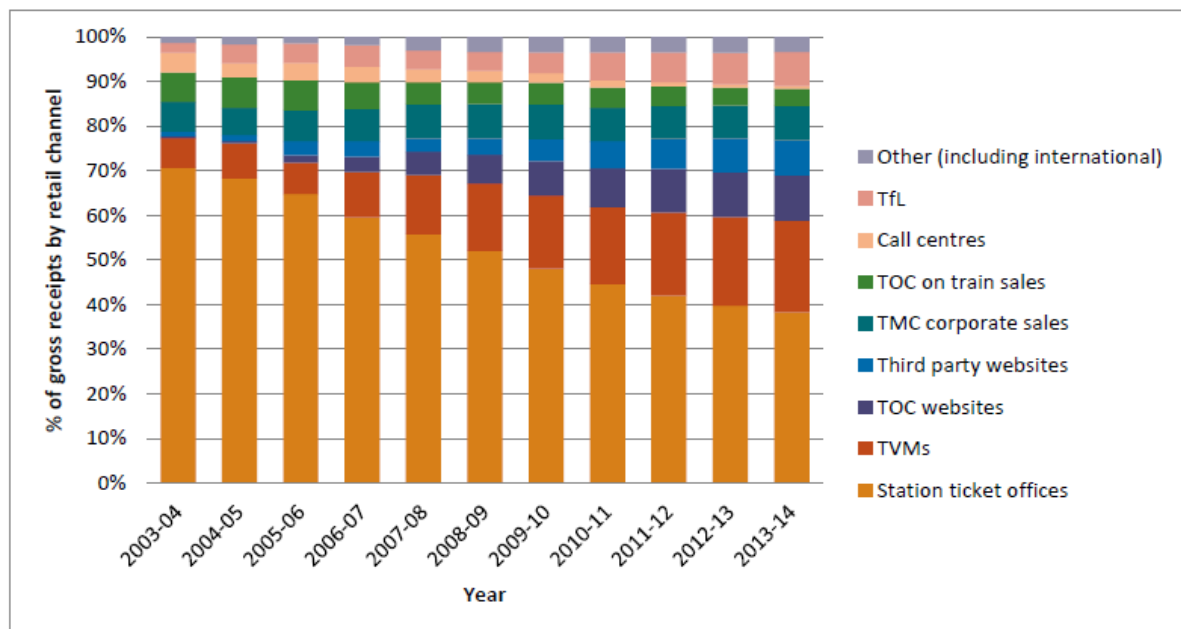
Acknowledging the commitment to provide all day station staffing on the intensively used parts of the network and the recognition of the need for them to be visible and available, an outcome we would expect to see in the interests of customer service is the ability for passengers to be able to obtain travel advice and appropriate tickets from a ticket office.

Many existing inner London suburban stations still retain their staffed ticket office which remains a focus for giving advice and selling tickets but they are not referred to in the high level consultation document. Apart from the signal that that sends, we have in mind the situation whereby a longer distance operator with a presence at a station such as Waterloo may well wish to continue offering a ticket office facility but find that their staff spend more time giving advice and selling tickets for inner London suburban services transferred to TfL.

In February 2016, Transport Focus published research under the title of "Passenger attitudes towards rail staff" which concluded that passengers "like and value having staff around."ⁱⁱⁱ The research identified a series of core areas where the presence and assistance provided by customer-facing staff was seen by passengers to be an essential part of the service they expect to receive:

- ticket retailing
- revenue protection
- accessibility
- information provision, especially during disruption
- assistance, especially during disruption
- personal security.

In terms of ticket retailing, the following chart shows how despite a decline in sales, the ticket office is still the most popular place to buy a ticket with nearly 40% of passengers using this facility as opposed to other avenues favoured by train operators.



Source: LENNON

(Chart published by Transport Focus in "Passenger attitudes towards rail staff" and based on gross receipts by retail channel, 2003/04 to 2013/14 (% of total receipts))

What this shows is that there is still a clear need for staffed ticket offices at stations. The Transport Focus report cites the experience of other London based TOCs where 45 per cent of Thameslink and 55 per cent of Southeastern passengers still preferred to use the ticket office, more than double, in both instances, of those that preferred ticket vending machines.ⁱⁱⁱ

The report goes on to describe issues of confidence and complexity as factors in why passengers prefer to use ticket offices:

- In terms of *confidence*, research carried out with South West Trains in 2008 showed that "the majority of those in ticket office queues could have bought their ticket from a ticket vending machine (TVM) and had actually done so in the past. Nine out of ten of those in ticket office queues were aware of TVMs at the station and 78 per cent had used them in the past"^{iv} but the choice of the ticket office was due to the reassurance of face to face transactions, a lack of confidence with using TVMs and uncertainty about choosing the right ticket;
- Against a backdrop of only 40% of passengers using SWT services being satisfied with the value for money for the price of their ticket is the issue of whether fare payers have bought the right ticket for their journey at the cheapest price possible. Passenger Focus state that "there is, however, consistent evidence to suggest that the *complicated* fare structure is still a

barrier to passengers obtaining the correct tickets and the best deals.” The organisation also identified complexity in terms of the restricted types of products that can be purchased from TVMs, meaning that passengers have to purchase items like season tickets, tickets for future travel and railcards from a ticket office. Further, some TVMs are unable to provide basic information on ticket restrictions.

Instead, passengers still prefer to be able to obtain advice and tickets from a ticket office because the member of staff can ask the appropriate questions and guide the traveller through the complexities.

However, where staff have been cut from ticket offices and stations, there isn’t any option than to use a TVM when someone needs to buy a ticket

In our submission we would also point to Article 8(1) of the Rail Passengers' Rights and Obligations regulations^v which includes a list of pre-journey information that should be supplied to passengers upon request. Included in that list is the requirement to advise on the “conditions for the lowest fares.” The point for us is that where staffed ticket offices are open this information can be made available but increasingly TOCs are seeking to drive their business to either online booking or ticket purchase from Ticket Vending Machines (TVMs) in an attempt to justify closing ticket offices on stations. The effect of this policy is that it significantly reduces the availability of advice - and makes a mockery of the “upon request” element of Article 8 because there can be no request if the ticket office has been closed permanently. We would also question the legality of failing to provide this information.

Allied to the issue of ticket offices is the subject of their opening hours when passengers can obtain advice. In our experience, reductions in opening hours are implemented as cost saving measures based on reduced ticket sales but fail to measure additional customer service elements of giving advice and assistance in a variety of forms, dealing with TVM queries, including in relation to travel arrangements, assisting disabled people seeking access to the station (or train) and the provision of an on-site security presence (see Passenger Focus list above on page 5).

On the question of accessibility, for instance, any attempt to reduce hours or cut staff out completely has a disastrous effect. In many cases at smaller stations, the ticket office staff are the only members of staff present so removing them de-staffs the station with the consequence that passengers with impaired mobility can be prevented from traveling, especially if they cannot book assistance or get onto the platform in the first instance (as they may not be able to do for short frequent journeys). Passengers travelling with buggies can also have difficulties if a member of staff is not present. And these issues are not limited to getting on and off trains but also the ability to use station facilities such as lifts, toilets, waiting rooms, information leaflets and timetables.

With the foregoing in mind, [REDACTED] calls for an investment in staffing in ticket offices rather than any planning for cuts. From the Passenger Focus report quoted above, it is clear that the majority of passengers want to have access to staffed

ticket offices and we are mindful of the Secretary of State for Transport, the Rt Hon Patrick McLoughlin MP's vision of "a passenger focused railway."^{vi}

Conclusion

In principle, [REDACTED] agrees with the objective in this proposal but as we have described in our response, we maintain a number of reservations in terms of ownership, financing, the future for staff and how the governance arrangements will operate. We look forward to our concerns being positively addressed.

ⁱ For example, Financial Times, "TfL faces £700m a year cut in state subsidy by turn of the decade" published 12th November 2015 and available at: <http://www.ft.com/cms/s/0/b7392524-8923-11e5-90de-f44762bf9896.html#axzz42xdQjTiX>

ⁱⁱ Page 2, "Passenger attitudes towards rail staff" published by Transport Focus, 5th February 2016 and available at to download at: <http://www.transportfocus.org.uk/research/publications/passenger-attitudes-towards-rail-staff>

ⁱⁱⁱ Page 3, "Passenger attitudes towards rail staff" published by Transport Focus, 5th February 2016 and available at to download at: <http://www.transportfocus.org.uk/research/publications/passenger-attitudes-towards-rail-staff>

^{iv} Page 4, as note viii

^v See Article 8(1) and Annex II Part 1 of Regulation (EC) No. 1371/2007 Rail Passengers' Rights and Obligations at: <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32007R1371>

^{vi} See "Rail fares and ticketing: next steps government response document released setting out new ticket pricing practices" at: <https://www.gov.uk/government/speeches/fares-and-ticketing-review>