



Department
for Transport

Rail Executive

South Western Franchise Consultation Day

Department for Transport



Objectives of the day

1. Outline the South Western (SW) franchise
2. Explain DfT's vision and aims for the franchise
3. Passenger views on the SW franchise
4. Specifying the franchise
3. Timescales



A few rules

- We have an open door policy
- Note that our plans are still subject to change
- Nothing is fixed today as no decisions have been made in advance of the consultation



Introduction to the SW franchise



The current SW franchise

Statistics

- 1,689 trains per day (weekday)
- 229m passenger journeys
- 1,044K Route Km operated
- Serve 203 Stations & Manage 186
- 4760 employees
- 370 trains





The SW Route





Markets Served

- The SW franchise serves different markets
 - London Commuters
 - Longer Distance
 - Leisure Travel
 - Local Travel



Infrastructure & Rolling Stock Investment

- **Wessex Capacity Upgrades**
 - Waterloo Platform 1-4 lengthening (to serve suburban lines)
 - Waterloo Platforms 20-24 (to serve the Windsor lines)
- **New Trains**
 - Introduction of 30x5 car Class 707 units between 2016 and 2018



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Challenges ahead



- Capacity
- Disruption from infrastructure works
- Introducing new rolling stock
- Meeting passengers' rising expectations
- Securing long term sustainable solution for the Island Line



Franchise objectives (1)

- **Support the economy of the SW franchise area with high quality services that reflect the specific requirements of the different markets**
- **Increase capacity to meet current demand and future growth**
- **Deliver excellent experience for passengers**
- **Secure whole industry efficiencies**



Franchise objectives (2)

- **Secure benefits through collaborative working and partnering with Industry - NR & TfL**
- **Work with stakeholders to support local communities to deliver local transport integration, local regeneration and investment**
- **Work with Isle of Wight Council to secure long term sustainable solution to future of the Island Line**
- **Improve social and environmental sustainability**



Passenger perspectives for the South Western franchise

Transport Focus

South Western consultation





Transport Focus

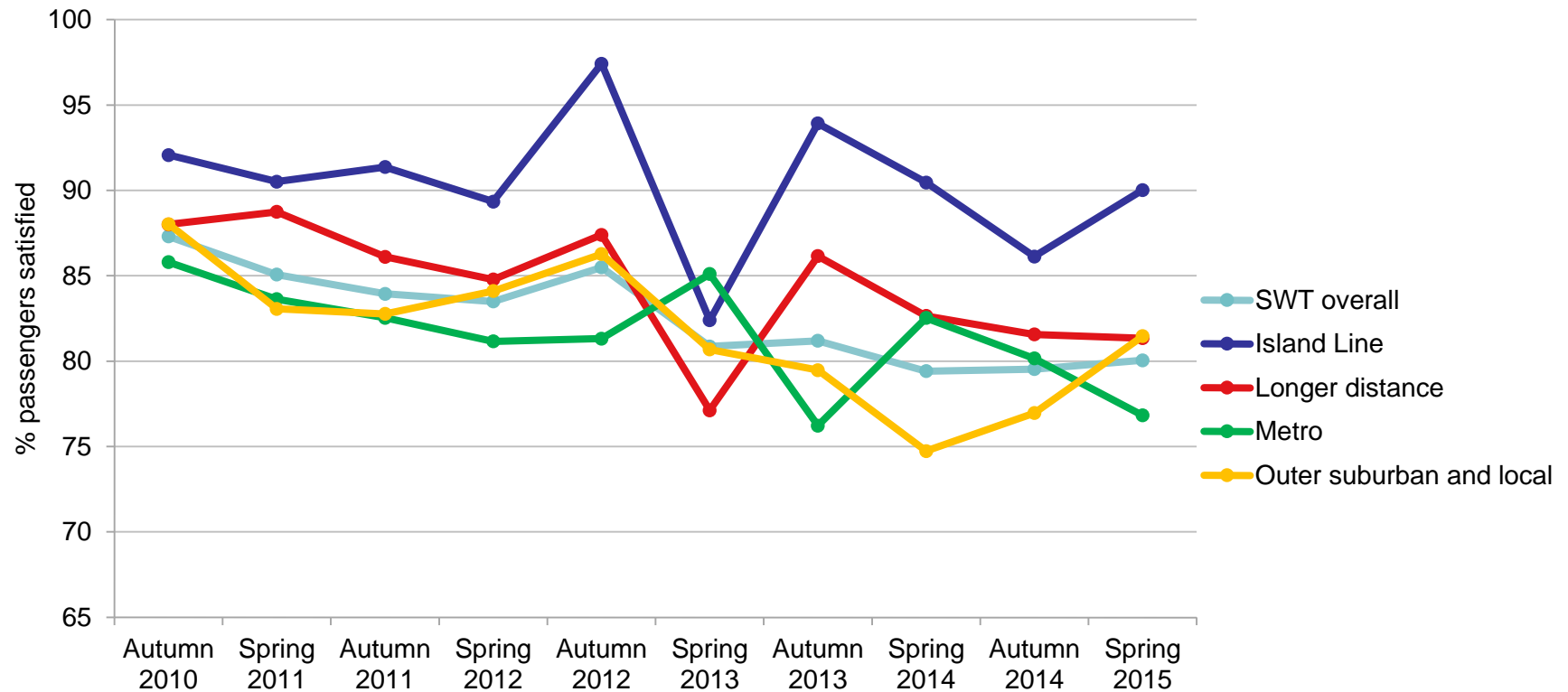
- Independent watchdog for Britain's rail passengers*
 - Extensive research to inform evidence-based campaigning
 - Aim to influence decisions on behalf of passengers
 - Work with Government, DfT and the industry to encourage passenger interests to be placed at the heart of franchise specification, bid proposals and ongoing rail operations
- * Also bus, coach and tram passenger representation in England outside of London. New role for users of strategic road network in England since 1 April 2015.



Transport Focus and franchising

- Priority work theme - a key opportunity to influence contracts for benefit of passengers
- Work with DfT, devolved bodies and suppliers as well as bidders
- Emphasis on early input to help shape draft specification and initial thinking on proposals
- Evidence based - use NRPS, Passenger Priorities and bespoke research where available.
- Ongoing discussions about passenger priorities and aspirations for franchise
- Participate in consultation events and respond to consultation
- Develop NRPS proposals and respond to other opportunities
- Pilot role in review of customer experience bid plans for DfT
- Seek to keep stakeholders informed of opportunities for influence and provide resources for use (e.g. open data tool).

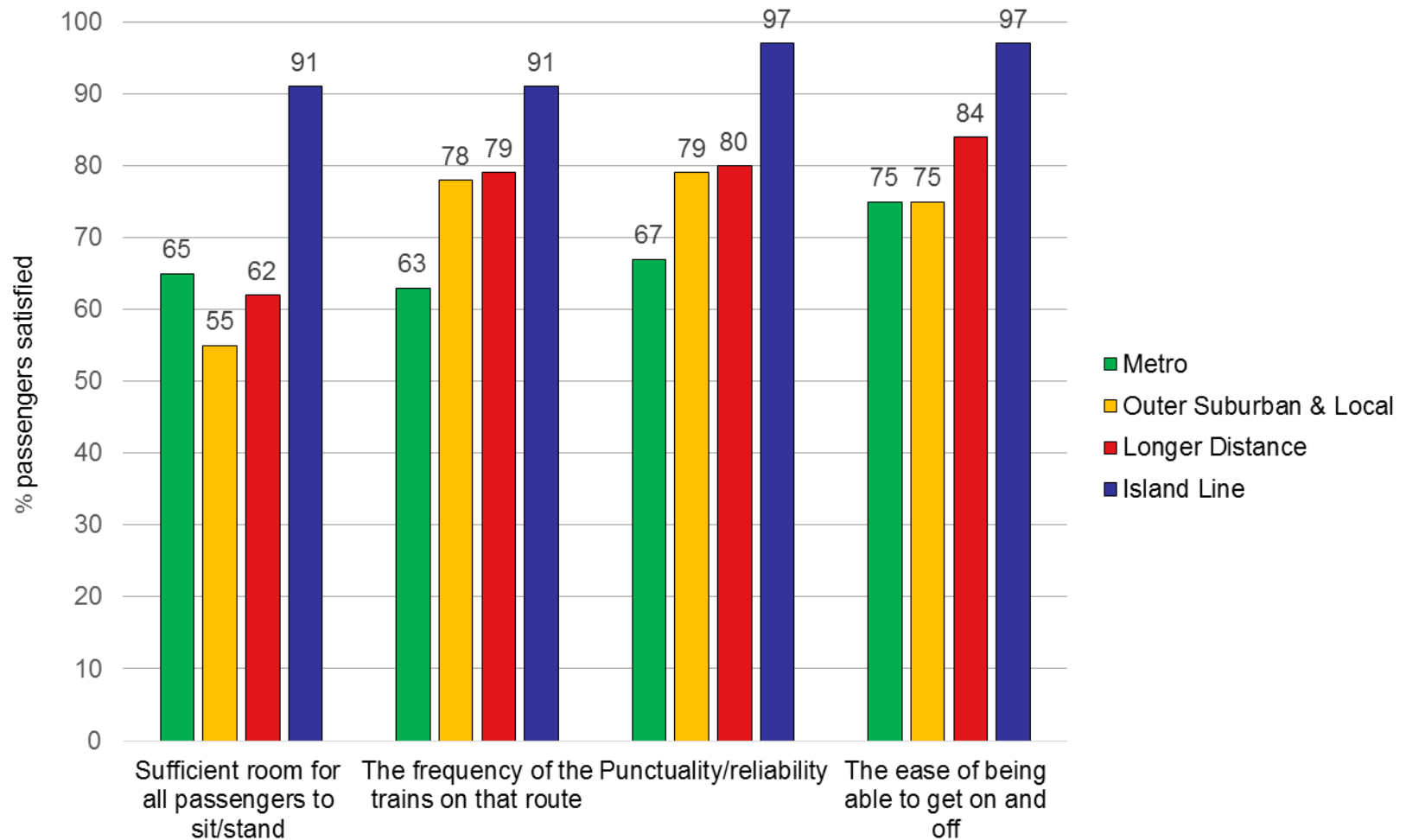
NRPS Overall satisfaction - by route



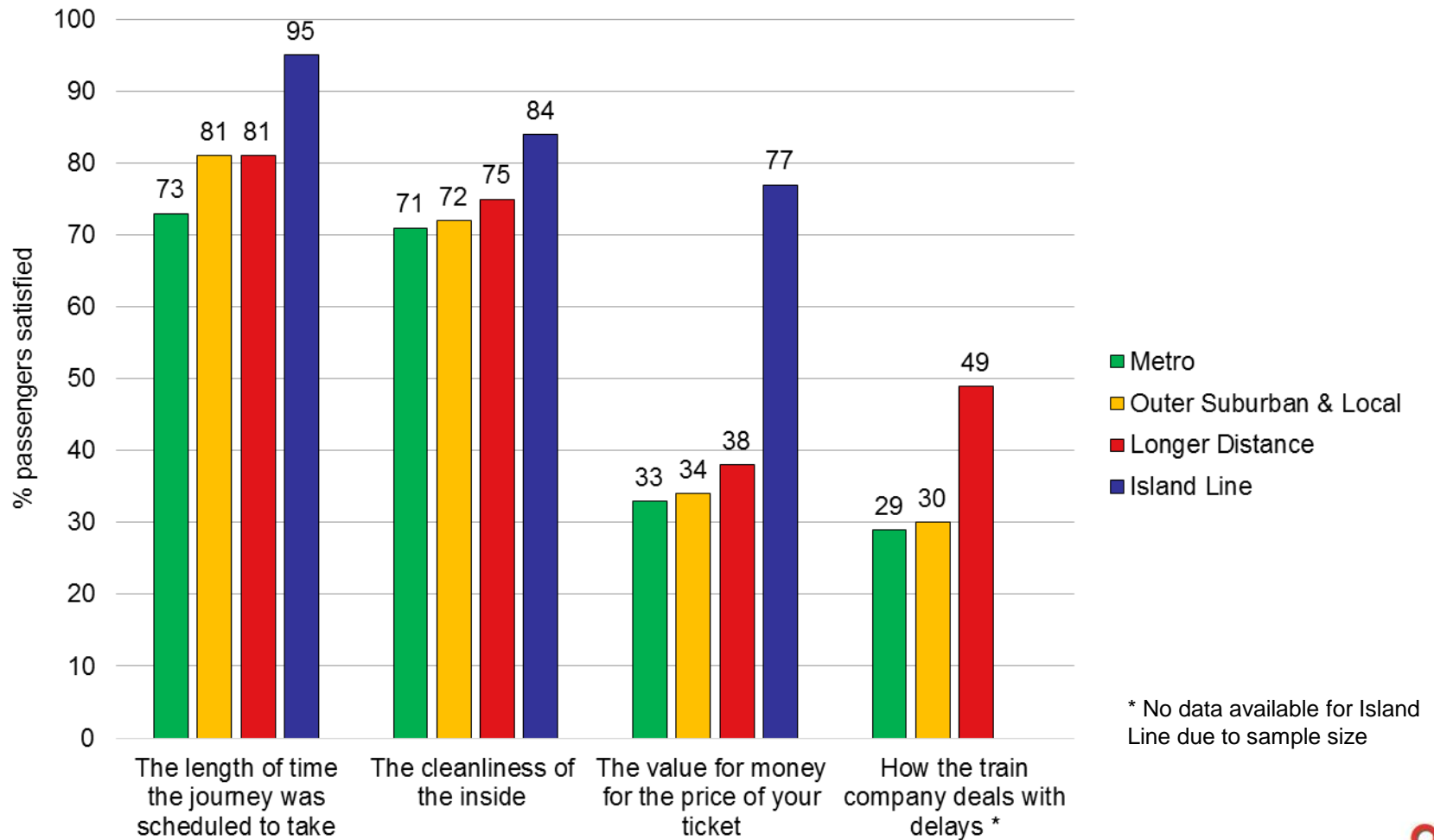
NRPS Spring 2015 - % satisfied by building block

SWT overall	Island Line	Longer distance	Metro	Outer suburban & local
(sample size 2140)	(sample size 135)	(sample size 1033)	(sample size 448)	(sample size 534)
80	90	81	77	81

Satisfaction on key factors by route, Spring 2015

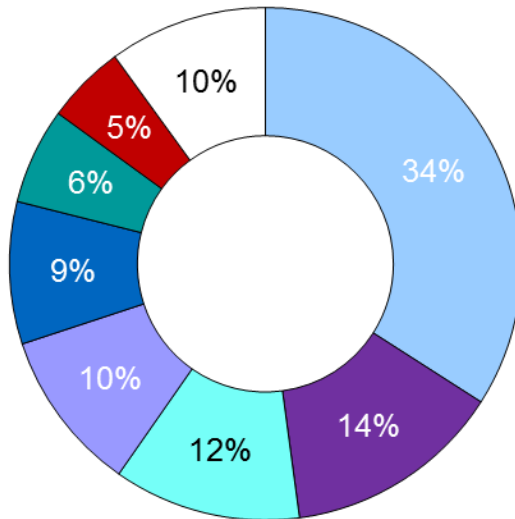


Satisfaction on key factors by route, Spring 2015



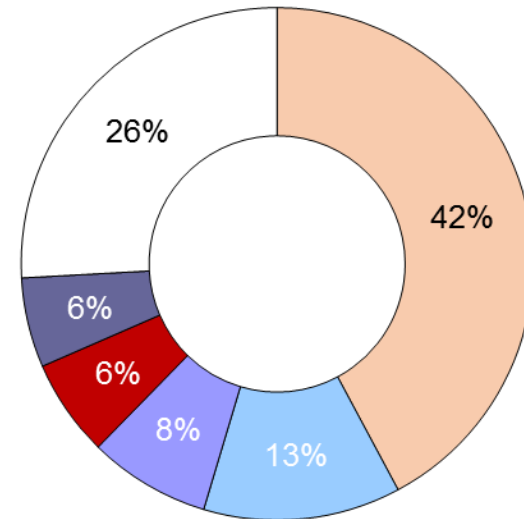
Multivariate analysis: Autumn 2014/Spring 2015, South West Trains

What has the biggest impact on overall satisfaction?



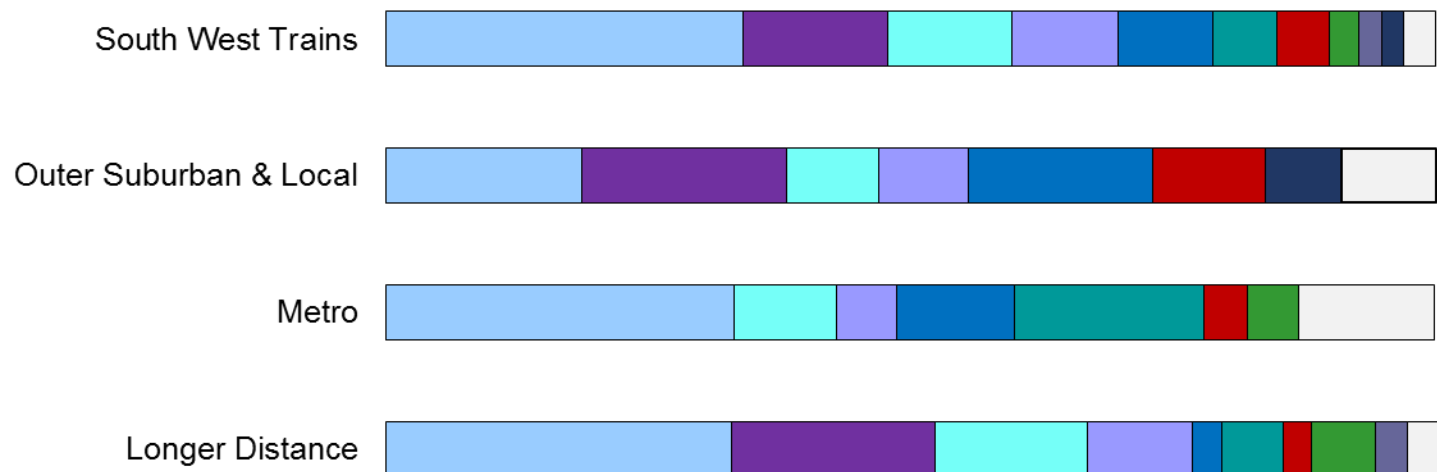
- Punctuality/reliability (i.e. the train arriving/departing on time)
- The cleanliness of the inside of the train
- Comfort of the seating area
- The length of time the journey was scheduled to take (speed)
- The frequency of the trains on that route
- The ease of being able to get on and off the train
- Overall station environment
- Other

What has the biggest impact on overall dissatisfaction?



- How train company dealt with delays
- Punctuality/reliability (i.e. the train arriving/departing on time)
- The length of time the journey was scheduled to take (speed)
- Overall station environment
- Sufficient room for all passengers to sit/stand
- Other

Drivers of customer satisfaction: Autumn 2014/Spring 2015, South West Trains and building blocks*



- Punctuality/reliability
- Cleanliness of the inside of the train
- Comfort of the seating area
- Length of time the journey was scheduled to take
- Frequency of the trains on that route
- Ease of being able to get on and off the train
- Overall station environment
- Upkeep and repair of the train
- Sufficient room to sit/stand
- Your personal security whilst on board
- Others

* No data available for Island Line due to sample size

South West Trains passenger research findings

– current experiences

- Overcrowding experienced, not just in the peak
- General satisfaction with service frequency, a few exceptions identified
- Recognition of attempts to improve punctuality on certain routes (but still room for improvement in these critical performance areas)

“I travel off-peak for comfort and I pay for a seat and I bloody expect to get a seat. I don’t expect to have to stand under somebody’s armpit in mid-summer”
[Commuter, off-peak]

What bothers me most about the fares is that they go up every year but I haven’t had a pay rise for ages and there is no change to the service
[Commuter, in M25 40+]

- Passengers believe fares are too high (both peak and off-peak) but there is potential to improve perceptions of value for money

- Positive views on rolling stock
- Service provided by staff appreciated
- Levels of cleanliness largely good, particularly on trains

“The trains are beautiful, they really are. They’re a huge improvement on what they used to be, a massive improvement”
[Commuter, in M25 40+]

South West Trains passenger research findings

– improvement areas

- Extra capacity and seats available
 - extra carriages /
more frequent peak trains and later services
- Station enhancement and modernisation
 - shelter, seating, facilities, security
- Enhanced on-train journey experiences
 - sockets, Wi-fi, USB ports, air conditioning
- Ticketing innovation
 - smart, e-tickets, links to updates
- Improved information provision
 - Real time, especially during disruption

“It would be nice to get a seat, especially when you’ve paid in advance. It’s a lot of money to pay to stand but I’ve just given up” [Commuter, Salisbury]

“Last year we went to the O2 for the first time but coming home we had to get a cab because I didn’t realise the trains don’t run late enough” [Business, London]

“We need wi-fi on the trains. They have it on buses so why not on trains? You don’t get 3G or 4G on the train at all and I don’t know why” [Commuter, Salisbury]

Island Line views on new franchise -

much higher interest and concern about re-franchising on Isle of Wight

- Higher awareness of refranchising on IoW
- Many aware and worried about proposals
- Island Line may not be part of new franchise
- Concerned about implications for service
- Wary about concept of a 'social enterprise'
- Feels like thin end of wedge for passengers
- Expect service to be less good after 2017

*It doesn't matter if it makes a loss, it provides a vital service on the island and the new franchise holder should have to take the rough with the smooth
[Isle of Wight]*

*I've got a horrible feeling they will try to turn the Island Line into a steam railway for tourists
[Isle of Wight]*

Island Line service provision -

generally felt to do a good job in difficult circumstances

Integration

- Sea crossing timetable coordination a major issue, especially for commuters
- Catamarans will wait but trains never do
- Last train much too early (22.00!)

Stations

- Mostly functional with basic facilities
- Inadequate shelter, seating and lighting
- Part-time staff at end stations only

Trains

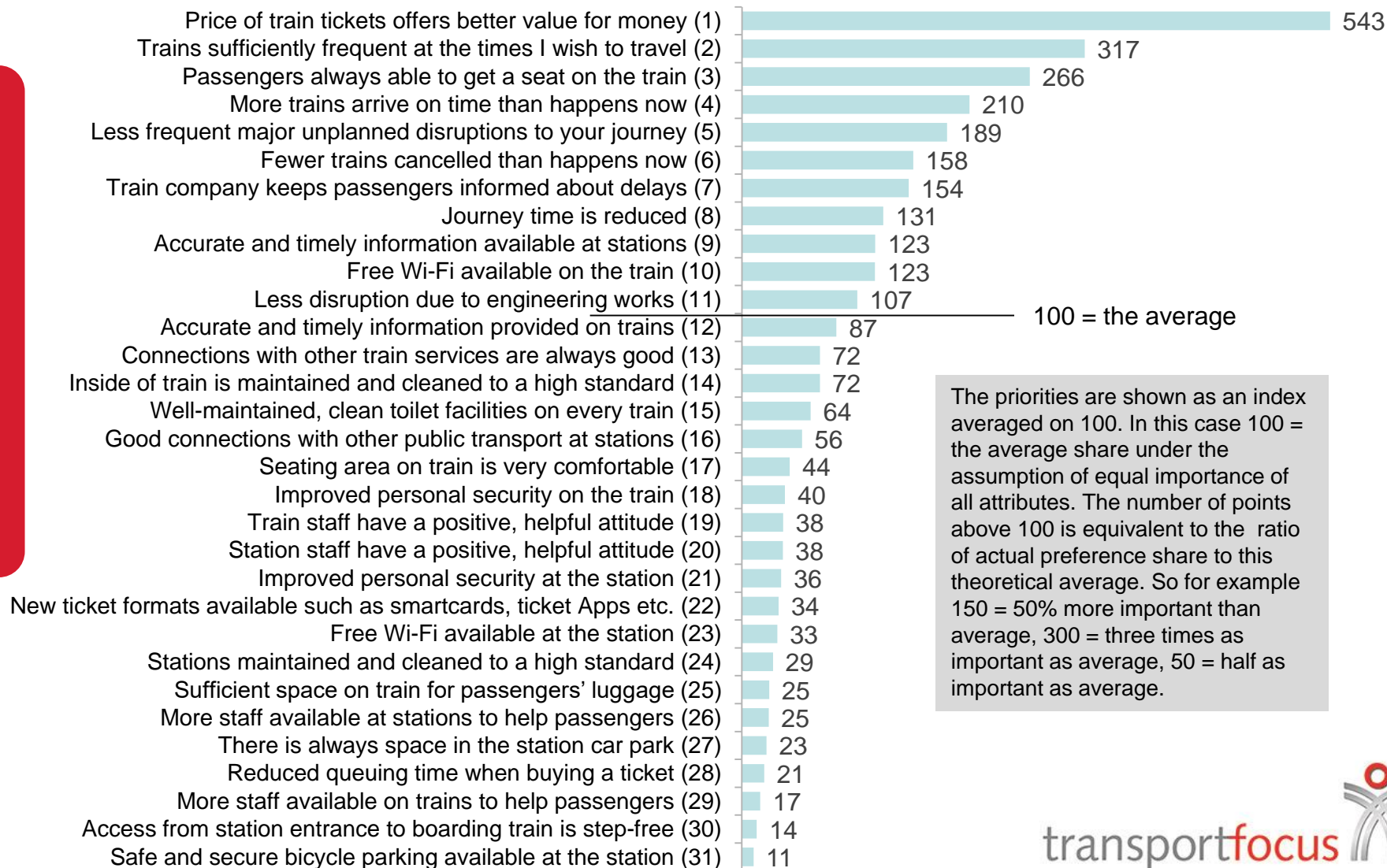
- Understand reason for trains being what they are
- Always clean and suitable for short journeys
- Some concerns about age of rolling stock
- Journey comfort depends on driver

VFM

- Positive views overall
- Cheaper and preferable to bus / car journeys
- Hovertravel / Wightlink do academic season tickets

South West Trains

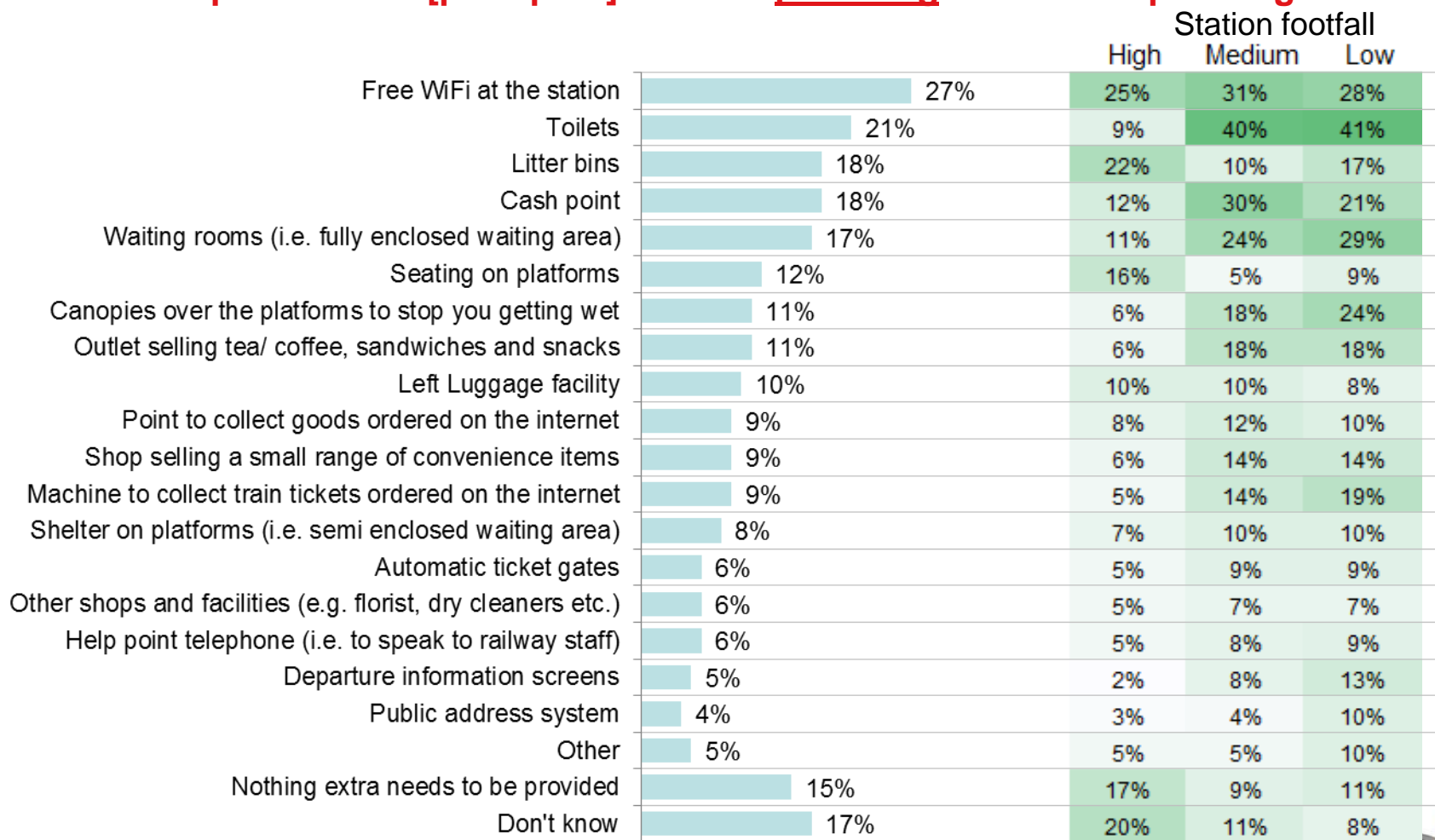
Priorities for improvement – rank order with index score to 100



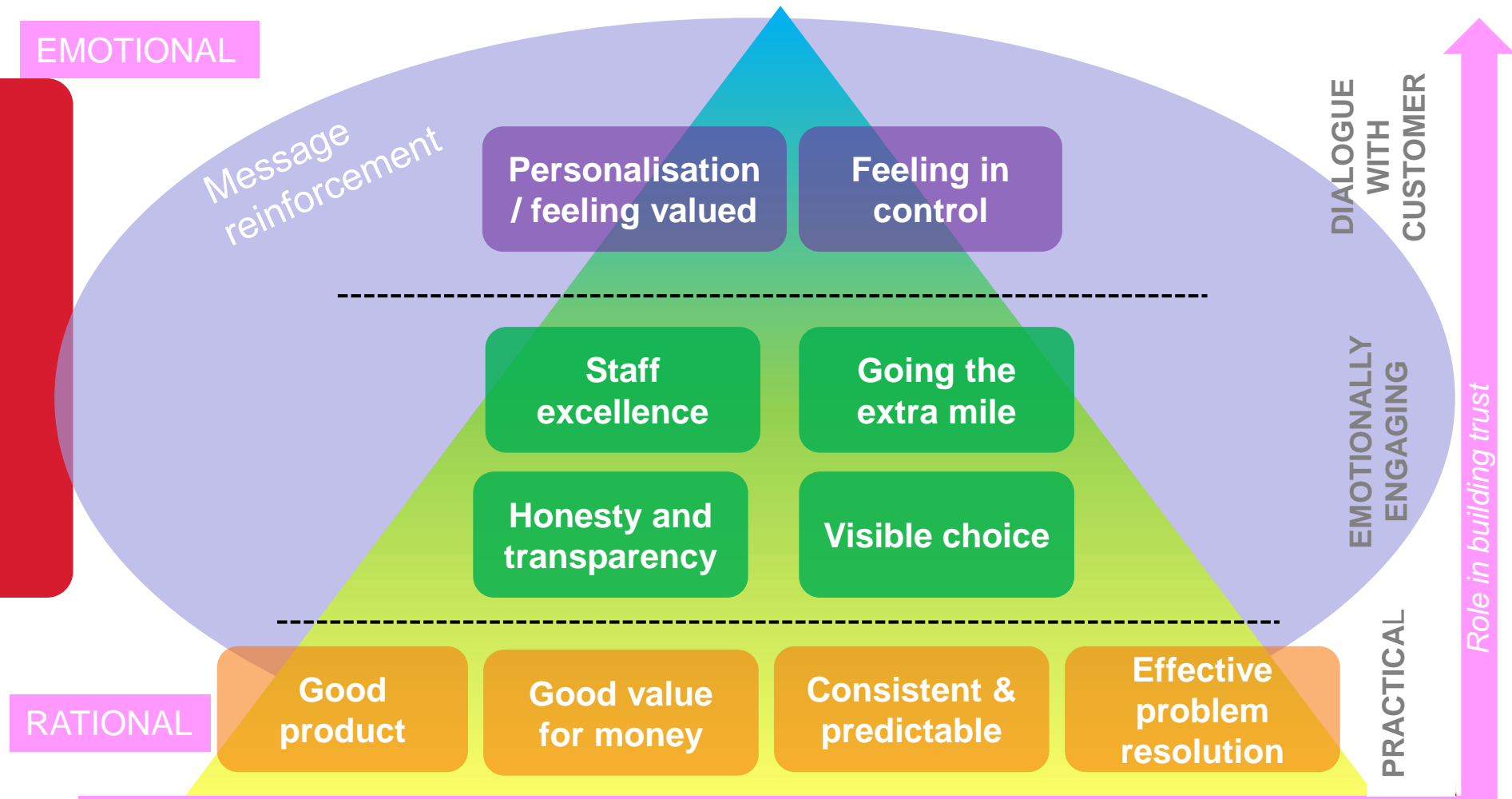
Station improvements, Great Britain

Free Wi-Fi at stations consistently required by station type

Station improvements [prompted] – needs providing: All GB rail passengers



Building affinity and trust for brands



Affinity with service brands starts with more practical factors, however, the more emotionally engaging factors are more likely to be the ones that build trust

Trust – key relationship issues?

- Truthful in what they say
 - ppm vs 'on time' at my station
 - clear/consistent explanations when things go wrong
- Act with honesty and integrity – easily purchased fares
- Treat customers fairly – equitable penalties/reasonable recompense
- Communicate well with customers
 - transparent, disaggregated and personalised information
 - empower frontline staff
 - effective resolution of complaints
- Build long-term relationships
 - new channels of communication
 - recognition - loyalty rewards ...

Transparency and engagement



- Low awareness of franchise process and promises
- Passengers do want to influence and hold to account
- Need improved mechanisms and a fresh commitment to:
 - seeking views
 - providing information
 - reporting on delivery
- Greater openness and disaggregation to build trust
- Partnership working. Where does rail fit within the wider picture?

High level recommendations for the SW franchise

- Unstinting focus on delivery of all elements of the 'core offer'
 - Capacity
 - Appropriate timetables and frequency
 - Punctuality and reliability
 - Information – especially during delays and disruption
 - Value for money – service elements as well as price
- Station enhancements, improved on-board experience, ticketing innovation
- Embed a genuinely customer-focused culture at all levels
- Provide disaggregated and transparent information
- Maintain two-way communication with passengers



Passengers' relationship with the rail industry

Executive summary
August 2014



Future Merseyrail rolling stock — what passengers want

April 2014



Passengerfocus
improving passenger experience



Passenger Assist

March 2014

Department for
Transport

NetworkRail

Passengerfocus
improving passenger experience



Train punctuality: the passenger perspective

November 2015

ORR
OFFICE OF RAIL AND ROAD
REGULATION

transportfocus
improving passenger experience



Reacting to extreme weather on the railways

July 2015



Giving passengers a voice in rail services

April 2013

Passengerfocus
improving passenger experience



Ticket to ride?

May 2012



Passenger information when trains are disrupted

Research report
May 2014

Passengerfocus
improving passenger experience

www.transportfocus.org.uk



National Rail Passenger Survey Spring 2015 Main Report

transportfocus
improving passenger experience



National Station Improvement Programme: Phase Two

Report on a research study
conducted for Passenger Focus
May 2012

NetworkRail

Passengerfocus
improving passenger experience

transportfocus



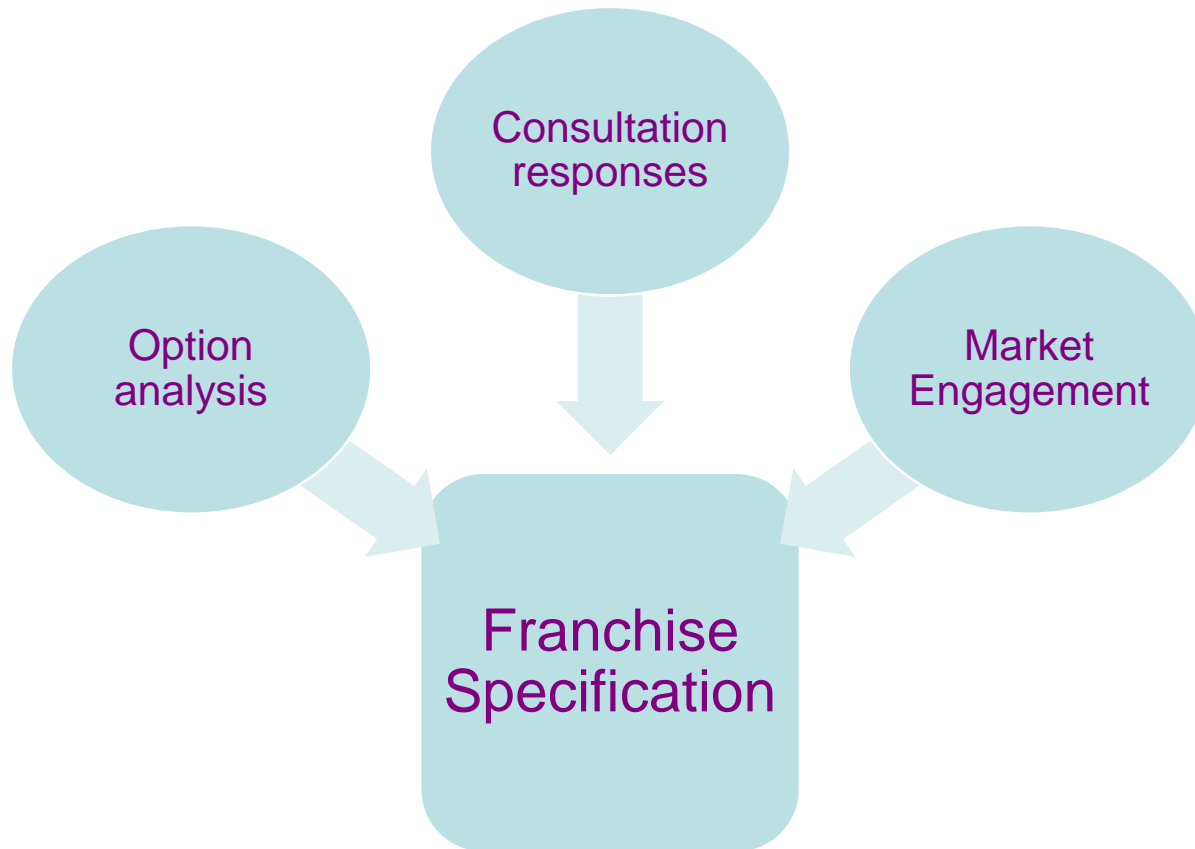


Specifying the franchise

SW Specification Lead



Introduction





ITT sub plan structure

Delivery Plan 1 Franchise Management

Delivery Plan 2 Train Services and Performance

Delivery Plan 3 Revenue

Delivery Plan 4 Customer Experience



- ITT is likely to cover
 - Environmental impacts
 - Socio-economic impact
 - End-to-end journey
 - Workforce development



- Innovation
 - Improve customer service
 - Improve operational performance
 - Deliver value for money
- Innovation strategy



- Bidders to show how they will work in partnership with all stakeholders to improve customer satisfaction (particularly with NR and TfL)
- Demonstrate a commitment to work with CRPs
- Work with the Peninsula Rail Task Force



Train services

- Specification is under development and is expected to include minimum level of service, e.g.
 - Number of station calls per hour/day
 - Specified first and last trains
- Consider skip stopping (address the balance between journey times/capacity/connectivity/performance)
- Optimise weekend, off peak, bank holiday services
- Improve connectivity between non – London locations



Rolling stock

- Bidders' rolling stock strategy will need to address:
 - Mix of journey purposes and distances
 - Capacity for forecast growth
 - Possible re-configuration to accommodate growth



Capacity and crowding

- Key driver of passenger dissatisfaction
- Crowding currently a significant issue
- Extra capacity provided by new trains, Waterloo platform 1-4 works, Waterloo International
- Bidders will be expected to:
 - Develop proposals to provide capacity where it is needed most
 - Accommodate growth in demand



- Enforcement and financial regimes to cover Delay minutes, cancellations, short formations, PPM and CaSL
- Exploit opportunities for improvement:
 - New trains, infrastructure upgrades
 - Traffic Management System
 - Use of GPS data
 - Other system changes
- Working with Network Rail and all stakeholders on improving performance



Fares and ticketing

- Innovative proposals for ticket retailing
- Improved passenger satisfaction
- Consideration for Season Ticket holders and part time commuters
- Develop smart ticketing scheme
- Fares will follow RPI+0% until 2020
- Reduce levels of ticketless travel



Customer Experience

- Commercial incentives to maintain/improve customer experience
- Requirements:
 - NRPS passenger satisfaction targets
 - Passenger's Charter including Delay Repay
 - Customer Experience and Communities Strategy
 - Customer and Communities Fund
 - Customer Report



- SW will be SFO at 186 stations
- DfT does not intend to mandate 99 year leases
- Bidders will be expected to:
 - Maintain and improve station services
 - Develop a Social and Commercial Development Plan
 - Work with NR on an 40 year Asset management plan
 - Modernise station facilities in line with passenger needs



- Generates £1M of revenue with £4M of costs
- Infrastructure lease runs out in 2019
- Solution needs to meet the transport needs of the Island, provide improved customer experience and is sustainable
- Expect bidders to work with the Council and stakeholders



Facilitating investment

- Major investments in infrastructure and trains already committed
- Opportunities to enhance the customer experience through investment in other areas
- The Department encourages franchisees to propose schemes which improve efficiency or value, including beyond the end of the franchise via the Residual Value mechanism



Proposed timescales

- Bidder day Nov 2015
- Publish Prospectus Nov 2015
- Stakeholder consultation Nov 2015 to Feb 2016
- Shortlisted bidders Feb 2016
- Issue ITT April 2016
- Bids returned July 2016
- Contract Award Feb 2017
- Franchise Start June 2017



- Thank you for listening
- It's time for the Q & A