



OFFICE OF RAIL REGULATION

Passenger engagement: How train operators listen to their passengers

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Summary

1. Between October 2012 and March 2013 we met with 24 individual train operating companies (TOCs). The aim of our engagement was to further our understanding of the mechanisms train operators have in place to obtain customer feedback, and how they use this to make improvements in the service they deliver to passengers. The outcomes of these meetings are presented in this report, which highlights examples of innovative and positive steps that train operators are taking to engage and respond to passengers.¹
2. The report explores:
 - (a) the form that feedback takes including complaints, social media, website feedback forms and comments, train operator initiated passenger surveys and the National Rail Passenger Survey ('NRPS');²
 - (b) methods of individual engagement, for example, direct feedback to frontline staff from passengers; meet the manager events; group engagement such as passenger panels and focus groups;
 - (c) train operators' structures and how they ensure that by appropriate recruitment and training they have the right people to deliver their commitment to the customer and the right processes and systems for ensuring that they improve in response to feedback including by setting key performance indicators ('KPIs'); and
 - (d) organisational culture which demonstrates that the customer focus is embedded at all levels of the organisation and the importance, within that context, of management visibility and a commitment to continuous improvement.
3. Train operators stress that passenger satisfaction is at the heart of their business and we have seen examples where train operators give significant focus to ensuring all parts of their business embrace a passenger-focused culture. Train operators acknowledge, however, that improvements can be made and that they can learn from the experience of others inside and outside of the rail industry. In this context they stressed the benefits of having good working relationships with passenger bodies such as Passenger Focus and London TravelWatch and how this can have practical benefits for passengers and TOCs, for example where Passenger Focus and London TravelWatch critically review operators complaint handling procedures (CHPs).

¹ Operators have been asked to review the examples for confidentiality and accuracy, with some information updated to reflect more recent practice.

² <http://www.passengerfocus.org.uk/research/national-passenger-survey-introduction>

4. We would like to thank all train operators for their cooperation with our research and their willingness to share their own individual practices. The understanding that we have gained from this study will help with our future engagement with the industry particularly in our roles in the monitoring and enforcement of CHPs and Disabled People's Protection Policies (DPPPs), in our consumer enforcement role and to inform the focus of future business planning.

1. Introduction and background

Our consumer role

- 1.1 We have a number of duties set out in section 4 of the Railways Act 1993, which we must balance when exercising our functions. These include “to protect the interests of users of railway services”, and “to promote the use of the railway network in Great Britain for the carriage of railway passengers and goods”.
- 1.2 We are also a designated enforcer of consumer law³ under Part 8 of the Enterprise Act, which means that we have the power to take enforcement action in relation to breaches of certain consumer law, where there is evidence of harm to the collective interests of consumers. We have a duty to ensure that consumers who buy services from rail are protected from unfair or misleading practices.
- 1.3 In addition, we are the licensing authority for the railways. Licensed passenger and station operators are required to have and comply with a CHP and DPPP, approved by us. We have been developing our approach to approval and monitoring of CHP and DPPP, which is now outlined in two regulatory statements.⁴ Train operators will need to monitor and evaluate their success at meeting these conditions, which will be informed by how well they deliver a good service to complainants, reduce the cause of complaints or help disabled passengers confidently travel by rail.

Purpose of this report

- 1.4 Our objective, through this report, is to promote good practice in how the industry involves its customers in delivering a better service that meets their needs. The understanding that we have gained from this study will help with our future engagement with the industry particularly in our role in the approval and monitoring of CHPs and DPPPs, our consumer enforcement role and inform the focus of future business planning.

Our methodology

- 1.5 In a letter to the Commercial Director of each train operator of 11 October 2012 we set out the three key areas which we wanted to explore:
 - (a) how each train operator ensured compliance with its consumer law obligations;
 - (b) operators’ approach to meeting their CHP and DPPP obligations in order to assist us in our preparations for the transfer of responsibility for these areas from DfT; and

³ http://www.rail-reg.gov.uk/upload/pdf/guidance_on_our_consumer_law_role_310310.pdf

⁴ These statements can be found at our [website](#).

- (c) how train operating companies engaged with, and responded to, their customers (including by way of customer complaints and feedback) and how this, in turn, fed into improvements for passengers.
- 1.6 We held meetings with 24 individual train operators between October 2012 and March 2013. The questions which formed the basis of these meetings and the train operators we met are listed at Annex A.
- 1.7 Although we make some limited assessment of the examples cited within the report, it is important to recognise that there will be a number of other examples of good engagement that were either not reported to us during our interviews with the TOCs or we have chosen not to cite for reasons that include commercial confidentiality. The report, therefore, only focuses on the type of engagement that has come to our attention.

How to measure ‘best practice’

- 1.8 We had set out, within this project, to highlight areas of ‘best practice’ in consumer engagement. It proved relatively easy to identify innovative and positive engagement models but it proved more challenging to assess, within the boundaries of our review, the relative merits of each initiative in comparison to another.
- 1.9 One potential indicator of best practice is passenger satisfaction measured by the National Rail Passenger Survey (NRPS). NRPS results are a useful indicator of the overall performance of train operators and we have drawn on NRPS where we think it provides useful context. However, the NRPS is not granular enough to correlate one particular customer initiative with a particular set of survey results which is mainly based on the views of passengers of one particular journey.
- 1.10 A further indicator of positive engagement comes from the nature and frequency of consumer feedback. We collect and publish data on complaint handling, which includes the number of complaints received by each train operator and the performance of each train operator against the target response time of 20 working days.⁵ Quantitative statistics such as these are a useful measure of consumer willingness to engage but the volume of complaints is not a precise indicator of ‘good’ consumer engagement given that success should be measured more in terms of how the recipient of a complaint reacts to the feedback that complaints provide or the action operators take to address the root causes of complaints. We also, within this context, publish data on how many of these complaints are referred to the rail passenger watchdogs, Passenger Focus and London TravelWatch, by passengers. This, on the face of it, provides a richer picture of a train operator’s ability to resolve and respond positively to the consumer. However, again this is just one indicator which needs qualitative context in order to draw firm conclusions.

⁵ See ‘Passenger Rail Service Satisfaction’ at ORR’s data portal (<https://dataportal.orr.gov.uk/browse/reports/14>).

- 1.11 We have reviewed good practice principles of engagement in other sectors. In particular the Consumer Council for Water⁶ and the Parliamentary and Health Service Ombudsman (PHSO)⁷, have set out some principles which we believe could be useful indicators for identifying examples of good practice in rail. Both sets of principles are detailed in Annex B.
- 1.12 We have split these principles to correspond with how we structured our research and this report: by feedback method and response; organisational structure; and organisational culture.

Best practice principles

Feedback method and response

- 1.13 Accessibility and reach; fairness and proportionality; and a demonstrable commitment to putting things right emerge as the key best practice principles for handling customer feedback. More detail on how these can be demonstrated is set out below.
- (a) Accessibility and reach
 - (i) it is as easy as possible for people to take part in feedback
 - (ii) the impact of a particular decision is assessed by consulting with the affected group with extra effort being put into consulting with those with special needs or hard to reach groups.
 - (b) Acting fairly and proportionately
 - (i) treating people impartially, with respect and courtesy, and without unlawful discrimination or prejudice, and ensuring no conflict of interests
 - (ii) dealing with people helpfully, promptly and sensibly, bearing in mind their individual circumstances
 - (iii) responding to customers' needs flexibly
 - (iv) dealing with people and issues objectively and consistently
 - (v) ensuring that decisions and actions are proportionate, appropriate and fair
 - (c) Putting things right
 - (i) acting in accordance with the law and with regard for the rights of those concerned
 - (ii) acknowledging mistakes and apologising where appropriate
 - (iii) putting mistakes right quickly and effectively

⁶ See 'customer engagement principles' at: <http://www.ccwater.org.uk/waterissues/pr14/futurepricesettingccwatersviews/>

⁷ See 'principles of good complaint handling' at: <http://www.ombudsman.org.uk/improving-public-service/ombudsmansprinciples>

- (iv) providing clear and timely information on how and when to appeal or complain
- (v) operating an effective complaints procedure, which includes offering a fair and appropriate remedy when a complaint is upheld

Organisational structure - People, processes, systems and structures

- 1.14 A good customer service is more likely to be delivered if a customer focus is embedded at all levels in the organisation and where there is a demonstrable commitment to engaging with the consumer and being open and accountable, specifically:
- (a) A customer focus
 - (i) the organisation is structured to help put the organisation's policies on effective consumer engagement into practice as efficiently as possible
 - (ii) there is a clear understanding of what each person's role is and how it contributes to the organisation's ability to achieve specific consumer goals and overall objectives
 - (iii) the competencies (knowledge, skills, experience and abilities) needed to deliver a good customer experience are embedded within the organisation's recruitment and training strategy
 - (iv) communications are highly effective up, down and across the organisation
 - (v) processes are kept dynamic and kept in line with current good practice
 - (b) Being open and accountable
 - (i) the organisation is open and clear about policies and procedures and ensures that information, and any advice provided, is clear, accurate and complete
 - (ii) there are published service standards and compliance with these standards is a metric by which management measures success
 - (iii) there are established internal criteria for decision making and these criteria are applied consistently and are transparent to the customer
 - (iv) there is an established chain of accountability with each employee knowing the extent of his/her discretion and where decisions need to be elevated.

Organisational culture

- 1.15 An organisational culture which has the consumer at its heart demonstrates this at the highest level in its vision, leadership style and in the consistency of its communication, this includes:
- (a) Governance policy and leadership
 - (i) the consumer sits at the heart of the organisation's vision

- (ii) leaders of the organisation set and communicate a clear direction that reinforces a focus on the consumer and the importance of engagement
 - (iii) leaders at all levels of the organisation act in a consistent way in reinforcing the message of consumer engagement and the importance of turning feedback into action
- (b) Seeking continuous improvement
- (i) the leadership team reviews policies and procedures regularly to ensure they are effective in delivering on its vision for the consumer
 - (ii) the leadership team uses feedback in the development of its strategy
 - (iii) the organisation pro-actively seeks feedback and uses feedback to improve services and performance.

Structure of this document

1.16 The remaining parts of this document are organised as follows:

- (a) **Chapter 2, methods of passenger engagement**, describes how train operators listen to feedback from passengers including via formal complaints, through websites or social media and in person;
- (b) **Chapter 3, organisational structures**, outlines how operators' recruitment, training, processes and structures can support a customer-focused outcome;
- (c) **Chapter 4, organisational cultures**, outlines the measures adopted by operators to ensure an effective customer-centric culture within the organisation;
- (d) **Annex A** lists the train operators who shared their experience with us and the questions we asked; and
- (e) **Annex B** outlines best-practice principles used to assess the effectiveness of customer engagement and resolution of consumers' concerns, drawn from the Consumer Council for Water and the Parliamentary and Health Service Ombudsmen.

2. Methods of passenger engagement

- 2.1 This chapter outlines the practices and examples provided by train operators of passenger engagement, looking at a wide range of engagement methods:
- (a) Formal complaints handling;
 - (b) Websites;
 - (c) Email and text messages;
 - (d) Social media;
 - (e) Direct feedback to staff;
 - (f) 'Meet the Manager';
 - (g) Satisfaction surveys;
 - (h) Mystery shopping;
 - (i) Publications, newsletters and magazines;
 - (j) Panels and focus groups; and
 - (k) Community action

Methods of engagement

Formal complaint handling

- 2.2 Complaints provide valuable insight into what is going wrong from the perspective of the customer and therefore where improvements might need to be made. Train operators are required as part of their licence to have in place a CHP.⁸ A complaint is defined as “any expression of dissatisfaction by a customer or potential customer about service delivery or about company or industry policy.”⁹ Individual train operators' CHPs, together with their Passenger Charters, outline what passengers can expect, including response times, when they make a complaint.
- 2.3 All train operators record and monitor the complaints they receive by email/webform, letter, online forums, meet the manager sessions and telephone, with most monitoring social media complaints either via Twitter or by other means such as Facebook.
- 2.4 In terms of responding to complaints some train operators prefer to telephone the customer to resolve the complaint swiftly even if the complaint originally came in by letter. Eurostar advised us that it will use the best method of contact to bring about a swift and effective resolution for the customer, even if the complaint originally came in

⁸ See our [website](#) for more information.

⁹ Strategic Rail Authority 'Guidance on Complaints Handling Procedure' February 2005: <http://webarchive.nationalarchives.gov.uk/20100407090501/http://www.dft.gov.uk/pgr/rail/sra/sracomplaintshandling.pdf>

by another method. This could mean using the telephone, email, letter or social channels. Where writing a response some train operators favoured generic template letters for simple issues (which they felt quickened response times) whilst others felt passengers preferred more personal bespoke letters. Northern Rail felt that a more personal approach to issues was core to a good complaints management system.

Northern Rail has worked closely with Passenger Focus on a pilot scheme whereby Passenger Focus assesses the quality of its complaints handling process. Northern Rail considers the following to be core elements of a good complaints management system:

- (i) empowering customer service staff to make 'natural justice' decisions (for example, gestures of goodwill in circumstances where the issue falls outside the criteria for compensation set out in the National Rail Conditions of Carriage and/or Passenger Charter);
- (ii) ensuring appropriate investigation prior to response; and providing the complainant with evidence of improvement (e.g. explaining in a response what is being done to address the situation); and
- (iii) tailoring the response to the specific concern.

Feedback on Passenger Assist

- 2.5 All train operators are required as part of their licence to have in place a DPPP, stating how they will protect the interests of disabled users of their trains and stations. Disabled and mobility-impaired passengers can also book assistance for their journey through the Passenger Assist scheme.¹⁰ Train operators approach feedback about Passenger Assist in different ways. All said that they welcomed such feedback.
- 2.6 Some train operators are reactive, taking the view that passengers would complain using existing channels if either booked or un-booked assistance had not been delivered satisfactorily.
- 2.7 Other train operators proactively seek feedback, and regularly contact a proportion of (or all) passengers who had booked assistance to learn about their experience. Some carried out in-depth reviews of specific instances of passenger assistance (particularly where the passenger experienced some issues), including discussing with individual staff their behaviour and approach, learning lessons and identifying areas for improvement.

¹⁰ Passenger Assist is a service provided by train companies to disabled passengers and others who require assistance with any part of their train journey. Staff can help plan a journey, book tickets and make reservations; they can also assist at stations and on board trains, with anything from changing platforms to finding a seat. The service is free and available to anyone who needs assistance due to a disability, temporary impairment, or older age.

- 2.8 Many train operators have in place dedicated accessibility managers whose priority is to work with relevant groups to promote accessibility and to ensure the protection of disabled users of their trains and stations.

Northern Rail advised that it can be a long process to develop a relationship with customers with disabilities because they are generally less confident of travelling and as a result may travel less frequently, especially if something has gone wrong on a previous journey. For this reason Northern Rail employs a dedicated person responsible for developing this relationship and telephoning at least 25 passenger assist customers per month to seek input and to initiate follow-on engagement.

Websites

- 2.9 Many train operators rely on their websites as a means of proactive two-way engagement with passengers; putting out messages and seeking passenger feedback. It is also a reactive process where complaints or feedback is given, which then requires action.

First Capital Connect advised that its 'Your ideas' website scheme had proved very popular. This scheme provides an opportunity for passengers to provide suggestions on improvements to the service or station environment and facilities. This has generated a significant number of ideas from passengers, some of which have been implemented as a direct result of customer feedback.

First Capital Connect advised it intends to work with its digital engagement manager to review its Facebook page. The intention is to set up separate community area groups for a specific area of local stations to ensure more relevant, local information can be given to passengers and to enable local engagement on issues which affect those passengers within these areas.

Stakeholder conferences are also used by many train operators as a means of gaining feedback from specific interest groups. **South West Trains**, for example, undertake 'virtual stakeholder meetings' online in order to capture views from a broader representative group.

Emails and text messages

- 2.10 Many train operators proactively contact passengers to seek their feedback using e-mail. A small number of operators also use text messages.

Cross Country advised that it emails its customers on an on-going basis asking for feedback after a journey, with a short one click 'rate experience' button followed with the option to leave more detailed feedback.

First Transpennine Express advised how it proactively writes to its customers after delays, apologising for the delay and asking for feedback on how the delay was handled. It and **London Midland** also proactively advise customers, by this means, on how to obtain compensation.

ScotRail advised how it proactively contacted its Paisley season ticket holders to advise them of alternatives during upgrade works, effectively pre-empting problems for those affected. Similarly, in advance of the pre-2012 Christmas strikes it pre-empted passenger anxiety by promoting its ability to get travellers home with a 'we will get you home' message.

Eurostar advised that its 'Fizzback' scheme uses text messaging to and from customers' mobile phones. Responses come through live on an online dashboard; this allows Eurostar to quickly identify service failures and successes, and also gives Eurostar the facility to contact the customer again if necessary.

Social media

- 2.11 A significant number of train operators highlighted the growth in the use of social media by passengers, particularly Twitter.¹¹ Many train operators saw Twitter as a useful source of customer feedback and information, enabling them to engage with a wider social mix of passengers and to respond quickly, sometimes in real time. Feedback via Twitter has, for some TOCs, become a key way to engage with passengers, including during disruption.

¹¹ Complaints made by social media are not currently collected in the formal complaints data, reported on the ORR Data Portal (<http://orr.gov.uk/statistics/published-stats/complaints-data>).

South West Trains provided an example of a Tweet from a passenger regarding a broken customer information screen at a station, within minutes the Tweet was picked up and the controller had accessed the display screen remotely and updated it. The customer was told to 'look up' and saw that it had been fixed there and then. This swift response resulted in 'positive ripples' across Twitter.

Virgin Trains uses Social Media as an integral part of its customer engagement. It is a growth area, and has given Virgin the opportunity to get Real Time information out to its followers, as well as offering a resolution to their queries instantly. The power of Social Media is not only through one on one conversations, but also through speaking to the millions of active users, using its own personality and tone of voice. Collectively across the two principal channels of Twitter and Facebook, the existing audience is around 210,000 followers and increasing. It also enables, during disruption, messages to be put out about what's happening and what customers are advised to do.

- 2.12 A number of train operators highlighted the potential of Twitter to promote successes more widely. Many train operators use Twitter as a means of delivering messages as well as receiving feedback, although some cautioned against using the channel for both purposes where promotional marketing could jar with passengers experience at the time, for example during service disruption.
- 2.13 Those train operators who use Twitter have differing approaches to how they respond to their passengers, with some choosing to monitor and respond to every message seven days a week, attempting to resolve complaints there and then via Twitter if possible. Some train operators have extended their operating hours from a previous nine to five operation to one which ensures extended hours in order that there is somebody on hand when the bulk of its passengers are travelling (morning and evening peaks). Others prefer to signpost passengers to information on their website, or a private resolution via email. A small number of train operators simply monitored the feeds without responding.
- 2.14 Similarly, the tone and degree of formality of response adopted by train operators differs. This was in part explained as being as a result of some train operators allowing staff discretion to respond in a more 'natural' or informal way, whilst others chose to be more prescriptive by using template responses.

Greater Anglia advised on the importance of picking the right people to respond to Tweets as the tone tended to be conversational. It talked of a huge organic growth in followers and used the data provided to construct a daily log of categories of passenger issues which is then used by senior management to understand what is affecting passengers 'on the ground'.

London Midland's policy is to respond to every Tweet and it welcomes the benefits of a quick, manageable message size. It feels that this sort of feedback enables much quicker identification of issues. The Twitter feeds are summarised into issues and flagged immediately to the relevant person in the business (e.g. where there is a complaint about heating on a train this is immediately flagged to the fleet manager). The senior management team also uses Twitter to gauge overall passenger sentiment and mood.

- 2.15 The positive benefits expressed by some train operators of using social media for customer engagement were cited by others as its limitations. Some train operators expressed concern about the broad reach of social media and how that increased the potential negative impact on reputation should they get the response 'wrong'. This concern, together with the resource intensiveness of monitoring and responding to Tweets, has meant that some train operators have been reluctant to enter the Twitter space.
- 2.16 Some train operators told us that a significant proportion of their passengers did not use Twitter, despite the growth in Twitter followers generally, and therefore, reliance on using social media was, in their view, not appropriate. Some train operators advised that the suitability of Twitter depended on the passenger journey type, for example irregular travellers or those whose journey required a number of different changes of train were less likely to have the need or use for Twitter.

Direct feedback to staff

- 2.17 Customer feedback is also provided to staff either on the train, station or ticket office. Train operators' approach to capturing customer feedback via their staff varied, with some having formal mechanisms for staff to feedback customer comments and others adopting a more informal approach. All train operators place importance on the approachability of staff and a number of train operators addressed this, for example, by encouraging the wearing of name badges (including by senior managers) when travelling on trains.

Cross Country and **Grand Central** do not have their own staffed stations and as a result place an emphasis on the importance of the 'on board experience.' In the case of **Cross Country**, staff training has involved looking at customers as different segmental groups, looking at what their specific needs are and what may be appropriate to resolve their complaint. Staff, on the ground, are given the discretion to offer the most appropriate remedy depending on the circumstances. This could range from giving a passenger a complimentary cup of tea, to arranging a taxi home. Emphasis on the 'on board experience' no doubt contributes to the consistently high overall passenger satisfaction scores that **Grand Central** receives in the NRPS, which for Spring 2014 stood at 94%.

First Hull Trains receives large amounts of feedback from its customers through direct and informal interactions. For example, through train guards talking to passengers, and senior staff wearing name badges whilst travelling, walking the train to actively encourage passengers to share their views with them. An example given involved a senior manager overhearing a passenger comment about the lack of vegetarian cooked breakfast options. As a result he spoke to the catering manager and a vegetarian option is being introduced. Hull Trains finds that a less formal, more flexible approach suits the size of its business.

Meet the Manager

- 2.18 There was mixed opinion amongst train operators on how successful and useful 'meet the manager' sessions were in terms of obtaining feedback from customers. Train operators advised that timing and venue seemed to be important factors for the level of response, with the majority view being that they were not as productive as they would like due to the reluctance of the 'average' passenger to approach them at stations. It was felt that 'meet the manager' sessions held on board trains were more successful. However a general reluctance by passengers to approach management was seen as a problem despite travelling managers advising they were keen and open to hearing their views.
- 2.19 Many train operators include the feedback gained from these meetings in their management reports and they form the basis of discussions for improvements.
- 2.20 The introduction of 'tweet the manager' appears for some train operators to have elicited a more positive response from passengers. For example **Tyne and Wear Metro** have found 'tweet the manager' extremely successful as a means of gaining valuable feedback and a high level of engagement.

Satisfaction surveys

National Rail Passenger Survey

- 2.21 NRPS results (particularly overall passenger satisfaction) are used by all train operators for setting their key performance indicators, internal targets and customer

engagement strategies. Whilst taking part in the NRPS is a franchise requirement, train operators place a significant value and emphasis on their NRPS results and aim to improve their scores with internally set targets.

Train operators' own passenger surveys

- 2.22 All train operators also undertake their own passenger surveys. The content of these surveys tends to mirror to some extent the questions found in NRPS but with much more detail and a larger sample size, enabling train operators to drill down into specific areas.

First Great Western undertakes a continuous survey across its services that mirror the NRPS. This enables a more granular review of trend data and to drill down into parts of the business in greater detail to review customer opinion. They use business visualisation boards to display results of customer complaints, Service Quality ('SQ') audits and targets (as part of their franchising obligations), overall satisfaction (NRPS) and customer response times. This data is analysed and used to make improvements, for example complaints about station appearance have led to specific groups working with local garden centres and organising painting and weed clearing to improve the passenger experience at the station.

- 2.23 Some train operators favour the use of 'net promoter' surveys, which look at whether a passenger would recommend the business to someone else. For example, **Chiltern** advised that it finds its net promoter scores are particularly useful in that it allows comparison not just against others in the railway industry, but in other sectors. **East Coast** uses the 'net promoter score' as academic research and business experience has shown it is a leading indicator of customer satisfaction-driven revenue growth. **Merseyrail** advised that it currently has an average net promoter satisfaction score of 67.7% (higher than Apple) and that it continually looks for opportunities to benchmark itself against high performing organisations to drive for continuous improvements. **First Capital Connect** uses a brand tracking (public perceptions) survey quarterly, which includes in the sample passengers and the wider public. It has the objective of increasing awareness and engagement amongst those who do not currently travel by train.

Mystery shopping

- 2.24 Train operators' views on the benefits of using mystery shoppers to gain passenger feedback were mixed. Some felt the results informed them of trends and changes, others felt that mystery shops were not always accurate and that there were better ways to seek feedback and check performance. A number of train operators considered that the nature of the mystery shopping audit has changed over time. As baseline passenger satisfaction increases, there is a general sense amongst train operators that there has been a shift from the more traditional tick box passenger surveys to a more emotional response or 'perception survey'.

East Coast undertakes three mystery shopping waves per year conducted by an external mystery shopping specialist. The programme of Mystery Shopping focuses largely on the standards of customer service delivered by East Coast staff on train (Guards & Catering Crew), at Stations and Travel Centres and through its Customer Relations team. The data is used to both measure the performance of its staff and also to help drive improvements in customer service delivery (through informing the specification at company level and also through action planning at a more local level). The programme of Mystery Shopping compliments the ongoing SQMS programme (see chapter 3).

Merseyrail considered the 95% approval rating for its website from previous rounds of mystery shopping to be unrealistically high. It therefore replaced mystery shopping with a new system whereby it interviews 400 passengers per month at the end of their journeys. This was based asking questions about what the passenger would like to see over the whole door-to-door journey and asks for a rating out of 10 in questions covering six categories. The results provided a clearer indicator of what was driving the passenger's overall experience, including beyond that of the actual rail service, and helps Merseyrail to target its response appropriately.

Northern Rail advised that their e-survey is sent to over 150 volunteers, and is passenger perception and attitude based. This data, together with passenger complaints, is used to steer mystery shopping exercises. For example, it received complaints about a booking office not being open on time in the morning. This was tested through the mystery shopper and found to be correct. The cause of this was investigated and the situation remedied. Similarly, they asked station 'adopters' to check that the telephones at stations were working. Station adopters 'adopt' their local station; visiting it once a week to report any problems and to undertake various surveys throughout the year.

Publications, newsletters and magazines

- 2.25 Some train operators produce their own passenger newsletter and magazine both in electronic and paper format in order to engage with their passengers, seek feedback and to push out messages. These are generally made available to passengers at stations, on board the train, via websites and via direct emailing. Many train operators also send regular newsletters and mailings specifically to their season ticket holders advising them of recent developments and updates on the network. For example **First Transpennine** and **ScotRail** provide newsletters to passengers advising on what developments had been taking place, customer offers and information on tickets. **Tyne and Wear Metro** once held a competition to win a new Kindle in order to generate interest in sign up for their e newsletter.

Panels and focus groups

- 2.26 All train operators have in place a 'passenger panel', designed to act as an independent voice for passengers. The membership varies, with some panels being made up of long-standing volunteers or enthusiasts and others being interviewed and selected specifically to ensure a representative sample. Similarly the level of engagement with the panel itself varies, as does the remit. For example some train operators set up a specific panel at a national or local level or to represent people with specific accessibility requirements.

c2c tests out new products and seeks opinions from its passenger panel. For example, when developing signage for a 'quiet coach' it sought feedback from passengers and was advised that passengers want a simple message which is universally understood. They brought the idea of a 'Shhh' quiet poster to the panel and as a result of positive feedback from the panel have now put the posters into use.

Engagement on specific projects which impact on passengers

- 2.27 In addition to passenger panels, train operators engage with specific focus groups for significant local or national issues, for example, when they are planning changes to timetables or ticket office opening hours. **First Capital Connect**, for example, when considering investments to be made at a station, seeks passenger input to understand passenger preferences. Similarly, **First Great Western**, when understanding the requirements for refreshed rolling stock interiors, invited passenger groups to view concepts and ideas and give feedback to ascertain what was important from the perspective of the potential user and why.
- 2.28 **Northern Rail** produced a You Tube video to help educate customers on how the rail industry works when undertaking refurbishment of a train carriage. The aim was to help passengers understand why it takes time, what the process entails and the forecast benefits.

Case study – Redevelopment of Liverpool Central Station

During the redevelopment of Liverpool Central Station which required the station to be closed for six months, **Merseyrail** invested significant resource into developing a three stage engagement strategy which had the objective of keeping Merseyrail's passengers who use this transport hub and, therefore, likely to be affected, informed of developments. The engagement strategy included a communications plan for pre-closure; during closure and post opening.

Pre-closure: involved telling passengers what was going to happen through wide spread publicity (for example leaflets in local retailers, local radio information, at stations and online), why it was happening, and what it would mean for them over the next four months of total closure and two months of partial closure. This stage included liaison with local retailers many of whose businesses were likely to be affected by the disruption.

During closure: involved a two weekly survey of all parts of the city to assess the effectiveness of the communications campaign. This was processed over a 48 hour period so that changes to the engagement strategy could be made quickly. For example, if parts of the city were shown to have little awareness of the process then it would be targeted for further attention. Local businesses were used to help get information out with leaflets in retailers, and local radio information among the methods used.

Post closure (re-opening): involved a campaign advertising the re-opening, including posters and promotional items. Some of the ideas for this campaign were borrowed from Netherlands Rail – which had re-furbished Utrecht station. The focus was on selling the idea to customers that the disruption was part of a process to make things better for them – it was an improvement experience, not a disruption. The message to customers was “*thank you for bearing with us during this time*”.

Engagement on accessibility

- 2.29 Many train operators have formed focus groups with an interest in accessibility issues. These groups work closely with relevant organisations that have an interest in matters that impact on disabled passengers. There are many examples of partnership work undertaken to test the accessibility of the facilities both at stations and on the trains themselves. For example **Tyne and Wear Metro** worked closely with the Newcastle Blind Society and invited them to test the suitability of new ticket barriers for those with visual impairment. Similarly, **Heathrow Express** worked closely with Royal National Institute of Blind People (RNIB) when rolling out its new trains to ensure they were fit for purpose by having passengers with guide dogs trial the trains. They gave feedback on the length of door closure times to which Heathrow Express could

respond prior to train roll out. **Southeastern** advised that they undertake a ‘try a train’ day which aims to inspire confidence in travelling on the railways.

- 2.30 The case studies below demonstrate the passenger benefit that can result from engagement on specific issues.

East Midlands Trains works closely with various disability groups and service users to gain feedback/suggestions about changes to our stations. This has included the recent refurbishment of Nottingham and Leicester station and led to changes to the infrastructure to enable better access/facilities for disabled passengers.

Northern Rail has worked with local groups and those with learning difficulties who regularly use Bradford station. Together they have developed a card to show to the conductor and ticket barrier staff which advises that the carrier of the card has learning difficulties. This alerts staff who can assist them during the journey and as a consequence increase confidence in using rail. The ‘easycard’ was launched on 20th June 2014 within West Yorkshire.

Arriva Trains Wales is supporting the use of a passport scheme (the Orange Wallet scheme) for passengers with a range of disabilities. The ‘Orange Wallet’ is one of a range of collaborative regional projects funded by the Welsh Government. It is intended to help people, especially those on the Autistic Spectrum, to cope more easily with public transport. The wallet is a communication tool, which can be used by people who sometimes find it difficult to communicate their needs to staff when using public transport. The wallet contains space for the user to insert written and/or visual prompts to show the conductor, station staff or when buying a ticket at a booking office. The scheme is working well in increasing awareness amongst staff and confidence in users.

Heathrow Express has introduced a luggage assistance scheme as a result of passenger feedback about difficulties in accessing the taxi rank at Paddington which involved negotiating flights of stairs to access it from the platform.

Community action

- 2.31 Many train operators emphasised the importance of engagement with local communities. Schemes such as ‘friends of stations’ and ‘station adopter schemes’ are in place amongst many train operators, particularly those with rural and unstaffed stations. Broadly, the aims of station adopter groups are to help improve the station environment to encourage greater use. These schemes encourage links within the local communities through regular feedback on matters such as litter, graffiti, vandalism, and information help points with the aim of reducing anti-social behaviour and benefiting passengers and the local community. **Tyne and Wear Metro** gave an example of a successful local initiative involving a station wall at Byker Metro station

(Tyneside) which was repeatedly vandalised with graffiti. It introduced a photo competition open to young local residents to be displayed on the wall which has acted as a successful deterrent against vandalism.

Rail user groups

2.32 Rail User Groups are independent organisations which work to support the railways in their local area and campaign for service improvements. The use of rail user groups for passenger feedback and engagement varied across train operators. Some felt that their Rail User Groups did not always reflect the full range of passengers, but most train operators thought them to be reasonably representative and active in the community. **Chiltern** advised that it consults a Rail User Group whenever it plans changes to its trains, services or stations.

Arriva Trains Wales has a large number of station adopters. The 'Adopt a Station' scheme aims to help improve links with local communities and customers living near unstaffed railway stations. Arriva Trains Wales want to keep their many unstaffed stations clean and pleasant, so this scheme is designed to encourage regular feedback about the facilities available to help ensure they meet the high standards expected by customers. Many adopters nominate their stations for awards, such as the Dolau Station Group which has won national awards for its floral displays.

First Hull Trains engages with the Selby and District Rail User Group, which works to promote rail travel and champions passenger causes in pursuit of improved services for the people of Selby and the surrounding area. It engages with the local community and reports directly to First Hull Trains on issues of concern. It is regularly invited to visit First Hull Trains offices and management to learn more about how First Hull Trains operates and the company's plans for the future.

3. Organisational structure

- 3.1 A good customer service is more likely to be delivered if supported by the appropriate processes, systems and structures. This chapter outlines train operators practices to promote:
- (a) Customer-focused staff, including their recruitment, training and development;
 - (b) Processes and systems, to ensure feedback from passengers (and staff) is captured and acted on; and
 - (c) Structures, outlining the different ways that customer contact teams may be located within the organisation.
- 3.2 Train operators are aware that the key to good customer service is consistent delivery and involvement from staff at all levels, with training being embedded into practice. Examples of successful secondments or integrated training with other industry members, such as Network Rail, are positive initiatives with potentially wide benefits for passengers.
- 3.3 Processes and systems can help ensure that the organisation is focused on the right outcomes. The use of performance indicators and service quality standard models are important in ensuring that everyone within the organisation knows what the organisation is trying to achieve and has tangible targets to focus on.
- 3.4 We have also seen a wide range of structures that support good customer outcomes. Embedding consumer relationship teams in-house can deliver benefits as can be seen in examples from First Capital Connect and c2c. Outsourcing can also work so long as this is supported by effective service level agreements and systems that ensure that train operators remain in control of the information flows and that intelligence gained from the third party direct relationship with the customer is not lost. Within the organisation, cross-functional working can bring benefits if it supports more effective communications across the whole organisation in the delivery of a customer focus, an issue that was the focus of ORR's action on Passenger Information During Disruption.¹²
- 3.5 The following outlines the practices and experiences presented to us by train operators.

Customer-focused staff

- 3.6 Train operators stressed the importance of effective recruitment, training, on-going motivation and empowerment in delivering a customer-focused workforce.

¹² See ORR's website at: <http://orr.gov.uk/news-and-media/press-releases/2011/rail-regulator-acts-on-passenger-information>

Recruitment

- 3.7 Railway experience continues to be valued, however, there is an emerging focus on the passenger rather than on operations. Some train operators have created new positions, such as customer insight and experience managers and social media managers, devoted to customer engagement. Other operators have sought applicants from outside the railway industry in order to tap into a wider range of customer service experience.

Heathrow Express advised that as a small customer-centric business they recruit their train drivers from the customer service team. This has resulted in drivers being more likely to assist passengers during disruption and keep passenger needs front of mind.

Training

- 3.8 The level of a culture of customer service is at different stages across train operators. However, there were many examples of initiatives to encourage a culture which puts passengers first and to engage and empower staff. Some train operators have rolled out cross-organisation training programmes specifically designed to achieve this.

Virgin Trains' culture and vision is to promote the engagement and involvement of all staff from the front line upwards. Virgin promotes its customer service vision down to a regional level and through regional working groups, involving frontline staff in developing proposals and in implementing strategies. Virgin is of the view that putting staff engagement at the heart of its operations produces the best results for customers.

ScotRail has adopted the 'journey to excellence' programme which involves the training of frontline staff in their new customer service standards. The training involves the use of actors to simulate situations when there is disruption and ensuring that all processes are viewed from the perspective of the customer. Staff are also encouraged to attain NVQs in customer service.

Greater Anglia's Customer service training programme had been set up to develop and deliver a customer centric business, connecting each function and role within the business to the customer experience. All staff are trained in an interactive environment (with trained actors performing the role of passengers, and with a facilitator discussing each scenario). The objective is to explore what behaviours enhance or devalue an experience from a passenger perspective and to consider how to embed and sustain these behaviours in practice.

Secondments and whole industry training

- 3.9 Many train operators also expressed the importance of the relationship with Network Rail in encouraging a whole industry focus on passenger needs, for example, when

planning the times of engineering works. **Southeastern** advised it undertakes joint staff inductions with Network Rail to encourage a common focus on the passenger.

ScotRail worked to achieve closer collaboration with Network Rail to deliver efficiencies and benefits for passengers. It cited in particular the electrification of the Paisley canal route which had resulted in a saving of £17 million and improved reliability and punctuality for passengers.

- 3.10 In addition, some train operators have close working relationships with sister companies within an owner group. Many of the groups advised that they positively share good practice ideas, training and resource. Similarly, networking with other train operators outside the owner group to share best practice, in events such as customer relations manager forums and working groups, were seen as beneficial for both train operators and passengers.

Processes and systems

- 3.11 Efficient 'feedback loops' between passenger feedback, staff feedback and senior management can assist in the continuing on-going evaluation of internal processes looked at from the passenger's point of view. Having identified and collated the various sources of passenger feedback, the challenge for individual train operators is then to identify how it can be processed internally, to inform the development of sound internal customer strategies leading to improvements on those issues highlighted by their passengers as important.

The setting of KPIs

- 3.12 Train operators have different internal processes and procedures for deciding what informs and directs the setting of their internal customer strategies and targets. However, most train operators use NRPS scores and other data to set internal key performance indicators (KPIs). These KPIs look to enable improvements in overall passenger satisfaction scores, as well as identify scope for improvements in specific areas (for example, satisfaction with station facilities).

London Overground advised that it works to 50 KPIs which apply to the customer experience at stations and on trains, covering a range of parameters (such as litter and staff attire).¹³ LOROL considers that making passenger KPIs central to the delivery of its contracted services has resulted in much greater focus on the passenger and the executive board having an interest in even the smallest detail of non-delivery.

- 3.13 Some train operators set regionally-specific KPIs as a result of local passenger feedback.

Virgin Trains encourages frontline staff to take ownership of delivering improved passenger satisfaction by providing them with detailed feedback on a train by train basis of levels of customer satisfaction. This provides frontline staff with an insight into how their behaviour and processes can have a direct impact on how passengers view the service.

Service quality management systems

- 3.14 Some train operators have chosen to use the Service Quality Management System ('SQMS') which forms part of their franchising obligations to set internal targets. The SQMS regime sets targets for a number of KPIs against which the train operator is assessed. The KPIs relate to the delivery of elements of customer service, such as train cleanliness.

¹³ LOROL is the Train Operating Company (TOC) responsible for running the London Overground network which it does under a Concession Agreement with Transport for London (TfL). TfL employ a dedicated team to monitor and support LOROL in the delivery of all the obligations set out in the Concession Agreement <http://www.lorol.co.uk/>

Cross Country has drawn on its SQMS franchise obligations and refined these to a one page internal document detailing what the customer expects, needs, and wants and sets targets as a result of these. It also monitors the number of 'comebacks' from passengers (i.e. unresolved complaints) and has targets for keeping these as low as possible.

Greater Anglia publishes its service quality results for each station. These results are used to inform team action plans in order to encourage staff teams to take ownership and pride in the stations for which they are responsible.

In order to improve its service quality scores, **First Capital Connect** sets targets with its third party contractors. Managers audit contractors' performance against targets and offer bonuses to contractors for good service quality, for example if TVMs meet reliability and availability targets. Where targets are not met, contractors must put money into a 'money innovation fund' which is used to make improvements for passengers.

External performance standards and management models

- 3.15 Many train operators recognised the importance of using customer feedback as a business planning tool. It has formalised this feedback loop into an organisational processes model based around EFQM.¹⁴
- 3.16 The majority of train operators use the EFQM excellence model as a way to structure their internal processes and procedures, with many achieving four and five star ratings out of five. The practice involves drawing on all available data sources (including service quality audits on stations and trains, staff feedback, passenger feedback and mystery shoppers) to identify trends and take steps to make improvements which are then continually reviewed through the receipt of new feedback from passengers.

The use of management reports

- 3.17 Train operators report on their KPIs and targets, together with passenger feedback and complaints data to senior management teams. The senior management team regularly monitor performance and use the results to help inform their on-going customer strategies.
- 3.18 Management reports draw on a range of passenger feedback data, for example **ScotRail's** senior management team reviews complaints data each week, including the top five issues. They track customer feedback during disruption or as a result of specific campaigns (for example when they change fares they measure and monitor feedback). They also track the volume of complaints, incidents, peaks and troughs and looks at why things happen (i.e. performance, weather, and fatalities).

¹⁴ EFQM is the European Foundation for Quality Management (<http://www.efqm.org/about-us>) offering a range of management tools, including a management model termed 'RADAR'

First TransPennine Express tracks customer comments and feedback and this intelligence is submitted to the senior team on a weekly basis for review against a weekly commercial KPI for each category of feedback. Responsibility for each target and associated process is held at director level and where these are not met, the root cause is identified and analysed in order to deliver improvements in the passenger experience.

Structures

Location of customer contact teams

- 3.19 The location of customer contact teams differs between train operators, with some being outsourced to third parties. Some train operators have recognised the importance of integrating customer relations into the organisation not only because it enables a more dynamic response as in the c2c example below but also it can support a more effective communications strategy.

First Capital Connect merged the two functions of customer and information & communications to ensure consistent messages go out to stakeholders, staff and passengers. This also ensures that a communications strategy forms part of the way that an issue is resolved. For example, the large number of complaints resulting from an engineering project on the Hertford North line, led FCC to develop a communications strategy that articulated the need for the work in providing a more reliable service for passengers. This led to a fall in complaints.

c2c, as a result of bringing complaints handling in-house, has reduced response times from five days to an average of one and a half. For example, where there were problems with heaters on trains, customer relations were advised by the fleet team before they received any complaints, and so they were able to advise passengers on what was being done by way of resolution. Its in-house model seems to have resulted in a greater quality of response, improved information and the ability to deliver against targets.

Internal focus groups and cross office working

- 3.20 In order to bring about improvements many train operators form cross-functional steering groups to deal with specific issues. The benefits of cross-functional working were felt to include improved communication, sharing of ideas and expertise and efficiencies which can benefit passengers.

Arriva Trains Wales Arriva Trains Wales has a 'performance improvement group' which meets every four weeks and looks at how it can drive improvements to the train service and customer experience from the trends brought out in train performance results, customer feedback and complaints data. The Customer Relations team contributes to these meetings. Smaller working groups are then developed from this (e.g. a group to look at passenger information during disruption and a group to look at unstaffed station delays) to drive plans for change.

First Capital Connect has in place a cross-functional 'customer service steering group' which includes members from operations, finance, and engineering whose remit is to reduce complaints, increase the NRPS score, and increase service quality scores.

c2c has encouraged its frontline staff to work in the customer relations team in order to experience the resolution of customer complaints first hand and to view how corporate policy and procedures are implemented. It holds that this approach has had an impact on the culture with a gradual move to a 'one team' vision of customer service.

4. Organisational culture

- 4.1 This chapter outlines train operators approach to:
- (a) Making managers visible, and therefore lead by example;
 - (b) Seeking staff feedback and buy-in; and
 - (c) Benchmarking performance.
- 4.2 Train operators stressed that an effective customer-centric culture needed a unified vision across the organisation and buy-in from management. This was not just about training frontline staff it was about actively seeking staff feedback, delivering a clear message from the top and being visible. It was also about being prepared to benchmark performance and seek continuous improvement.

Making managers visible

- 4.3 Train operators emphasised the importance of top-down leadership with senior management being visible; honestly embracing the values they promote; and genuinely engaging with staff and encouraging their input. Not only did this provide critical insight into passenger concerns but would keep senior management abreast of what staff deal with on a regular basis.

Northern Rail advised that their MD and Directors regularly work in the customer relations centre rather than simply looking at statistics in isolation.

Cross Country advised that their MD takes a random sample of customer correspondence each Friday to review, and regularly talks to staff on the route on which he travels. It was felt that internal 'meet the manager' sessions engendered a free environment for staff to express opinions. Similarly the office layout itself (all on one level) helped to encourage an open information exchange and a lack of hierarchical culture.

East Coast advised of their executive team's ethos of visibility and pointed to the practice of the wearing of name badges when travelling. It provided an example of Directors helping to serve from the on-board catering trolley when there were staff shortages.

Seeking staff feedback and buy-in

- 4.4 Whilst engagement with staff to seek their views is a continuous exercise by many train operators, some also sought focused feedback on specific issues of relevance, for example, through the use of specific focus groups.

c2c uses staff focus groups to identify when things are going well and when they are not. For example, when it was looking to improve the negative image of its revenue protection officers, it held a focus group of revenue protection staff to discuss their experiences and to consider ways in which their image amongst passengers could be improved.

Southeastern believes that enabling staff to contribute to group decisions via focus groups has made a real difference in the way that staff relate to managers. It has led to a reduction in the numbers of grievances, but importantly from the passenger perspective, has resulted in a greater focus on their needs and has generated a number of suggestions for improving the travelling experience. Practical examples of which included the provision of fun packs for children and information packs for adults with the objective of attracting more leisure travellers.

Tyne and Wear Metro explained that it is moving from a purely operational focus (i.e. the priority being 'to get the train out') to a focus on the needs of the passenger and on the importance of keeping them informed. Its staff engagement scheme has the objective of encouraging staff feedback about how the company and individual staff can deliver the common goal of a focus on the passenger. It has won the CIPD award for staff engagement.

Southern promotes a culture amongst its staff that where they see something which could be improved, they provide feedback on how it can be changed. Customer satisfaction scores are directly linked to profit share for staff so that they can both share in the success, and be encouraged to suggest ways to continually improve.

First TransPennine Express undertakes a staff survey which is completed by the majority of staff and is seen as a rich source of information. It is used to drive changes and looks at how it can engage its workforce by, for example, asking if staff have the right tools for the job. Similarly, feedback from trainers from all staff training sessions was seen as an invaluable means of receiving staff feedback.

Staff feedback schemes

- 4.5 Some train operators have developed formal staff feedback schemes with some offering incentives or prizes as encouragement, whilst others have adopted a less formal approach.

Chiltern has developed a scheme to promote innovative suggestions from staff with a monetary award when the idea is taken forward. One example included a driver who suggested that using a simple symbol to show where bikes were permitted on journeys would make timetables less confusing to passengers.

Greater Anglia has a 'bright ideas' scheme which encourages staff feedback and even minor suggestions have already led to changes with large benefits for passengers. For example passengers have benefitted from better, timelier information as a result of staff suggestions for issuing Blackberries to staff on the ground. The staff appraisal scheme has been directly aligned with the programme.

Southeastern's employee engagement approach includes a monthly opportunity for staff to meet the senior executive team and it has introduced an internal social networking facility to promote more open information flows across the organisation.

Benchmarking performance

- 4.6 Whilst most train operators will benchmark their passenger satisfaction results against other train operators, a small number of train operators are also starting to benchmark themselves against companies in other sectors, for example through the net promoter scores (see chapter 2).

ScotRail shares best practice with others in First Group in regular meetings. It also sets standards based on those seen in other sectors. For example when it puts on replacement bus services it strives to ensure those buses perform well against First's bus operating division standards. It also benchmarks and aspires to be best in class against service providers in other sectors and promotes staff membership of the Institute of Customer Services.

First Transpennine Express externally benchmarks itself against other train operators and other sectors within the EFQM excellence model. This process involves peer reviews and close analysis of features that are common to highly performing organisations. The objective is to make continuous improvement in line with the best in the field in order to deliver higher customer satisfaction scores.

Annex A: Train operator meetings

A.1. The train operators we met were:

- (a) Arriva Trains Wales
- (b) c2c
- (c) Chiltern Railways
- (d) Cross Country
- (e) East Coast
- (f) East Midland Trains
- (g) Eurostar
- (h) First Capital Connect
- (i) First Great Western
- (j) First ScotRail
- (k) First TransPennine
- (l) Grand Central
- (m) Greater Anglia
- (n) Heathrow Express
- (o) Hull Trains
- (p) London Midland
- (q) London Overground
- (r) Merseyrail
- (s) Northern
- (t) South West Trains
- (u) Southeastern
- (v) Southern
- (w) Tyne & Wear Metro
- (x) Virgin Trains

A.2. The following list of questions used as a guide to the topics we wanted to cover in our meetings with train operators, set out in the letter we sent to train operators' Commercial Directors:

- (a) How does your organisation's governance, policies and leadership ensure compliance with your consumer law obligations?
-

- (b) How do you develop, implement and monitor complaints handling procedures (CHPs) and disabled people's protection policies (DPPPs)?
- (c) How does your organisation define and measure customer satisfaction? Do you have internal targets?
- (d) How do you engage with your passengers (how do you receive and seek feedback) and what is done with this feedback – how does it effect and drive change within the organisation for the better?
- (e) How do you factor consumer concerns and this intelligence into your management decisions?
- (f) How do you measure your own performance as deliverers of good customer service?
- (g) What would you highlight as the main issues for passengers (complaint/feedback) received by you in the past six months?
- (h) How do you involve staff in developing processes and delivering excellent customer service? How do you bring out the best possible performance from staff and ensure consistency in approach across the organisation?
- (i) Do you have any current initiatives for actively engaging with passengers?

Annex B: Principles for assessing good practice

B.1. This annex explains the principles proposed by the Consumer Council for Water in assessing customer engagement and the approach adopted by the Parliamentary and Health Service Ombudsman (PHSO), from its Principles of Good Complaint Handling¹⁵ and Principles for Remedy.¹⁶

The Consumer Council for Water

B.2. The Consumer Council for Water has set out its expectations on water companies' customer engagement for the 2014 Price Review. The expectations are articulated as a number of high-level principles *“for engagement which provide some advice on how to ensure that best practice is followed and plans are based on good quality evidence from a representative customer base”*.

B.3. The Consumer Council for Water high-level principles¹⁷ include the need to:

- (a) consult with all segments of the customer base that may be affected by the decision, putting extra effort into consulting with vulnerable or hard to reach groups
- (b) engage with representative bodies
- (c) segment customer types and use a variety of methods to reach different groups
- (d) be open and transparent with consumers throughout the process
- (e) ensure that engagement is timely
- (f) make it as easy as possible for people to take part
- (g) provide all the information customers will need in order to give informed views
- (h) provide customers with the full range of possible operating and capital investment solutions, with associated price options based on realistic cost assumptions
- (i) engage customers on all aspects of the business plan
- (j) show customers how their views have influenced decisions

¹⁵ <http://www.ombudsman.org.uk/improving-public-service/ombudsmansprinciples/principles-of-good-complaint-handling-full/2>

¹⁶ <http://www.ombudsman.org.uk/improving-public-service/ombudsmansprinciples/principles-for-remedy>

¹⁷ <http://www.ccwater.org.uk/waterissues/pr14/futurepricesettingccwatersviews/>

- (k) carry out at least one statistically robust and demographically reflective piece of research to determine customers' priorities and willingness to pay when changes in price and service are proposed.

The Parliamentary and Health Service Ombudsman

B.4. The Parliamentary and Health Service Ombudsman's suite of documents contains Principles of good administration; Principles of good complaint handling; and Principles for remedy.¹⁸ These propose some key principles, including:

- (a) Getting it right
 - (i) acting in accordance with the law and with regard for the rights of those concerned
 - (ii) acting in accordance with the organisation's policy and guidance
 - (iii) taking proper account of established good practice
 - (iv) providing effective services, using appropriately trained and competent staff
 - (v) taking reasonable decisions, based on all relevant considerations.
- (b) Being customer focused
 - (i) ensuring people can access services easily
 - (ii) informing customers what they can expect and what the organisation expects of them
 - (iii) keeping to commitments, including any published service standards
 - (iv) dealing with people helpfully, promptly and sensibly, bearing in mind their individual circumstances
 - (v) responding to customers' needs flexibly, including, where appropriate, coordinating a response with other service providers.
- (c) Being open and accountable
 - (i) being open and clear about policies and procedures and ensuring that information, and any advice provided, is clear, accurate and complete
 - (ii) stating criteria for decision making and giving reasons for decisions
 - (iii) handling information properly and appropriately
 - (iv) keeping proper and appropriate records
 - (v) taking responsibility for actions.
- (d) Acting fairly and proportionately
 - (i) treating people impartially, with respect and courtesy

¹⁸ <http://www.ombudsman.org.uk/improving-public-service/ombudsmansprinciples>

- (ii) treating people without unlawful discrimination or prejudice, and ensuring no conflict of interests
 - (iii) dealing with people and issues objectively and consistently
 - (iv) ensuring that decisions and actions are proportionate, appropriate and fair.
- (e) Putting things right
- (i) acknowledging mistakes and apologising where appropriate
 - (ii) putting mistakes right quickly and effectively
 - (iii) providing clear and timely information on how and when to appeal or complain
 - (iv) operating an effective complaints procedure, which includes offering a fair and appropriate remedy when a complaint is upheld.
- (f) Seeking continuous improvement
- (i) reviewing policies and procedures regularly to ensure they are effective
 - (ii) asking for feedback and using it to improve services and performance
 - (iii) ensuring that the organisation learns lessons from complaints and uses these to improve services and performance.

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