

John Larkinson
CEO, Office of Rail and Road
25 Cabot Square
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8th January 2020

Dear Mr Larkinson

Thank you for your letter dated 15th November and presenting the report conducted on your behalf by Winder Phillips Associates (WPA) at RDG Board during the November meeting. As an industry, the customer is very much at the heart of everything we do and our plans to change and improve the railway are rooted in enhancing the experience for everyone who travels by and relies on the railway.

We always strive to provide customers with the information they need, however we recognise that in the past, especially during times of disruption, we have not always met customers expectations. Network Rail, TOCs and RDG are committed to improving customer information and recognise the scale of the issue. To achieve the experience that we aspire to for customer information, will take significant time, effort and funding.

We recognise the importance of customer information and it is one of our four strategic pillars under Customer Board. Customer information covers all stages of the customer journey from exploring options before travel to contacting operators post travel. Understanding our customers and their needs is paramount in designing a strategy that can deliver a successful and sustained customer experience. Delivery of the strategy requires collaboration across all industry stakeholders underpinned by clear process, strong leadership and a unifying vision. Our vision for customer information is simple "provide customers all the information they want, when and how they want it"

Prior to your letter and your report being published, we had actively accelerated our work and focus in this area. We have already started to put in place plans and building blocks that as part of a wider programme will result in an improved customer experience, especially during times of disruption. In April we appointed a Director of Customer Information and in July our customer information strategy was endorsed by Customer Board. The strategy is grounded in customer insight including a 90-day independent study (by Digital Rail Strategies) on the information flow from incident to resolution, which included numerous interviews with TOC and Network Rail staff. The strategy is iterated on an ongoing basis through the industry wavelength programme that measures, on a weekly basis, customer feedback on 107 customer touchpoints across all operators and has over 60,000 completed customer surveys so far.

The strategy identifies three key themes, that if addressed will lead to a significant and sustained improvement in the customers' experience and ultimately reflected in improved customer satisfaction scores. The themes are:

- Provide customers with information when they want it – **timely** information about their journey.
- Provide customers with all the information they require – **complete** and **accurate** information about facilities & interchange
- Provide customers with personalised information to enable them to make informed journey decisions.

To help achieve this, we will provide our people with the right tools and latest information to assist customers with their information needs.

The strategy identifies several interventions, ranging from short-term tactical improvements, through to longer term strategic system improvements that will enable customers and staff alike to have timely, accurate and complete information.

The interventions are specifically designed to address the strategic themes, and work has already commenced on a number of them to test the impact they will have prior to them being rolled out universally. Summarised in appendix A are some of the key interventions that will form the basis of an industry plan that we will present to the ORR on 20th April 2020.

Whilst a plan for delivery will follow, today RDG on behalf of TOCs and Network Rail can make the following commitments:

- **We commit** to working with WPA to develop a Customer Information Measure (Maturity model) for review by the Customer Information Strategy group at their April 2020 meeting.
- **We commit** to developing a plan for discussion with the ORR by 20th April 2020.
- **We commit** that RDG and Customer Boards will monitor and review progress of the plan.
- **We commit** to completing the rollout of the one-station initiative at Liverpool Street and to continue to develop the concept for Waterloo in 2020.
- **We commit** to rolling out a personalised information tool for customers using social media by 1st April 2020.
- **We commit** to a review of the information quality provided through National Rail Enquiries (NRE) by 1st April 2020.
- **We commit** we will present a business case to Customer Board in January 2020 for substantial investment in NRE's digital channels to provide better information to customers and data feeds to 3rd parties.
- **We commit** to change our governance and create a Customer Information Strategy group by 1st April directly responsible for iterating the strategy and components of the Customer Information Measure (maturity model). This group will be formed with operator and Network Rail Directors.
- **We commit** that additional resource will be brought in to work specifically to work-up and deliver propositions.

For the plan to be successful, a number of obstacles will need to be overcome, the principle obstacle relates to funding some of the key system changes required. If the systems changes can be delivered, they will benefit the industry for years to come. Consideration to the financial obstacles must include:

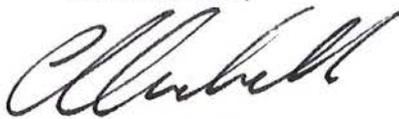
- **Contract cycle**, so that any costs can be capitalised across current and future passenger delivery contracts (franchise) either through financing or utilisation of transferable assets and/or residual value mechanisms.
- **Contract specification**, to include specific output-based customer information requirements that are aligned to the strategy.
- **Use of innovation funds**, to be directly linked to customer pain points identified through the Wavelength insight program. The Wavelength program itself will require surety of funding going forward.
- **Utilisation of existing funds**, a number of funds currently exist today, for example the performance innovation fund has a ring-fenced **£40m** available throughout CP6, these and other funds should be identified as opportunities for financing.
- **Control period funding**, to have funds for ongoing customer information development ring-fenced, including the current control period.

Licence conditions and regulatory technology should also be reviewed to ensure they are consistent with enabling the provision of better customer information. For example, there are the existing PIDD conditions that will need to be reviewed and from a regulatory perspective we know that fares complexity is also a barrier for better customer information.

The industry recognises the importance of this work and that close alignment and collaboration between the operators and Network Rail is essential. To that end, two executive sponsors have been identified to develop the plan; Nick King from Network Rail and Susie Homan from RDG and we would welcome support and collaboration from the ORR and the DfT.

This work is part of wider efforts by the industry to deliver long-lasting and meaningful reforms to the way the railway is run. Through a New Partnership Railway we are working to create a railway that is more focussed on customers, more responsive to local communities and more accountable, so that the railway always delivers the best possible experience for those it is there to serve.

Yours Sincerely



Chris Burchell
Chairman

APPENDIX A

The interventions set-out below will form the basis of the detailed plan that will be discussed with the ORR on 20th April 2020, clearly setting out what we will seek to achieve and by when.

This list will must be driven by customer insight and will therefore change and be iterated over-time. Our wavelength program and changes to governance will facilitate this.

People: *enabling a customer centric culture*

- **Adoption of the one-station and ambassador concept at major stations:** The concept of one station is about empowering staff, removing barriers between operators & Network Rail, providing staff with the right tools / training and taking the responsibility to resolve issues for the customer. Where this is live, we have seen 20% increase in key NRPS scores, 20% reduction in complaints and an increase in staff morale.
- **Adoption of the one-station concept at multi-operator stations:** Extend the concept and the principles of one-station beyond the Network Rail major stations.
- **Customer centric culture training:** Ensuring a focus on the customer is included as part of training for all operational roles.

Systems: *enabling technology to be an agent of change using integrated solutions*

- **Stock & crew alignment:** Punctuality remains the number 1 priority for customers, in order to deliver an effective and reliable timetable (even during times of disruption) we need a plan that considers our assets (namely trains and infrastructure) and our train crew in unison. Currently separate systems control these assets.
- **Adopt an industry incident management system or improved data integration:** Along with creating an industry-wide consistent process for managing disruption, a well aligned technology suite that has a dual incident and real time disruption management function is required. The current practices and processes lead to a situation where when things are running well, there is little to do. However even minor levels of disruption lead to an exponential increase in workload for control teams. Lots of the same information needs to be input several times in different systems and communicated widely to different audiences in slightly different ways. This is the principle behind the Avanti West Coast “back on track” app, that has seen a 70% reduction in calls to control, a 10-point swing in NPS scores and increased staff interaction.
- **Seamlessly aligning the timetable and retail process:** Implementing a process in the daily timetable feed to enable identification of timetable changes and engineering works. Then mandate all retailers to advertise to customers, and for online / smart tickets to pro-actively notify customers of changes who hold time specific tickets.
- **Smart alignment:** As an industry we have taken significant strides to provide customers with the smart tickets many desire. Mobile tickets in particular provide a further opportunity to deliver time sensitive information to the customer about their journey.

- **GPS fitment:** GPS provides more accurate train running information. The industry has embarked on a program of fitting GPS units to trains and then incorporating GPS movements into Darwin, the industry real time system.
- **Utilise full GSM-R capabilities:** GSM-R has the ability for broadcast calls to many people rather than individuals, that can reduce the time between an issue and resolution in addition to ensure consistency of message. GSM-R can be further utilised to improve communications.
- **Develop National Rail Enquiries (NRE):** Millions of customers each year visit or call NRE for information about their journey. We are developing a business case to invest further in NRE to provide information to customers in a clearer and more consistent way.

Process: *Ongoing accountability and strategy iteration*

- **Governance:** Creation of a senior level body responsible for the delivery of and the ongoing iteration of the Customer Information strategy and the Customer Information Measurement (maturity model).
- **Targeted innovation:** Wavelength which monitors 107 customer touchpoints across all operators and Network Rail, identifies specific pain points and their importance to the customer. Better alignment of innovation funding should be applied to target grants to priority areas. The Zipabout initiative is a good example where Zipabout have been granted RSSB funding to provide customers with personalised disruption advice. Southeastern and Network Rail as part of the one-team concept have used targeted funding; seating was a priority and has seen a rise of 35% in terms of satisfaction in that area.

Data: *Embrace open data to provide a single version of the truth*

- **Internet of Trains (IoT) and Internet of Stations (IoS):** As an industry we have lots of data, that we can provide to ensure our teams and customers have access to all the information they need. The IoT and IoS concept is about making this information accurate and available through open data for TOCs, developers and 3rd parties to use, and therefore having “*a timely single source of the truth*”. Using internet enabled sensors we can report in real time things, like if a toilet is working, how full a train is, if the aircon is working, if the lifts are working, if a train is the wrong way round, how full a car park is ... the list is endless and addresses a customer need for more and timely information. Proof of concepts have already been done to prove this.
- **Open data:** In line with the sector deal and our commitments as part of the “Joint Rail Data Action Plan” further increase our provision and support of open data to enable developers, 3rd parties and industry partners to provide customers with timely, consistent and accurate information.
- **Information quality:** Undertake a review of the quality of information provided through our open data and public facing channels like National Rail Enquiries. This should also extend to the process of how information is kept up to date.
- **Appropriate data sources and data integration:** Exploring the concept of an industry data integration layer using API’s to share data across operators and Network Rail. A good example has been the success of Darwin as a centralised industry system that is now a very open data platform. Messaging and incident logging could follow a very

similar model, allowing application developers to build solutions that suit each TOC and support organizations needs very quickly.

Measurement & monitoring: *Create a cycle of learning through insight and measurement*

- **Customer service code of practice:** Development of a standard technical competency for “Customer Service During Disruption” that is focused on provision of information and welfare to customers when things go wrong.
- **CSL2 Code of practice:** Review and refine the current CSL2 process. This should take into account and share best practice from operators to ensure we have a consistent approach and streamlined process for enacting CSL2.
- **Customer Information Measurement (maturity model):** Use of a maturity model is commonplace within the industry and can facilitate sharing of best practice. We welcome the work already started by WPA on developing a model and would request that the ORR fund WPA to continue working with the industry to develop a model that can be presented to the Customer Information Strategy group in April 2020.
- **Wavelength:** Continued investment in the industry tool that enables insight driven decisions to address customer pain points based on near time customer feedback.
- **Improve estimates:** Adopting a culture of using AI and past experience to analyse the impact of a disruption and provide more informed estimates and appropriate travel advice. This should be more personalised to the customer rather than a blanket “disruption expected until” message.
- **Timeliness of information:** Aligned to the principle of providing customers and staff with information when they need it, review each stage and process of the information flow to improve the speed of information being provided to the customer.

A number of these interventions will need to be impacted and validated to ensure they deliver the required change, this will be captured in the plan to be provided in April 2020. Many of the changes (especially systems) will be complex to deliver, take time and funding of these will need to be resolved before they can be progressed.