

Introduction

Transport Focus is the statutory body responsible for representing the interests of rail passengers in Great Britain. Our comments are set out below.

Have changes made to the structures and operations of ScotRail since the transfer of operation been conducive to improved services for the public.

We held a public Board meeting in Edinburgh on 18 May 2022, shortly after the transfer of ScotRail operations. There were key speakers from ScotRail and Scottish Rail Holdings taking part.

We heard that the move from the franchise model to the new public body allows ScotRail to evolve along with their passengers and to make decisions for the longer-term. Key priorities, include, modernising the way rail travel is delivered in Scotland to ensure financial sustainability. Recovering from the impact of the pandemic by growing passenger numbers and revenue. Ensuring staff and passengers feel safe on Scotland's Railway by working with colleagues, British Transport Police and stakeholders to tackle instances of anti-social behaviour.

In summary we were informed that ScotRail will focus on, everyone home safe every day for the public, passengers and workforce. Reducing the net cost of the railway to the taxpayer via revenue growth and unit cost reduction. Working with Transport Scotland and Network Rail to deliver the rail decarbonisation action plan.

Passenger Satisfaction - We conduct a Rail User Survey¹ that asks passengers in Great Britain about travelling by rail and how satisfied they were with their most recent train journey. Each weekend a representative sample of 2000 people from across Great Britain are asked questions about their public transport use. We ask which types of transport they have used and for what purpose. Those who used rail are asked about their overall satisfaction with the journey and with aspects such as value for money, punctuality and frequency.

Satisfaction with rail journey across twenty-two train operators and six factors showed the following results for ScotRail, which compare favourably against the other train operators:

¹ Rail User Survey – March 2023

Attribute	Score
Punctuality of Services	80%
Value for Money	65%
Level of Crowding	78%
Level of Cleanliness	76%
Frequency of Services	74%
Information During Journey	75%
Overall Satisfaction	90%

Ticket Offices - We received over 1500 responses to ScotRail’s consultation on changes to ticket office opening times. Taking account of the feedback received, we responded to ScotRail’s proposals² making a number of recommendations for consideration prior to any final decision being made.

Timetable Changes - ScotRail introduced a new timetable in May 2022 after a public consultation exercise that received over 3,000 responses.

We noted the intention³ that the May 2022 timetable is a new starting point for future timetable development. ScotRail intend to use lessons learnt during the Covid-19 pandemic, along with new methods of analysis, to continue refining and improving the timetable on offer. We trust that where particular issues of consumer detriment are identified that refinements and improvements can be made and implemented quickly in advance of future timetable iterations.

There is always a difficult balance between punctuality, capacity, and frequency – there is inevitably a trade-off between these factors. Our research shows that passengers want a robust, dependable timetable so they arrive on time at their destination.

Our insight indicates that passengers (particularly commuters) are more interested in arriving punctually than in shaving a few minutes off a journey – though there was appetite for reduced journey time on very long-distance trips. The insight also showed that passengers tended to favour punctuality over efforts to insert extra trains in the timetable. There were again exceptions to this – passengers on routes with a low frequency wanted more trains to run, as did commuters who struggled to get a seat. There is clearly a tipping point at which frequency of service becomes the priority.

² Proposed Changes to Ticket office Opening Times – February 2022

³ Response to ScotRail Timetable Consultation – August 2021

Another difficult area is the question of direct services versus connections. We joined with Network Rail to explore whether passengers⁴ would prefer direct trains to their destination, or a higher frequency service, which should be more reliable – but which means having to change trains to reach their destination.

It is clear from the research that no single model of service design will suit all passengers all the time.

There are significant numbers of passengers who want (or need) a particular type of train service. For example, disabled passengers who find changing trains difficult will almost always prefer a model which favours direct trains, while commuters and those familiar with the rail network will often prefer a service which favours frequency and reliability. This shows just how difficult it is to balance the needs of all passengers when planning a timetable. However, it is important that the end result is realistic.

Therefore it is important that ScotRail engages and consults with passengers on timetables. Making changes to timetables is fraught with difficulty but equally no timetable can be set in stone. Passengers have changed their travel patterns since the pandemic – we are now seeing much more leisure travel and less commuting.

There are huge financial pressures on the railway. And there is a continuing need to improve punctuality and reliability – something all our insight shows is key to passenger satisfaction. How the railway approaches timetable changes matters, especially when major changes are being considered and long-established journey patterns are evolving. It is important to consult passengers and to explain why changes are being planned, how many people will be affected, and what is being done to mitigate issues.

Crucially, consultation also gives people the chance to have their say on how it might affect them. We believe that building this transparency in from the outset leads to better decisions.

What Matters to Passengers - We asked over 15,000 rail passengers across Great Britain to tell us what is important to them⁵. The research provides an importance ranking for twenty-five aspects of rail services and also shows how passengers think the railway is performing in each of those areas. This gives a clear view on what matters to passengers and where the railway should target investment and effort to meet passengers' aspirations.

What matters to passengers is broadly similar between nations. However, in Scotland getting a seat on a train and the trains being clean and well maintained are more important. Within Scotland, the value for money of tickets and sufficiently frequent trains are also of above average importance.

⁴ Changing trains versus direct trains – November 2022

⁵ What matters to rail passengers – December 2022

The top ten attributes are:

Attribute	Rank
Price of train tickets offers value for money	1
Reliability and Punctuality	2
Sufficiently frequent trains	3
Getting a seat on the train	4
Accurate and timely information about train times	5
My personal security on the train	6
Being kept informed about delays and the options I might have	7
Inside of trains being clean and well-maintained	8
My personal security at stations	9
Quick journey times	10

How well ScotRail delivers these primary requirements goes a very long way in determining how passengers view the railway. The core product is key in determining passenger satisfaction, with punctuality having the biggest impact on overall satisfaction, followed by crowding and the level of cleanliness of the train.

Stakeholder Advisory Panel - ScotRail established an independent stakeholder advisory panel which had its first meeting in 2020. The main purpose of membership of the Advisory Panel is to provide strategic advice to the leaderships team of Scotland's Railway to ensure they have a better understanding of the needs of key stakeholders.

However, the establishment of Scotrail Trains Ltd presents a valuable opportunity to strengthen the voice of its users. As the train operating company moves into the public sector, having a mechanism in place to ensure that the people who use its services are at the heart of its business and its culture will enhance its accountability.

A properly constituted user challenge panel would influence the decision-making of the company at the earliest stage of its business planning cycle and have in place a clear framework to evaluate delivery of user priorities.

This would complement very well the retrospective accountability mechanisms that lie with Parliament. It would give Scottish Ministers transparency and confidence that the company was user-focused, and it would shed a light, at early stages, on where problems might be arising. Getting things right from the start is both efficient and effective.

Further details on the benefits of a user challenge panel are shown in Appendix A.

APPENDIX A

TRANSPORT FOCUS

SCOTRAIL TRAINS LTD – STRENGTHENING THE USER VOICE

The current ScotRail Stakeholder Panel is an advisory/sounding board body only. ScotRail is under no obligation to act on its views and report back on whether, and how, the Panel has influenced its decision-making.

Now is the time to learn from other sectors and industries, where public and private sector regulated bodies have established formally constituted challenge groups that go beyond participation or consultation to meaningful engagement i.e., influencing decision-making. These groups have been remitted to ensure that company business plans reflect the priorities of their users by engaging with them properly to understand those priorities and then demonstrating a “golden thread” to reflect the delivery of these priorities in user-focused outputs and outcomes. The groups have engaged with businesses to address the difficult trade-offs that often have to be made and ensure that these trade-offs are reached and decided upon transparently. These groups have not been overly burdensome or expensive - their job has been to “mark the homework” of the company, rather than doing the company’s job for them.

Potential purpose of a challenge panel could include, for example:

- Provide input and challenge to company Business Plans, priorities and activities, with a focus on the customer perspective
- Provide input and challenge to ScotRail Trains Ltd customer engagement and ensure that it’s part of decision-making processes and plans
- Help ScotRail Trains Ltd to become more stakeholder-led; demonstrating fairness, legitimacy and consumer-focus throughout the business – a critical friend.

The Panel would not be a decision-making body for ScotRail Trains Ltd and it would not undermine or cut across whatever governance arrangements are put in place as part of the new ownership model. The key component of any role for the Panel would be a requirement on ScotRail Trains Ltd to support the Panel to do its work, for example, a secretariat function, and to respond to the challenges posed by the panel – to be clear where the panel’s input has influenced, or not, decision-making and why. The purpose is to enhance transparency and maintain a focus on the user perspective.

Ministerial priorities will guide the strategic direction of ScotRail Trains Ltd, but it will have to make difficult trade-offs and decisions while managing limited resources and increasing expectations, against a background of Covid-19 recovery and the

pathway to net zero. A User Challenge Panel should have members that represent their constituency and not their company. Members of a ScotRail Trains Ltd Panel could include Transport Focus as the statutory passenger body, group(s) representing the diverse interests of those who are more excluded or less well heard, a group with expertise in accessibility issues, small and large business user representatives, lower income households. It will need to include potential users and future users and ready to discuss intergenerational issues and include expertise in sustainability/decarbonisation issues as well as a young person's representative. Differences in the needs of Scotland's urban, rural, remote and island communities will have to be taken into account.

Examples of Challenge Panels in other sectors or companies:

- **Scottish Water.** The regulator, WICS, Scottish Water and Consumer Focus Scotland set up an independent Customer Forum (now ceased) which negotiated the price settlement for water charges. Scottish Water has only recently established its own Independent Customer Challenge Panel to ensure it keeps its customers at the heart of its business planning and delivery.
- **Network Rail's Wales and Western Region** has just established a challenge group, chaired by Transport Focus, to ensure that passenger priorities are fed into its planning processes.
- **The Heathrow Consumer Challenge Board (CCB) (2017-2020)** was established to provide independent scrutiny and challenge to Heathrow Airport Ltd on the customer research and engagement underpinning its business plan. The CCB: provided its views on principles of good customer engagement to inform HAL's business planning; published a report in response to HAL's Initial Business Plan, setting out its view on the quality of engagement and the extent to which the plan (and, in particular, the target outcomes and performance standards within the plan) reflected the interests of customers; periodically provided Challenge Logs and 'RAG' ratings on particular topics.
- **Energy Networks** were required by Ofgem, as part of the price control process, to establish Customer Engagement (energy distribution) or User (energy transmission) Groups, with responsibilities to: provide challenge on: the company's overall priorities and approach; proposed outputs and the level of stretch in proposed improvements; the quality of stakeholder engagement; the approach and support provided to vulnerable consumers; the company's approach to innovation; what alternatives to the investment proposals the company has considered; any issues of particular relevance to the local region. The Groups submit independent reports covering the above areas. Part of the overall price control for some network sectors has been completed but the companies have voluntarily committed to retain the groups on an enduring basis.

- **Water Companies in England** were required by Ofwat, as part of the price control process, to establish Customer Challenge Groups (CCGs). CCGs were responsible for providing independent challenge to the company and assurance to Ofwat on the quality of the company's engagement and the degree to which this was reflected in the business plan. They highlighted areas of challenge and disagreement. The CCGs provided an independent report to Ofwat alongside the company business plan. Many companies have voluntarily committed to retain the groups on an enduring basis.

Time and again, Transport Focus has seen how maintaining a deep understanding of the experience and needs of consumers, and using this insight to drive business change, can deliver vital improvements, and benefits, for both businesses and users. Independent challenge can help monopoly services become more user focused. When consumers and stakeholders have no choice, it is more important than ever for providers to hold themselves to account for understanding and responding to their needs. (Please see the Annex, overleaf, on the Business Benefits of Good Consumer Engagement).

ANNEX

The Business Benefits of Good Consumer Engagement

There is clear reputational advantage that arises from understanding properly, acting on, and being seen to act on, what consumers need and want. But building sustainable brand-enhancing consumer trust will only happen if there is a strategic best practice approach and a "golden thread" of consumer insight being used across the business to improve outcomes for consumers. If this is done properly, and at the earliest stages of business planning, other business benefits will automatically ensue.

Embedding timely consumer insight brings efficiencies through getting the service design and delivery right from day one. Complaints, and the costs of resolving them, will fall. The insights gained helps organisations identify potentially critical service issues quickly by providing an early warning system. And, as the pace of the path to net zero/decarbonisation quickens, consumer insights, understanding consumer behaviour and assessing consumer impacts are now critical elements of effective, no regrets, decision-making and the avoidance of unintended consequences and unnecessary and wasteful cost.

Organisations with a continuous source of consumer insight have a sounding board from day one. This improves the quality of decision-making by bringing that wider perspective to the table and, by doing so, provides a clearer rationale that a company can use to explain why it has taken the decisions that it has. And if trade-offs are necessary, the process has been evidence-based and transparent, and it is

seen to have been done for the right reasons. This makes for both sustainable decision-making and business benefits.

Using consumer engagement and insight to understand and address consumer vulnerability is, of course, critical for truly accessible transport. But in addition, that understanding brings wider benefit. The experiences and insights of consumers in vulnerable situations can be an early touchstone for identifying wider, systemic problems. Companies that pro-actively identify and tackle issues affecting vulnerable consumers at the earliest possible stage will prevent the same problems cascading out to the wider consumer population. Therefore, delivering on consumer vulnerability makes business sense, makes for better services and enhances reputational advantage. It can underpin the design, planning and delivery of all services because it recognises early the efficiencies it can bring to processes which help keep the cost of services down for everyone. There are workforce benefits too because supporting employees to help vulnerable consumers enhances their engagement with the company.

So, effective consumer engagement makes for a monopoly service that has its consumers at the very heart of its strategic focus and its delivery. But this will not work for the business in the long term if the approach is solely about “ticking the box”. This has to be an ongoing process that is embedded across the business. Organisations have to see, and understand it, as integral way of adding value and not as an onerous burden, nor an expensive add-on.

In short, any leading company that delivers services to consumers must understand their needs and deliver insights that inform decisions across the organisation on a continual basis. Effective consumer engagement must be led from the top of the business. It requires leadership and organisational commitment to listening to, and acting on, consumer insight, and demonstrating that it has made a difference and brought mutual benefits to consumers and the business.