Independent review of train operators' revenue protection practices

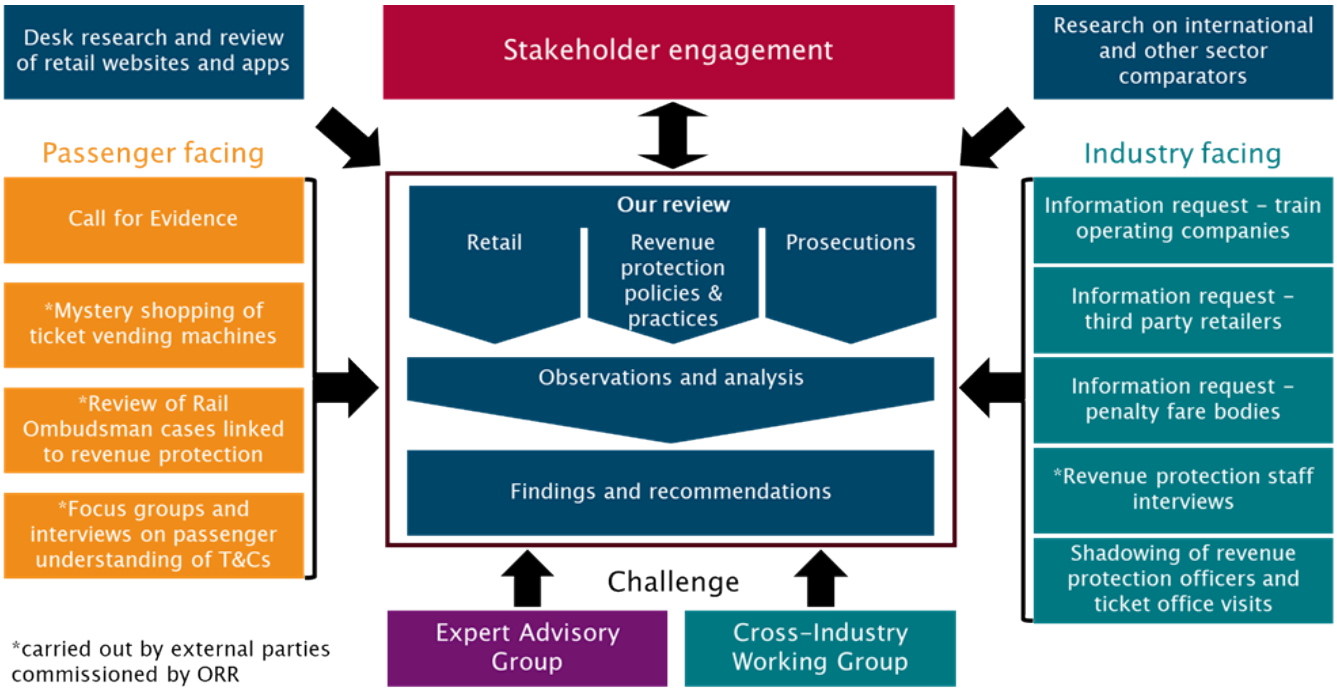
2. Approach to the review

Introduction

2.1 This chapter outlines the approach we took to inform our recommendations for improving fairness and effectiveness in revenue protection practices across the mainline railway network in Great Britain.

2.2 Our approach sought to build a strong evidence base, informed by primary research and broad stakeholder engagement, and tested through robust independent scrutiny.

Figure 2.1 Our approach to the review



Governance structure

2.3 Our report is centred around the terms of reference established by DfT at the start of the review in November 2024 and approved by the Secretary of State. These set out the issues we were asked to investigate and report on and, as such, reflect the concerns relating to revenue protection known at that time. In addition to setting out specific issues for investigation, the terms of reference also provided flexibility, recognising that our review might uncover other matters that should be investigated.

2.4 Our work was also supported by two key advisory bodies:

- **Expert Advisory Group**: An independent group comprising six specialists with legal, consumer, regulatory and rail industry expertise. The group provided independent advice to ensure our findings and recommendations were credible, evidence-based, fair, and aligned with broader regulatory and financial objectives. Five members (including the chair) were external to ORR, with the sixth being an ORR non-executive director specialising in consumer affairs. The group's members are listed on our website.
- **Cross-Industry Working Group**: Chaired by RDG, this fortnightly forum included senior representatives from TOCs' revenue protection and commercial teams, owning groups, DfT, and Great British Railways Transition Team. The group contributed knowledge, raised questions, and provided ongoing feedback and challenge throughout the review process.

Evidence gathering and development of findings

2.5 As set out in Figure 2.1, we built a comprehensive evidence base through multiple sources:

- **Desk-based research:** At the beginning of the review, we analysed publicly available information to understand current revenue protection arrangements and how legislation, industry policy, and TOC policies fit together. This helped us identify knowledge gaps and adapt our approach accordingly.
- **Review of ticket retailing:** We reviewed the information available on rail retailers' websites and apps to examine how ticket information is presented to passengers and how this differs in content and presentation across platforms.
- **Information requests:** We issued substantive information requests to TOCs and third-party retailers to gather internal documentation on policies, training, systems and procedures, alongside quantitative and qualitative data on revenue protection activities.
- **Call for Evidence:** We asked passengers to provide details of their experience with revenue protection. The Call for Evidence was open from 16 December 2024 to 31 January 2025 and received over a thousand responses from passengers describing experiences where they:
    - were required to buy a new ticket or pay an additional fare;
    - were required to pay a penalty fare (including the cost of a new ticket); or
    - faced prosecution or other action by a TOC.

    While the results cannot be considered representative of the experiences of all passengers who engage with revenue protection staff (as those who responded were inevitably self-selecting), the results did enable us to identify themes to investigate further. We received supporting evidence such as photos, letters and emails for a number of these submissions.
- **Independent Research Reports:** Following our initial review and engagement with stakeholders, we commissioned several reports into specific aspects of the revenue protection landscape.
    - **Mystery shopping of ticket vending machines ('ESA report'):** ESA Retail carried out an assessment of a representative sample of TVMs across the network to evaluate the quality of information provided on ticket types and terms/conditions.
    - **Passenger understanding of ticket terms and conditions ('Illuminas report'):** Building on earlier work commissioned by Transport Focus, Illuminas facilitated

focus group discussions and in-depth interviews exploring passengers' understanding of ticketing T&Cs. Illuminas also carried out follow-up in-depth interviews with respondents to our Call for Evidence.

    - **Interviews with revenue protection staff ('Savanta report'):** Savanta carried out in-depth discussions with frontline revenue protection staff and senior managers from TOCs within each of the main owning groups to understand their perspectives on revenue protection policy and practice.
    - **Report by the Rail Ombudsman on cases it investigated that relate to revenue protection ('Rail Ombudsman report'):** This provides an analysis of complaints referred by passengers to the Rail Ombudsman related to revenue protection, providing case studies and thematic insights.
- **Stakeholder engagement:** We met with a broad base of stakeholders to inform both our approach to the review and our findings and recommendations. While we have included a full list in Annex C, it includes:
    - TOCs and owning groups;
    - TPRs;
    - passenger representative bodies Transport Focus and London TravelWatch;
    - revenue protection agencies and penalty fare appeal bodies;
    - the National Union of Rail Maritime and Transport Workers (RMT), which surveyed 4,000 of its members and provided a written submission; and
    - Ministry of Justice, HM Courts and Tribunal Service (HMCTS) and BTP.
- **Visits and shadowing:** As part of our engagement with TOCs we carried out a number of visits to learn more about the issues rail staff face in the course of their work. This included:
    - visits to ticket offices to observe staff selling tickets and gather their perspectives;
    - shadowing revenue protection teams from 15 TOCs to witness their interactions with passengers; and
    - meetings with back-office staff supporting revenue protection activities.
- **Comparative Research:** We carried out research to understand revenue protection approaches across other sectors and international rail operators. This included reviewing European rail networks, UK tram and bus operators, and other sectors like car parking and TV licensing to identify potential good practice that might be relevant to our review.

Analytical process

2.6 In order to develop our findings and recommendations, we assessed the evidence we had gathered using a robust analytical approach. We:

- developed principal observations based on the evidence, considering their importance to the terms of reference;
- considered the level of harm to passengers on the one hand, and to TOCs, farepayers or taxpayers on the other;
- refined initial observations through internal and external challenge, including from DfT, our Cross-Industry Working Group and the Expert Advisory Group;
- distilled findings into primary themes and issues, and organised these into three main areas:
    - retail systems and ticketing terms/conditions that create challenges (set out in chapter 3);
    - revenue protection policies and practices (set out in chapter 4); and
    - TOCs' prosecution policies and practices (set out in chapter 5)

2.7 Our recommendations are in chapter 6.

2.8 The scope of the review was limited both by the need to focus on answering the questions set out in the terms of reference but also the practical challenges of concluding the review within the prescribed six-month timeframe. Accordingly, there are some areas where further work would be required following the review to fully explore or confirm certain points or issues. We have identified these in the report.

Acknowledgements

2.9 As shown above, this review has involved a vast amount of information gathering, stakeholder engagement and analysis in a relatively short period of time. It would not have been possible without the input, support and goodwill of all those who have engaged with us and assisted us in our work. Among others, this includes those who have responded to our information and evidence requests, provided data, facilitated visits and otherwise given us their time. We are grateful to all who have supported us.

2.10 In particular, we would like to thank the members of our Expert Advisory Group and Cross-

Industry Working Group for the constructive challenge and support they have provided. We also wish to thank colleagues at Transport Focus for granting us early access to their research prior to publishing their own work on revenue protection matters, and for sharing their insights and expertise in respect of this.

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- → Next 3. Retail